SHIRPUR GOLD REFINERY LIMITED

35th ANNUAL REPORT 2019-20

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

Ashok Sanghavi
CFO

Shyamal Padhiar
Company Secretary

AUDITORS

M/s. Parikh & Parikh
Chartered Accountants

BANKERS

IFCI 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
135, Continental Building, Dr. A.B. Road,
Worli, Mumbai – 400 018
Tel: 022 7106 1234
Fax: 022 7154 5940
E-mail: investorinfo@shirpurgold.com
www.shirpurgold.com

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

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Notice

Notice is hereby given that the 35thAnnual General Meeting of the Equity Shareholders of Shirpur Gold Refinery Limited will be held on Thursday, 31st December, 2020 at 10.00 a.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 31stMarch, 2020 includingthe Balance Sheet as at 31st March, 2020, the Statement of Profit & Loss for the financial yearended 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.

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

Place: Mumbai
Date: 6th November,2020

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. 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.

4. Members who are holding Company's shares in dematerialized mode are requested to bring details of their Beneficiary Account Number for identification.

5. Members who wish to obtain information on the Financial Statements for the year ended 31st March, 2020, 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.comso as to enable the management to keep the information ready at the meeting.

6. Electronic Copy of the Annual Report for 2019-20 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication. In terms of Ministry of Corporate Affair's circular, physical copies of the Annual Report is not required to be send to any shareholders. The Annual Report can be accessed at the Company's Website www.shirpurgold.com

7. 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 IntimeIndia 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.

8. **E-voting**

   In compliance with Section 108 of the Companies Act, 2013 read with Companies (Management andAdministration) Rules, 2014 and Regulation 44 of the SEBI Listing Obligations and Disclosure Regulations) 2015, (Listing Regulations), the Company is pleased to provide members facility to exercisetheir right to vote at the 35thAnnual 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 Link Intime India Private Limited (LIIPL) 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 fromSunday,27th December,2020at 9.00 a.m. and will end on Wednesday,30th December,2020 at 5.00p.m. During this period equity shareholders of the Company holding shares either in physicalform or in dematerialised form as on the cutoff date of24th December,2020 may cast their voteelectronically. The e-voting module shall be disabled by LIIPL for voting thereafter. Oncethe vote on a resolution is cast by any Member, he/she shall not be allowed to change itsubsequently.

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. 24th December,2020 may refer the e-voting instructions annexed to this notice or send their query at enotices@linkintime.co.in.

11. The facility for voting by way of Ballot / Poll paper shall also be made available at the venueof 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 meetingor by way of Ballot / Poll paper at the meeting shall be in proportion to their equityshareholding in the paid up equity share capital of the Company as on the Cut-off date24th December,2020.

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 M/s Shravan Gupta& Associates, PractisingCompany Secretaries as Scrutinizer to supervise remote e-voting process as well as conduct the 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, 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. **Remote e-Voting Instructions for shareholders:**

    1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in

       Those who are first time users of LIIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

- Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details:

A. User ID: Enter your User ID

- Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
- Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
- Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

- Shareholders/ members holding shares in CDSL demat account shall provide either 'C' or 'D', above
- Shareholders/ members holding shares in NSDL demat account shall provide 'D', above
- Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
- Click "confirm" (Your password is now generated).

NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIIPL: https://instavote.linkintime.co.in, and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on 'Login' under 'SHARE HOLDER' tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.
4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.
8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution / authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

   If you have forgotten the password:

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/ her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

  For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in the Notice.

  During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

  Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

  In case shareholders/ members have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

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 Thursday,24th December,2020 to Thursday,31st December,2020(both days inclusive) for the purpose of Annual GeneralMeeting.
21. Members who have not registered their e-mail addresses so far are requested to register theire-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically

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

Name	**Amit Goenka**
Age	44 years
Qualification	Graduate in Business Administration
Experience	20 years
Date of Appointment on the Board of the Company	18.12.2018
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 ZeeEntertainment Enterprises Limited (ZEEL). Under his leadership, ZEEL is taking the right steps to achieve its global ambitions, set for the year 2020. Prior to this role, Mr. Goenka has successfully managed the technology business of the Essel Group, and has played a vital role in the setting up the stateof- the-art processes in all the group companies. Mr. Goenka's first venture was Cyquator Technologies Ltd - a company which deals into web hosting and e-solutions space. In the past, He has served as Promoter Director of "Shirpur Gold Refinery Ltd."
Name of the other Companies in which Directorship held	-
Name of the other Companies in which He / she is Chairman / member of the Committee	-
No. of shares held of Shirpur Gold Refinery Ltd.	-
Relationship between Directors inter-se	He is Promoter Director but not related with any other Director.

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

Place: Mumbai
Date: 6th November, 2020

Shyamal Padhiar
Company Secretary

Directors' Report

To
The Members of
SHIRPUR GOLD REFINERY LIMITED

Yours Directors take pleasure in presenting the 35th Annual Report of your Company together with Audited Statement of Accounts for the year ended 31stMarch 2020 prepared as per Indian Accounting Standards prescribed under Section133 of the Companies Act, 2013.

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 2019-20, your Directors confirm that:

a) The Financial Statements of the Company - comprising of the Balance Sheet as at 31st March, 2020 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;

b) 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 31st March, 2020, and, of the loss of the Company for the year ended on that date; and

c) 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;

d) Requisite Internal Financial Controls had been laid down and that such internal financial controls are adequate and were operating effectively; and

e) 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

(₹ in Millions)

Particulars	Standalone – Year Ended		Consolidated – Year Ended	
	31.03.2020	**31.03.2019**	**31.03.2020**	**31.03.2019**
Total Revenue	5,422.01	18,959.61	35,663.66	42,745.66
Total Expenses	6,896.62	18,899.49	37,069.12	42,519.39
Profit / (Loss) before Tax	**(1,474.61)**	**60.12**	**(1,405.46)**	**226.27**
Less: Exceptional Item	-	(19.56)	-	-
Current Tax	-	(8.35)	-	(8.35)
Deferred Tax	-	(4.71)	-	(4.71)
Profit / (Loss) after Tax	**(1,474.61)**	**27.50**	**(1,405.46)**	**213.21**

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 2019-20.

DIVIDEND

In view of the losses incurred by the Company during current year, your Directors do not recommend any dividend for the year under review.

TURNOVER AND COMPANY PERFORMANCE

The total revenue for the financial year under review was Rs. 5,422.01Millions as against Rs. 18,959.61 Millions showing decrease over previous year. Your Company has registered the Net Loss before tax of Rs. 1,474.61 Millions as against Profit of Rs.40.56 Millions in the previous financial year. The Loss after tax stood at Rs. 1,474.61 Millions as compared to profit after tax of Rs. 27.50 Millions in the previous financial year.

COVID -19

The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

The Government of India in order to contain the spread of the COVID-19 pandemic announced a nationwide Lockdown on 25th March 2020. Accordingly, Company continued with shut down of its manufacturing / trading operations at facilities in India. Company is ensuring compliance with the directives issued by the Central Government, State Governments and local government and is maintaining social distancing and taking the required precautions for all employees of the Company.

There is no material impact due to countrywide lockdown on account of COVID-19 pandemic and considering the business segment (Precious Metals) in which company operates, there was no material impact which require any adjustment in financial statement as the Company did temporarily stop manufacturing and trading operations due to paucity of funds, the notice from lenders for possession of the factory premises, and various legal and regulatory actions against the company.

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, weighment, shape, size and aesthetic look.

BUSINESS EXCELLENCE & RECOGNISITON

- 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.

CREDIT RATING

During the year under review, CRISIL and CARE had revised the Long term rating of the Company from 'BB + Stable' to 'D' and short term rating from 'A4' + to 'D' on account of delay in debt servicing.

SUBSIDIARIES

INTERNATIONAL OPERATIONS

As at March 31, 2020, your Company had1 Wholly Owned Subsidiary namely, Shirpur Gold DMCC, Dubai, the name of which changed from 'Zee Gold DMCC' effective from 23.01.2020 and2step down subsidiaries namely 'Precious Metals Mining and Refining Limited' ("PMMRL"), Papua New Guinea and Metallic Exploration And Mining, Mali.

During the FY 2016-17, "PMMRL" step down subsidiary commenced it's operations on trial basis, however it couldn't continue the same due to limited resources and other difficulties. Hence, the Board of Directors of the Company decided to close down the above subsidiary. The above subsidiary is in process of closure and is non operative and non-material. Metallic Exploration And Mining, Mali, step down subsidiary of the Company is yet to commence it's operations.

Apart from the above, the Company has neither formed any new subsidiary, associate or Joint venture nor any company ceased to be subsidiary,

In line with amendments of threshold for determining Material Subsidiary as stated in Regulation 16(1)(c) of Listing Regulations, Shirpur Gold DMCC, a wholly owned overseas subsidiary remains a Material Subsidiary of the Company.

The policy for determining material subsidiaries of the Company is available on the website of the Company www.shirpurgold.com.

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 financial statements including the consolidated financial statements and related information of the Company and audited accounts of each of the subsidiaries are available on the website of the Company www.shirpurgold.com.

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 Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015 ("Listing Regulations"), applicable provisions of the Companies Act,2013 and applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

A detailed Report on Corporate Governance as per requirement of Listing Regulations along with the Certificate issued by the M/s Parikh & Parikh, Statutory Auditors confirming the compliance of the provisions of the Corporate Governance, is attached and forms part of 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. Additionally, Directors Familiarisation Programme and Terms and Conditions for appointment of Independent Directors can be viewed on Company's corporate website 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. In line with this the Committee had approvedin-principle that the initial term of an Independent Director shall not exceed 5 years.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

As at March 31,2020, Your Board comprised 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 the year under review, Mr. Vipin Choudhary Non Executive Nominee Director resigned with effect from October 31,2019. Your Board places on record it's appreciation for contribution of Mr. Vipin Choudhary as Director.

Mr. Amit Goenkawho was appointed as additional Non Executive Promoter Director of the Company effective from 18th December,2018 was regularized as Director of the Company at the last Annual General Meeting after obtaining requisite approval of shareholders. He is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. Your Board recommends his re-appointment.

During the year under review and after seeking requisite shareholders approval, Ms. Kavita Kapahiwho holds the office of Independent Director of the Company until March 30, 2020 and in respect of whom the Company has received notice in writing from a member under Section 160 of the Act proposing her re-appointment for second term, re-appointed for the second term as an Independent Director not liable to retire by rotation for a period of five years from March 31,2020 until March 30, 2025.

In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

A declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, along with a declaration as provided in the Notification dated October 22, 2019, issued by the Ministry of Corporate Affairs (MCA), regarding the requirement relating to enrollment in the Data Bank for Independent Directors, has been received from two of the Independent Directors, along with declaration made under Section 149(6) of the Act.

The Company has not appointed any Independent Director during the year, hence a statement regarding opinion of the Board with regard to integrity, expertise and experience of the independent Directors appointed during the year is not applicable.

During FY 2019-20, your Board met 6 (Six) times details of which are available in Corporate Governance Report annexed to this report.

During the year under review, Mr. Subhash Pareek ' Manager' &Key Managerial Personnel of the Company resigned w.e.f. 6th December,2019.

Ms. Archita Kothari resigned as CFO of the Company and based on recommendations of the Nomination and Remuneration Committee, Mr. Sharvan Kumar Shah was appointed as CFO on her place effective from April 18,2019. Mr. Sharvan Kumar Shah resigned as CFO of the Company effective from September 30,2019 and Mr. Ashok Sanghavi was appointed as CFO effective from October 14,2019.

In compliance with the requirements of Section 203 of Companies Act,2013, as at March 31,2020, Mr.Ashok Sanghavi, CFO and Mr. Shyamal Padhiar, Company Secretary continue as Key Managerial Personnel of the Company.

PERFORMANCE 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 it's 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.

The performance of each of the Independent Directors was also evaluated taking into account the time devoted, attention given to professional obligations for independent decision making, contribution towards providing strategic guidance, determining important policies, utilising their expertise.

BOARD COMMITTES

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**. 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

In compliance with rotational requirements of Statutory Auditors of the Company as per Section 139 of Companies Act,2013 and after reviewing recommendations of the Audit Committee, M/s Parikh & Parikh, Chartered Accountants, Mumbai (FRN 107526W) was appointed as Statutory Auditors of the Company after obtaining requisite shareholders approval in place of retiring auditors M/s B.S. Sharma & Co., Chartered Accountants, to hold office till the conclusion of general meeting to be held in 2024. Pursuant to the amendment to Section 139 of the Act, with effect from May 7,2018, the requirement of seeking Shareholders ratification for continuance of Statutory Auditor at every Annual General Meeting is no longer applicable and accordingly the Notice of ensuing AGM does not include the proposal for seeking Shareholders ratification for continuance of Statutory Auditors. The Company has received certificate of eligibility from M/s Parikh & Parikh in accordance with the provisions of the Act, read with rules made there under and a confirmation that they continue to hold valid Peer Review Certificate as required under Listing Regulations.

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 2019-20. A copy of secretarial audit report is annexed to this report.

In compliance with the provisions of SEBI Listing Regulations, the Company had submitted Annual Secretarial Compliance Report for the year ended 31.03.2020 to the stock exchanges which was issued by Mrs. Mita Sanghavi, Secretarial Auditor.

The reports of the Statutory Audit for the year ended March 31, 2020, do not contain any qualifications / observations. However, the Management's reply with regards to observations in Secretarial Audit and Annual Secretarial Compliance Report were as under:

1. *The vacancy, in the office of KMP in the category of CEO, caused due to resignation of Manager w.e.f. December 6, 2019 has not been filled as the manufacturing operations of the Company at plant is temporarily closed since February,2020.*
2. *While the Board had approved nomination of one of the Independent Director on the Board of Company's Material overseas subsidiary w.e.f. February 19, 2020, Regulation 24(1) was not complied upto February 18, 2020 as the Company was in the process of identifying the suitable independent director to be appointed on the Board of overseas subsidiary hence it took long time after closure of FY 2019.*
3. *Observation with regards to violation of Listing Regulations due to delay in (a) submitting Annual Report for FY 2018-19 to NSE and (b) reporting changes in credit rating and Penalty levied by, and remitted to, NSE in connection with delay is self explanatory.*

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.

Cost Audit

The provisions related maintenance of cost records as specified by the Central Government under Section 148 of the Companies Act,2013 and to appoint cost auditor to carry out Audit of Cost Records of the Company are not applicable to the Company.

Corporate Social Responsibility

The Company was required to spend Rs. 10.80 Millions (including unspent amount of earlier years) towards Corporate Social Responsibility (CSR) expenditure. However, after analyzing various options and making reasonable efforts to spend the above amount, the Company couldn't find any suitable project due to which the above amount remained unspent as on March 31, 2020.

DISCLOSURES :

I. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186

The details of loans, investments and guarantee as required u/s 186(4) of the Companies Act,2013 are annexed to the Director's Report.

II. RELATED PARTY TRANSACTIONS

All related party transactions, specifying the nature, value and terms of the transactions including the arms-length justification, are placed before the Audit Committee for its approval and statement of all related party transactions carried out is placed before the Audit Committee for its review on a quarterly basis.

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 2019-20, there were 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 FY 2019-20, there were no materially significant related party transactions as defined under Section 188 of the Act and Regulations 23 the Listing Regulations and accordingly transactions required to be reported in Form AOC-2 as per Section 188 of the Companies Act, 2013 is NIL.

III. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

Your Company has adequate internal financial controls and policies/procedures for orderlyand 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.

Your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015. These are in accordance with Generally Accepted Accounting Principles in India.

IV. EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9 is annexed to this report as Annexure. The Annual Return is also available on the website of the Company www.shirpurgold.com.

V. SEXUAL HARASSMENT

Your Company has zero tolerance for sexual harassment at workplace and adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act,2013 and the Rules there under. The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaint on sexual harassment was received by the Company.

VI. REGULATORY ORDERS

No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

VII. DEPOSITS& UNCLAIMED SHARES

Your Company has not accepted any public deposits and as such no amount on account of principal or interest on public deposits under Section 73 of the Companies Act, 2013, read with Companies (Acceptance of Deposits) Rules, 2014, was remained unpaid or unclaimed as at the end of the year 31st March, 2020.

As at March 31, 2020, your Company do not have any unclaimed shares / dividend hence the provisions of the Investor Education and Protection Fund Rules are not applicable to the company.

VIII. INSURANCE & RISK MANAGEMENT

The Company has obtained adequate insurance on all of it's fixed and other assets. The Company has identified the potential risks against the business of the Company and taking proper safeguards to mitigate / minimize the risks. The detailed analysis of the Risk elements are discussed under the 'Management analysis and Discussion Report'.

MANAGEMENT DISCUSSION AND ANALYSIS

The detailed analysis of the State of Company's affairs/ developments is discussed under Management Discussion and Analysis section of Directors' report.

HEALTH, SAFETY & ENVIRONMENT PROTECTION

The Company is operating it's plant in a manner which endeavors protection of health / safety of workers and environment. The

Company is using eco-friendly technology and manufacturing facilities at it's plant to ensure workers safety and health. The 'Green' initiatives taken by the Company by plantation of trees at plant site are one of the best examples of protecting environment. The Company is in compliance with all the applicable labour and environmental laws.

PARTICULARS OF EMPLOYEES

The Company has maintained cordial relations with it's employees and workers. The Company has taken adequate steps to ensure safety and welfare of all it's employees at plant and other places.

Requisite disclosures in terms of the provisions of Section 197 of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report. None of the employee of the Company is in receipt of remuneration of Rs. 1.02 Crores per annum/ Rs 8.50 Lacs per month or more during the FY 2019-20.Theinformationrequired under Rule 5 (2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request.

In compliance with provisions of section 136(1) of the Companies Act, 2013, the Audited Financial Statements along with other reports are sent to every member of the Company, excluding the information on employees' particulars, which is available for inspection at the Corporate Office of the company during working day (except Saturday) upto the date of ensuing Annual General Meeting. Any member who is interested in obtaining copy thereof, such member may write to the Company Secretary.

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

The information required u/s. 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is furnished hereunder :

I. Energy Conservation and Technology Absorption:

Details of energy conservation, technology absorption by the Company along with the information in accordance with the provisions of Section 134(3)(m) of the Companies Act,2013 read with Rule 8(3) of the Companies (Accounts) Rules,2014is annexed to this report.

II. Foreign Exchange Earning and Outgo :

Particulars of foreign currency earnings and outgo during the year are given in Note 38 & 39 to Standalone Financial Statement.

ACKNOWLEDGEMENTS

We sincerely thank all our investors, customers, suppliers, bankers, business partners/ associates, financial institutions and government authorities for their continued co-operation, trust, support and guidance. We also take this opportunity to express our deep appreciation for the contribution, hard work, dedication and commitment of all our employees who have been one of the major driving factors for the company's growth and progress.

For and on behalf of the Board

Place: Mumbai,	**Manoj Agarwal**	**Kavita Kapahi**
Date: July 30, 2020	Director	Director

Annexure to the Directors' Report

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATES / JOINT VENTURE AS PER THE COMPANIES ACT, 2013 FOR THE YEAR ENDED MARCH 31, 2020

Name of the Subsidiary	Zee Gold DMCC	Precious Metals Mining & Refining Limited*	Metalli Exploration & Mining Limited*
Currency	**AED**	**KINA**	**FCFA**
Share Capital	18,450,000	25,000	1,000,000
Othe Equity	-	(25,000)	-
Total Assets	169,092,124	-	807,420,709
Total Liabilities	136,369,218	-	806,420,709
Investments (Other than Subsidiary)	-	-	-
Turnover	1,561,535,183	-	-
Profit before Taxation	3,581,535	-	-
Provision for Taxation	-	-	-
Profit after Taxation	3,581,535.00	-	-
Dividend proposed / paid	-	-	-
% of shareholding	100%	100%	70%

Note : 1. * Held through Shirpur Gold DMCC
2. The Company do not have any Associates / Joint Venture.
3. As on March 31, 2020 = I AED = ₹ 20.536 I KINA = ₹ 21.04 & I FCFA = ₹ 0.12

By order of the Board

Place: Mumbai
Date: July 30, 2020

Manoj Agarwal
Director

Kavita Kapahi
Director

Information under section 186 (4) of the Companies Act, 2013

(₹ in Millions)

	2019	Given	Repaid	2020
a) **Loans & Advances given** Wholly owned Subsidiary (Includes foreign currency realignment)	7.58	49.15	-	56.73

Notes: 1. All Loans are given to wholly owned subsidiary entities on interest.
2. All the advances are provided for business purpsoes of respective entities, repayable on demand with prepayment option to the borrower.

b) Investments made

There is no investments by the Company other than those stated under Note No. 3 in the Financial Statements.

c) Guarantee given

(₹ in Millions)

Name of Party	Particulars	Purpose	2020	2019
Zee Gold DMCC	SBLC Issued	Financing Facilities/Loans	1000.00	1000.00
Zee Gold DMCC	Corporate Guarantee	Financing Facilities/Loans	*753.86	743.59

* 10 Million USD converted @ 75.386 (74.359)

d) Securities given

There are no securities given during the year.

Annexure to the Directors' Report

REPORT OF THE BOARD OF DIRECTORS UNDER SECTION 134 OF THE COMPANIES ACT, 2013, READ WITH COMPANIES (ACCOUNTS) RULES, 2014 FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2020.

A. CONSERVATION OF ENERGY

Energy conservation measures taken:

Management has taken necessary steps for energy conservation. A separate functional team has been identified and assigned the work of energy management. Energy consumed is monitored day wise and separate energy report is prepared and circulated to create awareness amongst all consumers within the refinery.

i) Steps taken to conserve the energy:

1. The Company has replaced most frequently used air conditioners with energy efficient air conditioners which resulted in significant power saving.
2. The Company has replaced watering pumps in garden by energy efficient pump which resulted in significant power saving.
3. The Company has earned 7 % rebate on energy bill amount by maintaining Power Factor Unity.
4. Up gradation of plant machinery has achieved more production with less power consumption (in terms of kg produced/ Unit of power) compare to previous Financial year.

ii) Steps taken to for utilizing alternate sources of energy:

1. The Company has identified Non Productive consumption of Power like Garden Irrigation, Overhead water tank Filling etc. in which segment, cost per Unit of power is less than the basic rate .
2. The water consumption for Irrigation has been reduced by introducing Drip irrigation for flower plants and Sprinklers for lawn .

iii) The capital investment on energy conservation equipment: NIL

The particulars with respect to Conservation of Energy are given in Form A.

B. TECHNOLOGY ABSORPTION& RESEARCH & DEVELOPMENT

The Company while conducting it's refinery operations uses latest technology to derive maximum benefits at minimal cost. The Company makes continuous efforts to reduce the cost of it's plant operations by identifying the areas in which improvement is possible.

The expenditure incurred on Research and Development is NIL.

For and on behalf of the Board

Place : Mumbai,	**Manoj Agarwal**	**Kavita Kapahi**
Date : July 30,2020	Director	Director

Form A for Disclosure of particulars with respect to Conservation of Energy

	2019-20 Total	2018-19 Total
POWER AND FUEL CONSUMPTION:		
1. Electricity :		
a) Purchased Units (KWH in Thousands)	210.72	263.58
Total amount (Rs.In Millions)	2.37	2.99
Rate/Unit (Rs.)	11.24	11.36
b) Own Generation :		
i. Through D G Power Plant		
Units (KWH in Thousands)	Nil	Nil
Fuel Cost / Unit (Rs)	Nil	Nil
ii. Through Diesel Generator		
Units (KWH in Thousands)	0.40	1.43
Fuel Cost / Unit (Rs.)	68.64	51.57
iii. Through Steam Turbine Generated by Coal/Oil		
Units (KWH in Thousands)	Nil	Nil
2Fuel Cost / Unit (Rs.)	Nil	Nil
2. Coal :		
Quantity in M.T.	Nil	Nil
Total Cost (Rs.In Millions)	Nil	Nil
Average Rate (Rs./M.T.)	Nil	Nil
3. Furnace Oil :		
Quantity in K. Ltrs.	Nil	Nil
Total Cost (Rs.In Millions)	Nil	Nil
Average Rate (Rs. M.T.)	Nil	Nil
4. Others		
Quantity in M.T.	Nil	Nil
Total Cost (Rs.In Millions)	Nil	Nil
Average Rate (Rs./M.T.)	Nil	Nil

For and on behalf of the Board

Place : Mumbai,
Date : July 30,2020

Manoj Agarwal
Director

Kavita Kapahi
Director

Annexure to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FY 2019-20

1	A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programs	Pursuant to Section 135 of the Companies Act,2013, the Corporate Social Responsibility Committee of the Board had approved a CSR Policy with primary focus on Education, Healthcare, Women Empowerment and Sports. Besides these focus areas the Company shall also undertake any other CSR activities listed in Schedule VII of the Companies Act,2013. The CSR Policy of the Company is displayed on www.shirpurgold.com
2	The Composition of CSR Committee	As on March 31, 2020, the CSR Committee of the Board comprises of 3 Directors. Ms. Kavita Kapahi, Independent Director as Chairperson, Mr. Anish Goel, Independent Director and Mr.Manoj Agarwal, Independent Director as members.
3	Average net profit of the Company for last three financial year	Rs.57.34 Millions
4	Prescribed CSR expenditure (2 % of the average net profits for last three years)	Rs.1.15 Millions
5	Details of CSR spent during FY a) Amount to be spent in FY (including unspent amount of earlier years) b) Unspent Amount c) Amount Spent d) Areas where spent	Rs.10.80 Millions Rs. 10.80 Millions NIL NA as the Company couldn't find any appropriate project for CSR spent.

The CSR committee certifies that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and Policy of the Company.

Place : Mumbai,
Date : July 30,2020

Kavita Kapahi
Director

Annexure to the Directors' Report

The Information Required under Section 197 of the Act read with rule 5(1)Of The Companies (Appointment & Remuneration Of Managerial Personnel) Rules, 2014

A. Remuneration of each Director & Key Managerial Personnel, percentage of increase during the FY 2019-20, the ratio of the remuneration of each of the director to the median remuneration of the employees of the company for the financial year 2019-20.

Name of the Director / Key Managerial Personnel	Total Remuneration (Rs. in Millions)	% increase in remuneration	Ratio of Remuneration of director to the Median remuneration
Non-Executive Directors			
Amit Goenka	-	-	-
Vipin Choudhary	-	-	-
Manoj Agarwal	0.12	-	0.48:1
Anish Goel	-	-	-
Kavita Kapahi	0.26	-	1.04:1
Key Managerial Personnel			
*Subhash Pareek	1.21	10 %	NA
*Archita Kothari	3.53	10 %	NA
*Sharvan Kumar Shah	1.92	10%	NA
*Ashok Sanghavi	0.69	-	NA
Shyamal Padhiar	1.08	5%	NA

Notes :

1. The Company does not have any Executive Director.
2. The Company has paid remuneration to it's Directors by way of sitting fees only.
3. Ms. Archita Kothari resigned w.e.f. 18.04.2019.
4. Mr. Sharvan Kumar Shah was paid from Zee Gold DMCC, Dubai Subsidiary and for the period from 18.04.2019 to 30.09.2019
5. Mr. Ashok Sanghavi was appointed w.e.f. 14.10.2019.
6. Mr. Subhash Pareek resigned w.e.f. 06.12.2019.

i) Percentage increase in the median remuneration of employees in the financial year2019-20 is 9 %

ii) The Company has 15permanent employees on the rolls of the Company as on March 31,2020.

iii) Average increase in the salaries of the employees other than the managerial personnel during the financial year 2019-20 was 10% while average increase in the managerial remuneration was10%.

iv) The Company hereby affirms that the remuneration paid to managerial personnel is as per the remuneration policy of the company.

Annexure to the Directors' Report

FORM NO MR-3

SECRETARIAL AUDIT REPORT
For the financial Year ended March 31, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Shirpur Gold Refinery Limited
CIN No-L51900MH1984PLC034501

I have conducted Secretarial Audit of compliance of applicable statutory provisions and the adherence to good corporate practices by **Shirpur Gold Refinery Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarification given to me and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID19 pandemic, I hereby report that in my opinion, the company has, during the period covering the financial year ended on March 31, 2020 (hereinafter referred to as "Audit Period") generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India (Amendment) Act, 2013 ('SEBI Act'):

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations');

   d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – Not applicable during the Audit Period;

   e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - Not applicable during the Audit Period;

   f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not applicable during the Audit Period;

   g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; &

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable during the Audit Period.

vi. The following laws specifically applicable to the industry to which the Company belongs, as identified, and compliance whereof as confirmed, by the management:

   a. Factories Act, 1948

   b. Industrial Dispute Act, 1947

   c. Payment of Wages Act, 1936

   d. Minimum Wages Act, 1948

   e. Employee State Insurance Act, 1948

f. Employee Provident Fund and Miscellaneous Provisions Act, 1952
g. Payment of Bonus Act, 1965
h. Payment of Gratuity Act 1972
i. The Contract Labour (Regulation and Abolition) Act, 1970
j. Maternity Benefits Act, 1961
k. The Industrial Employment (Standing Orders) Act, 1946
l. Employees Compensation Act, 1923 (earlier known as Workmen Compensation Act, 1906)
m. Equal Remuneration Act, 1976
n. Environmental Laws
o. The Bombay Shop Establishments Act, 1948
p. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

We have relied on the representation made by the Company, its officers and Reports of the Statutory Auditor for systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as listed in point (vi) above.

I have also examined compliance with the applicable requirements of the following:

a. Secretarial Standards issued by the Institute of Company Secretaries of India with respect to board and general meetings.
b. The Listing Agreements entered by the Company with National Stock Exchange of India Ltd and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Audit period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc., mentioned above, subject to following observations:

i. As at March 31, 2020, the Company had Key Managerial Personnel (KMP) in the category of Company Secretary and Chief Compliance Officer. However, vacancy, in the office of KMP in the category of CEO, caused due to resignation of Manager w.e.f. December 6, 2019 has not been filled as on the date of the report.
ii. Regulation 24(1) of the Listing Regulations (as amended w.e.f. April 1, 2019) mandates Listed entity to appoint one of its Independent Director on the Board of Material Overseas Subsidiary. While the Board had approved nomination of one of the Independent Director on the Board of Company's Material overseas subsidiary w.e.f. February 19, 2020, Regulation 24(1) was not complied upto February 18, 2020.
iii. During the Audit period, National Stock Exchange of India Limited (NSE) had issued notices on 2 occasions for violation of Listing Regulations due to delay in (a) submitting Annual Report for FY 2018-19 and (b) reporting changes in credit rating. Penalty levied by, and remitted to, NSE in connection with delay in submitting Annual Report was waived and NSE had in connection with both the violations advised the Company to take abundant precaution in future.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. As at March 31, 2020, subsequent to resignation of Manager w.e.f. December 6, 2019, the Company does not have any Executive/Managing Director or Manager. The changes in composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting. As represented by the Management and recorded in the Minutes the decision at the Board Meetings were taken unanimously.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the Audit Period, the Company had the following specific events:

i. The manufacturing operations of the Company has been kept temporarily on hold due to non-availability of raw materials since February 2020. However, the Company continued its trading operations.
ii. Outstanding dues from the Company to three (3) lenders and a financial institution (collectively 'Lenders'), aggregating to Rs. 31,539.37 Lakhs (including amount of Bank Guarantees invoked, interest and penal interest) were classified as Non-

performing assets due to default in repayment and non-compliance of facility terms. Of the said lenders, one of the Bankers and a financial institution had recalled outstanding loans aggregating to Rs. 19826.91 Lakhs (including interest) at the year end. As on date of this report the Company continues to be in default in connection with the said loan facilities. Consequent to the delay in debt servicing, CARE Ratings Ltd and CRISIL had downgraded Company's Long term and Short term Credit rating to 'D'.

iii. At the 34th Annual General Meeting held on September 30, 2019, Members had approved (a) Appointment of M/s. Parikh & Parikh, Chartered Accountants as Statutory Auditors of the Company to hold such office till conclusion of 39th AGM, consequent to completion of tenure of earlier Statutory Auditor; and (b) Re-appointment of Mrs. Kavita Kapahi as an Independent Director for second term of 5 years from March 31, 2020 till March 30, 2025.

iv. The company is in process of closure of a non-operating overseas subsidiaryviz. Precious Metals Mining & Refining Ltd., Papua New Guinea and the other non-operating overseas subsidiary viz. Shirpur Gold Mining Company Pvt Ltd, Singapore was closed effective from 07.03.2019. Further the name of the material overseas subsidiary of the Company was changed from Zee Gold DMCC, Dubai to Shirpur Gold DMCC, Dubai w.e.f. January 23, 2020.

v. Consequent reduction of Equity Stake in the Company by Promoter - Jayneer Infrapower & Multiventure Pvt Limited to below 50%, the said entity ceased to be Holding Company of the Company w.e.f. May 28, 2019.

vi. The Board of Directors of the Company had vide resolution passed on May 18, 2019 approved maintenance of Books of accounts and financial statements of the Company at Corporate Office of the Company at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018 instead of Registered Office of the Company. An intimation in this regard was filed with the Registrar of Companies, Mumbai as per provisions of Section 128 of the Companies Act, 2013.

MITA SANGHAVI
Practicing Company Secretary
FCS No.7205
CP No. 6364
UDINF007205B000533016

Date: 30th July 2020
Place: Mumbai

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report

Annexure A

To,
The Members,
Shirpur Gold Refinery Limited
CIN No-L51900MH1984PLC034501

My Secretarial Audit report for financial year ended on March 31, 2020, of even date is to be read along with this letter.

i. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on audit.

ii. I have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification, including verification of electronic record, was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.

iii. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. Further the compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

iv. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

v. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.

vi. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Limitations

It may be noted that due to lockdown and social distancing guidelines for containment of spread of Covid-19, certain documents, registers, records, forms etc., could not be verified physically by me, as the same were maintained by the Company at their corporate office and/or registered office. While all possible steps were taken to verify records made available by the Company through electronic medium and requisite confirmations were taken from the Company, wherever required, the audit was done subject to limitation of availability and physical verification of certain documents.

MITA SANGHAVI
Practicing Company Secretary
FCS No.7205
CP No. 6364
UDINF007205B000533016

Date: 30th July 2020
Place: Mumbai

Annexure to Directors Report

EXTRACT OF ANNUAL RETURN

(Pursuant to section 92(3) of the Companies Act,2013 and Rule 12(1) of the Companies (Management and Administration) Rules,2014

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L51900MH1984PLC034501
ii	Registration Date	9th November,1984
iii	Name of the Company	SHIRPUR GOLD REFINERY LIMITED
iv	Category of the Company Sub-category of the Company	 Company Limited by shares / Indian Non-Gov. Company
v	Address of the Registered Office and contact details	Refinery Site, Shirpur, Dist. Dhule, Maharashtra – 425 405Tel : 02563 – 258002 Fax : 02563 – 261357 E-mail : investorinfo@shirpurgold.com Website : www.shirpurgold.com
vi	Whether Listed Company Name of the Stock Exchanges on which shares of the company are Listed	Yes BSE Ltd. The National Stock Exchange of India Ltd.
vii	Name, address and contact details of Registrar and Share Transfer Agent	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

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company

S.No.	Name and description of main products	NIC Code of the Product	% to total turnover of the Company
1	Manufacturing of Gold Jewellery	3831	52.84
2	Wholesale Trade of Precious Metals	6192	47.16

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Shirpur Gold DMCC Unit No. 3605, OAKS Liwa Heights, Plot No. JLT –PH2-W3A Jumeirah Lakes Towers, Dubai, U.A.E. P.O.Box –413763	DMCC3773	Subsidiary	100	2(87)
2	*Precious Metals Mining and Refining Ltd. B4- Unit 1, Lot 33, Section 38, Hohola, Steamships Compound, Port Moresby, National Capital District, Papua New Guinea	1-106179	Subsidiary	100	2(87)
3	*Metalli Exploration And Mining Rue 308, Porte: 628, Quartier Djikoroni- Para Donteme II-Bamako, Mali	084121704P	Subsidiary	70	2(87)

* Held through Shirpur Gold DMCC

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year (As on 01.04.2019)				No. of shares held at the end of the year (As on 31.03.2020)				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
1. Indian									
Bodies Corp.	18615428	-	18615428	63.89	12720703	-	12720703	43.66	(20.23)
Sub-Total (A) (1)	**18615428**	**-**	**18615428**	**63.89**	**12720703**	**-**	**12720703**	**43.66**	**(20.23)**
2. Foreign	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Shareholding of Promoter (A) = (A)(1) + (A) (2)	**18615428**	**-**	**18615428**	**63.89**	**12720703**	**-**	**12720703**	**43.66**	**(20.23)**
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investor	1903347	-	1903347	6.53	1903347	-	1903347	6.53	-
Financial Institutions / banks	513	-	513	0.00	80	-	80	0.00	-
Sub-Total (B) (1)	**1903860**	**-**	**1903860**	**6.53**	**1903427**	**-**	**1903427**	**6.53**	**-**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3198499	-	3198499	10.98	3193769	-	3193769	10.96	(0.02)
ii) Overseas	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of shares held at the beginning of the year (As on 01.04.2019)				No. of shares held at the end of the year (As on 31.03.2020)				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	2200385	41012	2241397	7.69	4205844	40712	4246556	14.57	6.88
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	2292356	25000	2317356	7.96	6023415	25000	6048415	20.76	12.80
c) Others									
i. NRI	48697	-	48697	0.16	229278	-	229278	0.79	0.63
ii. Trusts	995	-	995	0.00	995	-	995	0.00	-
iii. Foreign Nationals	12001	-	12001	0.04	43895	-	43895	0.15	0.11
iv. HUF	446959	-	446959	1.54	640819	-	640819	2.20	0.66
v. Clearing Member	328876	-	328876	1.12	73272	-	73272	0.25	(0.87)
vi. NBFC	23134	-	23134	0.08	-	-	-	-	(0.08)
vii. Foreign Portfolio Investor	-	-	-	-	36073	-	36073	0.12	0.12
Sub-Total (B) (2)	**8551902**	**66012**	**8617914**	**29.57**	**14447360**	**65712**	**14513072**	**49.81**	**20.24**
Total Public Shareholding (B) = (B)(1) + (B) (2)	**10455762**	**66012**	**10521774**	**36.11**	**16350787**	**65712**	**16416499**	**56.35**	**20.24**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**29071190**	**66012**	**29137202**	**100.00**	**29071490**	**65712**	**29137202**	**100.00**	**-**

ii) Shareholding of Promoters

Shareholder's name	Shareholding at the beginning of the year as on 01.04.2019			Shareholding at the end of the year as on 31.03.2020			
	No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to the total shares	No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to the total shares	% change in shareholding during the year
Jayneer Infrapower & Multiventures Private Limited	18615428	63.89	23.13	12720703	43.66	17.16	(20.23)
Total	18615428	63.89	23.13	12720703	43.66	17.16	(20.23)

iii) Change in Promoter's Shareholding

Sr.No.		Shareholding at the beginning of the year – 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
	Name & Type of Transaction	**No. of Shares held**	**% of Total Shares of the Company**	**Date of Transaction**	**No. of Shares held**	**No. of Shares**	**% of Total Shares of the Company**
1	Jayneer Infrapower & Multiventures Private Limited	18615428	63.89			18615428	63.89
	Sale			05.04.2019	(284000)	18331428	62.91
	Sale			08.04.2019	(284000)	18047428	61.94
	Sale			09.04.2019	(284000)	17763428	60.96
	Sale			10.04.2019	(150000)	17613428	60.45
	Sale			11.04.2019	(142400)	17471028	59.96
	Sale			12.04.2019	(211997)	17259031	59.23
	Sale			15.04.2019	(221860)	17037171	58.47
	Sale			16.04.2019	(67542)	16969629	58.24
	Sale			18.04.2019	(102909)	16866720	57.89
	Sale			22.04.2019	(27733)	16838987	57.79
	Sale			23.04.2019	(51559)	16787428	57.62
	Sale			24.04.2019	(72270)	16715158	57.37
	Sale			25.04.2019	(130913)	16584245	56.92
	Sale			26.04.2019	(286000)	16298245	55.94
	Sale			29.04.2019	(250500)	16047745	55.08
	Sale			02.05.2019	(47193)	16000552	54.91
	Sale			03.05.2019	(67101)	15933451	54.68
	Sale			06.05.2019	(126139)	15807312	54.25
	Sale			07.05.2019	(74453)	15732859	54.00
	Sale			08.05.2019	(50000)	15682859	53.82
	Sale			09.05.2019	(16905)	15665954	53.77
	Sale			10.05.2019	(23125)	15642829	53.69
	Sale			13.05.2019	(43000)	15599829	53.54
	Sale			14.05.2019	(52306)	15547523	53.36
	Sale			15.05.2019	(80707)	15466816	53.08
	Sale			16.05.2019	(19508)	15447308	53.02
	Sale			17.05.2019	(61265)	15386043	52.81
	Sale			20.05.2019	(89656)	15296387	52.50
	Sale			21.05.2019	(27500)	15268887	52.40
	Sale			22.05.2019	(247996)	15020891	51.55
	Sale			23.05.2019	(145000)	14875891	51.05
	Sale			24.05.2019	(118245)	14757646	50.65
	Sale			27.05.2019	(170000)	14587646	50.07
	Sale			28.05.2019	(126943)	14460703	49.63
	Transfer			27.09.2019	(52259)	14408444	49.45
	Transfer			30.09.2019	(45000)	14363444	49.30
	Transfer			04.10.2019	(1895)	14361549	49.29
	Transfer			09.10.2019	(58191)	14303358	49.09

Sr.No.		Shareholding at the beginning of the year – 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
	Name & Type of Transaction	No. of Shares held	% of Total Shares of the Company	Date of Transaction	No. of Shares held	No. of Shares	% of Total Shares of the Company
	Transfer			10.10.2019	(43803)	14259555	48.94
	Transfer			11.10.2019	(133721)	14125834	48.48
	Transfer			14.10.2019	(125180)	14000654	48.05
	Transfer			15.10.2019	(47300)	13953354	47.89
	Transfer			16.10.2019	(29644)	13923710	47.79
	Transfer			03.10.2019	(5000)	13918710	47.77
	Transfer			29.10.2019	(32383)	13886327	47.66
	Transfer			31.10.2019	(67861)	13818466	47.43
	Transfer			01.11.2019	(373273)	13445193	46.14
	Transfer			04.11.2019	(90254)	13354939	45.83
	Transfer			05.11.2019	(37103)	13317836	45.71
	Transfer			06.11.2019	(53140)	13264696	45.52
	Transfer			07.11.2019	(108864)	13155832	45.15
	Transfer			08.11.2019	(326465)	12829367	44.03
	Transfer			09.11.2019	(108664)	12720703	43.66
	At the end of the year					**12720703**	**43.66**

iv) Change in Shareholding Pattern of Top 10 Shareholders

Name of Shareholder	Shareholding at the beginning of the year (April 1,2019)		Shareholding at the end of the year (March 31,2020)	
	No. of Shares	% Equity Capital	No. of Shares	% Equity Capital
Polus Global Fund	1903347	6.53	1903347	6.53
Pricomm Media Distribution Ventures Pvt Ltd.	1537995	5.27	1537995	5.27
Arcadia Share And Stock Brokers Pvt Ltd-Proprietary A/C	4305	0.01	1159520	3.98
Surender Chugh	30000	0.10	600000	2.06
Kruti Bhupesh Patel	300000	1.03	300000	1.03
Ravikumar Koppisetty	-	-	291370	1.00
JAYASHREE B	77308	0.27	228755	0.79
Tapan Kumar Dey	140286	0.48	200789	0.69
Ketki Mukesh Patel	200400	0.69	200400	0.69
Disha Bhupesh Patel	200000	0.69	200000	0.69
Sneha Amarish Patel	200000	0.69	200000	0.69
Amarish Rasiklal Patel Huf	199000	0.68	199000	0.68
Arihant Capital Mkt Ltd.	214003	0.73	17941	0.06

Note :
1. The shares of the Company are substantially held in dematerialized form and are traded on a daily basis and hence date wise increase / decrease in shareholding is not indicated.
2. Shares in multiple accounts having same PAN are consolidated for the purpose of disclosure.

v) Change in Shareholding of Directors and Key Managerial Personnel:

None of the Directors / Key Managerial Personnel was holding any shares of the Company at the beginning of the year i.e. April 1,2019 or at the end of the year i.e. March 31,2020 or dealt in the Equity Shares of the Company during financial year 2018-19 and information in this regard is Nil.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

(Rs. In Millions)

	Secured Loans excluding deposits	Unsecureds Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,504.39	449.90	-	3,954.29
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**3,504.39**	**449.90**	**-**	**3,954.29**
Changes in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	(350.45)	-	-	(350.45)
Net Change	**(350.45)**	**-**	**-**	**(350.45)**
Indebtedness at the end of the financial year				
i) Principal Amount	2,894.28	449.90	-	3,344.18
ii) Interest due but not paid	259.66	-	-	259.66
iii) Interest accrued but not due	-	-	-	-
Total	**3,153.94**	**449.90**	**-**	**3,603.84**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole- time Directors and / or Manager.

(Rs. In Millions)

S.No.	Particulars of Remuneration	Name of the Manager
		Subhash Pareek (upto 06.12.2019)
1	Gross salary as per Income Tax Act	
	(a) Salary	1.21
	(b) Perquisites	-
	(c) Profits in lieu of salary	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	-
5	Others	-
	Total (A)	**1.21**
	Ceiling as per Act (5 % of Net Profit)	NA as the Company has incurred losses.

Note : The Company does not have any Managing Director or Whole-time Director.

B. Remuneration to other Directors

(Rs. In Millions)

S.No.	Name of the Director	Sitting Fees	Commission	Others	Total
	Non Executive				
1	Amit Goenka	-	-	-	-
2	Manoj Agarwal	0.12	-	-	0.12
3	Anish Goel	-	-	-	-
4	Kavita Kapahi	0.26	-	-	0.26
5	Vipin Choudhary	-	-	-	-
	Total	**0.38**	**-**	**-**	**0.38**
	Ceiling as per Act	NA as the Company has not paid any remuneration except sitting fees			

C. Remuneration to Key Managerial Personnel other than MD / MANAGER / WTD

(Rs. In Millions)

S.No.	Particulars of Remuneration	Archita Kothari (upto 18.04.2019)	*Sharvan Kumar Shah (from 18.04.2019 upto 30.09.2019	Ashok Sanghavi (from 14.10.2019)	Company Secretary	Total
1	Gross salary as per Income Tax Act					
	(a) Salary	3.53	1.92	0.69	1.08	7.22
	(b) Perquisites	-	-	-	-	-
	(c) Profits in lieu of salary	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
5	Others	-	-	-	-	-
	Total	**3.53**	***1.92**	**0.69**	**1.08**	**7.22**

*Mr. Sharvan Kumar Shah drawn remuneration from Dubai Wholly Owned Subsidiary of Company.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES - None

Auditors’ Certificate on Compliance of Corporate Governance

To,
The Members of
Shirpur Gold Refinery Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 04th October 2019.
2. This report contains details of compliance of conditions of Corporate Governance by Shirpur Gold Refinery Limited., (“the Company”) for the year ended 31 March 2020, as stipulated in Regulation 17 to 27; Regulation 46(2) and paragraphs C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as “SEBI Listing Regulations”), pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management’s Responsibility

3. The compliance with the conditions of Corporate Governance is the responsibility of the Company’s Management, including the preparation and maintenance of all relevant supporting, records and documents. This responsibility includes the design, the implementation and maintenance of internal control and procedure to ensure the compliance with the condition of the Corporate Governance, stipulated in the SEBI Listing Regulations.

Auditor’s Responsibility

4. Our responsibility is limited to examine the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, for the year ended 31 March 2020.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certification for Special Purposes, Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India (‘ICAI’) and the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this Certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics, issued by ICAI.
7. We have compiled with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for firms that performs Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27; Regulation 46(2) and paragraphs C,D and E of the Schedule V of the Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restrictions on use

This certificate is issued solely for the purpose of complying with the aforesaid regulation and may not be suitable for any other purpose.

For Parikh & Parikh,
Chartered Accounts
FR No 107526W

CA MILAN G PARIKH
Proprietor
Membership No. 038557
ICAI UDIN NO.20038557AAAAMX8819

Place: Mumbai
Date: 25th November, 2020

Corporate Governance Report

Corporate Governance Philosophy

Corporate Governance Philosophy of Shirpur Gold Refinery Limited(“the Company”) stems from its belief that the Company’sbusiness strategy, plans and decisions should be consistent with the welfare of all its stakeholders, includingshareholders. Good Corporate Governance practices enable a Company to attract financial and human capitaland leverage these resources to maximize long-term shareholder value, while preserving the interests ofmultiple stakeholders, including the society at large. Corporate Governance at Shirpur Gold is founded upon 4pillars of Core Values viz, Transparency, Integrity, Honesty and Accountability. The Board is committed to achieve and maintain highest standards of Corporate Governance on an ongoing basis.

A report on compliance with the principles of Corporate Governance as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is given below:

BOARD OF DIRECTORS

Composition and Category of Directors

Your Company has a balanced Board containing majority of Non-Executive and Independent Directors to ensure independent functioning and the current composition of the Board is in conformity with the requirements of Regulation 17(1) of Listing Regulations.

Composition of the Board as on 31st March, 2020

Category of Directors	No. of Directors	% to total No. of Directors
Executive Director	0	0.00
Non-Executive Independent Directors	3	75.00
Other Non-Executive Directors	1	25.00
Total	**4**	**100.00**

The Policy on criteria for nomination of a person on the Board,as decided by the Nomination and Remuneration Committeesuggests that the Board should comprise of Directors withqualification/experience in various areas to enable the Board to function effectively. In line with thesaid criteria, currently the Board of the Company, compriseof Directors with qualification/experience in Finance, Legal,SocialWelfare& Technology with experience in varied Industry.

Independent Directors of the Company provide appropriate and annual certifications to the Board confirming satisfaction of the conditions of their being independent as laid down in Section 149(6) of the Companies Act,2013 and Regulation 16(1)(b) of Listing Regulations.In opinion of the Board, the IndependentDirectors fulfil the conditions specified in the ListingRegulations and are independent of the management.

During the financial year under review, six (6) meetings of the Board of Directors were held on April 18, 2019, May 18, 2019, July 19, 2019, August 12, 2019, November 13, 2019 and February 12, 2020.

Particulars of Directors, their attendance at the Annual General Meeting and Board Meetings held during the financial year 2019-20 and also their other directorships in Public Companies (excluding Foreign Companies and Section 8 Companies) and Membership/ Chairmanship of Audit and Stakeholders' Relationship Committees of other Companies as at 31st March 2020 are as under:

Name of Director	Attendance at		No. of Directorships of other Public Companies	No. of Committee Position held in other public companies as	
	Board Meetings (6 meetings)	34th AGM held on 30.09.2019			
				Member	Member
Mr. Amit Goenka	1	No	-	-	-
Mr. Anish Goel	4	No	-	-	-
Mr. Manoj Agarwal	3	Yes	2	1	-
Ms. Kavita Kapahi	6	Yes	2	1	-
Mr. Vipin Choudhary	4	Yes	-	-	-

Notes :

a) Committee positions include Membership / Chairmanshipof the Audit Committee and Stakeholders Relationship Committee of Indian Public Companies.

b) None of the Directors held directorship in more than8 listed companies. Further none of the Independent Directors of the Company served as Independent Directorin more than 7 listed Companies.

c) None of the Directors held directorship in more than 20Indian Companies, with not more than 10 public limitedcompanies.

d) None of the Directors is a member of more than 10Committees or Chairperson of more than 5 Committeesacross all the Public Limited Companies in which he/sheis Director. As per Listing Regulations, only membershipof Audit Committee and Stakeholders RelationshipCommittee have been taken into consideration for thepurpose of ascertaining the limit.

e) None of the Directors of the Company holding any shares as at March 31,2020. None of the Directors are related to each other.

During the year under review, Mr. Vipin Choudhary resignedas Nominee Director w.e.f. 31st October,2019.

Details of Directorship of Directors in other Listed entities asat March 31, 2020 are as under:

Name of the Director	Directorship in other Listed Entities
Amit Goenka	None
Manoj Agarwal	Diligent Media Corporation Limited as Independent Director
Anish Goel	None
Kavita Kapahi	SITI Networks Ltd as Independent Director

Board Procedure

The Schedule ofBoard Meetings to approve quarterly /annual Financial Results are decided at the beginning of the financial year. The Board meetings are generally held at Mumbai. The agenda along with the explanatory notes are sent to the Directors well in advance to enable them to take informed decisions. All relevant information required to be placed before the Board of Directors as per provisions of Listing Regulations, are considered and taken on record/ approved by the Board. Any Board member may, in consultation with the Chairman and with the consent of all Independent Directors present at the meeting, bring up any matter at the meeting for consideration by the Board. The Chief Financial Officer & Manager are invited to the Board meetings to provide necessary insights into the operations / working of the Company and for discussing corporate strategies.The Board periodically reviews compliance reports in respect of various laws and regulations applicable to the Company.

Independent Directors Meeting & Board Evaluation Process

In compliance with the requirements of Regulation 25 of Listing Regulations and Section 149 read with Schedule IV of the Companies Act, 2013, the Independent Directors of the Company met on March 16, 2020 to evaluate performance of the Board / Board Committees and review of flow of information between the management and the Board. The evaluation process was carried out based on an assessment sheet structured in line with ICSI guidance note and the guidance note issued by SEBI in this regard.

The parameters for evaluation of performance of the Board& Board Committees include the structure & composition,contents of agenda, quality and timelines of information provided,decision-making process & review thereof, attentionto the Company's long-term strategic issues, evaluation ofstrategic risks, overseeing and review of major plans of action,divestment, etc.

The performance of each of the Independent Directors wasalso evaluated taking into account the time devoted, attentiongiven to professional obligations for independent decisionmaking, contribution towards providing strategic guidance,determining important policies, utilising their expertise,independent judgment that contributes objectively inthe Board's deliberations - particularly on issues of strategy,performance and conflict management etc.

Familiarization Program for Independent Directors

Independent Directors are familiarized with their roles,rights and responsibilities at the time of their appointmentas Directors and regular presentations are made to theBoard / Board Committees covering business strategies,management structure, periodic financial results,budgets and operations of subsidiaries etc.The details of familiarization program can be viewed at Company's website at www.shirpurgold.com

Code of Conduct

The Company has also adopted a Code of Conduct for the Members of the Board of Directors and Senior Management, and all the Directors and senior functionaries as defined in the said Code provide their annual confirmation of compliance with the Code. The Code can be viewed on Company's website at www.shirpurgold.com. The role and responsibilities of Independent Directors as prescribed in Schedule IV of the Companies Act, 2013 and/ or prescribed in the Listing Regulations forms part of the appointment letters issued to Independent Directors.

A declaration affirming compliance with the Code of Conduct by the members of the Board and senior management personnel is given below:

Declaration

I confirm that the Company has obtained from all Directors and Senior Management Personnel of the Company their affirmation of compliance with the Code of Conduct for Members of the Board and Senior Management of the Company for the financial year ended 31st March 2020.

Manoj Agarwal
Director

Mumbai, 30th July,2020

Board Committees

Particulars of the Meeting of the Board Committees held during the year along with details of Directors attendance at such meetings are detailed herein:

	Audit Committee Committee	Nomination & Remuneration Committee	Stakeholder's Relationship Committee	Corporate Social Responsibility Committee
No. of Meeting held	5	1	1	1
Directors' Attendance				
Mr. Amit Goenka	-	NA	1	NA
Mr. Anish Goel	3	1	-	1
Mr. Manoj Agarwal	2	1	1	-
Ms. Kavita Kapahi	5	1	1	1
# Mr. Vipin Choudhary	-	-	-	-

Note :

1. * Resigned as Member of Audit Committee, Stakeholder's Relationship Committee and Corporate Social Responsibility Committeew.e.f. 12.08.2019.
2. #Appointed as Member of Audit Committee, Stakeholder's Relationship Committee and Corporate Social Responsibility Committeew.e.f. 12.08.2019 subsequently resigned w.e.f. 31.10.2019.
3. NA denotes that the director is not member of such committee.

Details of Board Committees

A) Audit Committee

Constitution

As at March 31, 2020, the Audit Committee comprised of three (3) Directors including Mr. Manoj Agarwal, Independent Director as Chairman, Mr. Anish Goel, Independent Director, and Ms. Kavita Kapahi, Independent Director as its Members. During the year under review, the Committee was reconstituted by appointment of Mr.Vipin Choudhary as Member effective from 12th August,2019 in place of Mr. Amit Goenkabut consequent upon his resignation as Director, he ceased to be member effective from 31st October,2019.

During the year under review, five (5) Audit Committee meetings were held on May 18, 2019, July 19, 2019, August 12, 2019, November 13, 2019 and February 12, 2020.

Terms of reference

The terms of reference are as set out in Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee broadly includes:

- Review of Company's Accounting and financial reporting process
- Review and recommend for approval of the Board quarterly, half yearly and annual financial statements before submission to the Board for approval.
- Review of Internal Audit Reports, risk management policies and reports on internal control system
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Review of related party transactions.
- Recommend to the Board the appointment, re-appointment and removal of the statutory auditor, Internal Auditors, Cost Auditors and fixation of their remuneration.
- Discussion of Internal Audit Reports with internal auditors and significant findings and follow-up thereon and in particular internal control weaknesses.

Audit Committee meetings are generally attended by the Chief Financial Officer and the Statutory Auditors of the Company. The Company Secretary acts as the Secretary of the Audit Committee.

B) Nomination & Remuneration Committee

Constitution

As on March 31,2020, Nomination & Remuneration Committee comprised of Mr. Manoj Agarwal, Independent Director as Chairman, Mr. Anish Goel, Non-Executive Independent Director and Ms. Kavita Kapahi, Non-Executive Independent Director as its Members. The Company Secretary is the Secretary of the Committee.

During the year under review, the Nomination and Remuneration Committee met once on 18th April,2019.

Terms of reference

The terms of reference of the Committee , inter alia, includes:

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommending their appointment and removal to the Board;
- carrying out evaluation of every director's performance;
- Formulating criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees;
- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- Ensuring that relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Recommending appointment / remuneration of directors, key managerial personnel and senior management involving a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- Administration and implementation of Company's Employees Stock Option Scheme.

Remuneration Policy

The guiding principle of the remuneration policy of the Company is that the remuneration and other terms of engagement / employment shall be competitive enough to ensure that the Company is in a position to attract, retain and motivate right kind of human resource(s) for achieving the desired growth set by the Company's management year on year thereby creating long-term value for all stakeholders of the Company.
The Remuneration Policy of the Company can be accessed on Company's website – www.shirpurgold.com.

Remuneration Paid to Executive Directors

The Company does not have any Executive Director.

In compliance with the provisions of the Companies Act,2013 and as approved by the shareholders at the 33rdAGM held on 29thSeptember, 2018, Mr. Subhash Pareek was re-appointed as 'Manager' of the Company for a period of three years effective from November 5, 2018. The elements of the remuneration package of Mr. Pareek comprises of basic salary, house rent allowance, personnel allowance, other allowances including medical / leave travel allowance, and leave encashment facilities in accordance with rules of the Company.Mr. Subhash Pareek resigned as 'Manager' of the Company effective from 6th December,2019.

The details of the all elements of remuneration paid to Mr. Subhash Pareek as 'Manager' of the Company for the FY 2019-20 is as under:

Particulars	(Rs. In Millions)
Salary and Allowances	1.21

Remuneration Paid to Non - Executive Directors.

All Non–Executive directors except Mr.Amit Goenka, Mr.Anish Goel and Mr. Vipin Choudhary were paid sitting fees @ Rs.20,000/- per meeting for attending meetings of the Board and/or its Committees except Stakeholders' Relationship Committee and Finance Committee. The details of sitting fees paid are as under:

S.No.	Name of the Director	Total Sitting Fees paid (Rs. In Millions)
1	*Mr. Amit Goenka	-
2	*Mr. Anish Goel	-
3	Mr. Manoj Agarwal	0.12
4	Ms. Kavita Kapahi	0.26
5	*Mr. Vipin Choudhary	-
	Total	**0.38**

* Voluntarily waived sitting fees.

The Non-Executive Independent Directors do not have any other material pecuniary relationships or transactions with the Company or its directors, senior management, subsidiary or associate, other than in the normal course of business.

C) Stakeholders Relationship Committee

Constitution

As on March 31, 2020, the Stakeholders Relationship Committee comprised of Mr. Manoj Agarwal, Non-Executive Independent Director as Chairman and Mr. Anish Goel, Non- Executive Director and Ms. Kavita Kapahi, Non-Executive Director as its Members. During the year under review, the Stakeholders Relationship Committee was reconstituted by nomination of Mr. Vipin Choudhary as Committee Member in place of Mr.Amit Goenkaw.e.f. 12th August,2019 but consequent upon his resignation as Director, he ceased to be member effective from 31st October,2019.The Committee was further reconstituted by nomination of Mr. Anish Goel as member effective from 14th November,2019. The Company Secretary is the secretary to the Committee.

During the year under review, the Stakeholders Relationship Committee met once on 18th May,2019.

Terms of reference

In line with amendment to the Listingregulations the terms of reference of StakeholdersRelationship Committee was revised effective April1, 2019 to include resolving investors grievances / complaints; review measures taken for effective exerciseof voting rights; review adherence of service standardsby Company and RTA etc. The Committee has delegated various powers including approving requests for transfer, transmission, issue of duplicate shares, rematerialisation and dematerialization, etc. of equity shares, to the Company Secretary of the Company and Mr. Shyamal Padhiar, the Company Secretary, being the Compliance Officer, is entrusted with the responsibility, to specifically look into the redressal of the shareholders and investors complaints and report the same to Stakeholders Relationship Committee.

No complaints / investors grievances were pending at the beginning of financial year. The Company has not received any complaints during the financial year 2019-20 and there was no complaints pending at the end of financial year 2019-20.

D) Corporate Social Responsibility Committee

In compliance with the requirements of Section 135 of the Companies Act,2013 read with Schedule VII and Companies (Corporate Social Responsibility Policy) Rules,2014, the Board has constituted Corporate Social Responsibility (CSR) Committee. As on March 31, 2020, the Committee comprised of Ms.Kavita Kapahi, Non-Executive Director as Chairperson, Mr. Anish Goel,Independent Director and Mr.Manoj Agarwal, Independent Director as it's members. During the year under review, the CSR Committee was reconstituted by nomination of Mr. Vipin Choudhary as Committee Member in place of Mr.Amit Goenkaw.e.f. 12th August,2019 but consequent upon his resignation as Director, he ceased to be member effective from 31st October,2019. The Committee was further reconstituted by nomination of Mr. Anish Goel as member effective from 14th November,2019. The CompanySecretary is the Secretary of the Committee.

Terms of reference

Terms of reference and the scope ofthe CSR Committee inter alia include (a) considerationand approval of the proposals for CSR spends; and (b)review of monitoring reports on the implementation ofCSR projects funded by the Company.

During the year under review, Corporate Social Responsibility Committee met once on 16th March,2020.

Other Board Committees

In addition to the above, the Board has constituted following Committees to exercise powers delegated by the Board as per the scope mentioned herein:

Finance Sub-Committee

With a view to facilitate monitoring and expediting any debt fund raising process, approve financing facilities offered and/or sanctioned to the Company by various Banks and/or Indian Financial Institutions from time to time, in the form of Term Loans, Working Capital facilities, Guarantee facilities etc. including the acceptance of terms and conditions of such facilities being offered and exercising such other authorities as may be delegated by the Board from time to time, the Board has reconstituted a Finance Sub-Committee comprising of, Mr. Anish Goel, Non-Executive Director as Chairman in place of MrVipin Choudharyand Mr. Manoj Agarwal, Independent Director as its Member.

These Committees meet as and when required to deliberate and decide on various matters within their respective scope or powers delegated by the Board.

General Meetings

The 35thAnnual General Meeting of the Company for the Financial Year 2019-20 will be held at the registered office of the Company at Refinery Site, Shirpur, Dist. Dhule, Maharashtra 425 405.

The location, date and time of the Annual General Meetings held during last 3 years along with SpecialResolution(s) passed thereat are as follows:

Year	Date and Time	Special Resolutions passed	Venue
2018-19	30.09.2019 – 12.30 p.m.	Ms. Kavita Kapahi as an Independent Director for second term of 5 years	Refinery Site, Sharper, Dist – Dhule, Maharashtra – 425 405
2017-18	29.09.2018 – 2.00 p.m.	1. Re-appointment of Mr. Anish Goel as an Independent Director for second term of 5 years 2. Re-appointment of Mr. Manoj Agarwal as an Independent Director for second term of 5 years 3. Re-appointment of Mr. Subhash Pareek as Manager for a period of 3 years	
2016-17	27.09.2017– 1.30 p.m.	Register of Members and other documents to be kept and maintained at the office of the Company's Registrar at Mumbai	

All the above Special resolutionswere passed with requisite majority.

Postal Ballot

During the year, noresolution was passed through Postal Ballot.

Noneof the resolution(s) proposed at the ensuing 35thAnnual General Meeting requires to be put through Postal Ballot.

Means of Communication

The Company has promptly reported all material information including declaration of quarterly financial results, press releases etc., to all Stock Exchanges where the shares of the Company are listed. Such information is also simultaneously displayed on the Company's website www.shirpurgold.com. The financial results, quarterly, half yearly and annual results and other statutory information were communicated to the shareholders by way of advertisement in a English newspaper 'Free Press Journal' and in a vernacular language newspaper 'Navshakti (Marathi)' as per the requirements of the Stock Exchanges and requisite information are filed on electronic platform with Stock Exchange(s) in compliance with the SEBI Listing Regulations.

In compliance with Regulation 46 of the ListingRegulations, a separate dedicated section under'Investors' on the Company's website gives informationon various announcements made by the Company,Annual Report, quarterly / half-yearly / annual financialstatements, Shareholding patterns, Stock Exchangefilings along with applicable policies of the Company.Official news releases and presentations made to institutional investors or to the analysts, if any, are displayed on Company's website www.shirpurgold.com.

Management Discussion and Analysis Report forming part of this Annual Report is annexed separately.

GENERAL SHAREHOLDER INFORMATION

1	**Date, Time and Venue of Shareholder's Meeting**	Meeting : Annual General Meeting Day and Date : Thursday, 31st December, 2020 Time : 10.00 a.m. Venue : Registered Office at Refinery Site, Shirpur 425 405, Dist. Dhule, Maharashtra
2	**Financial Year**	1st April, 2019 to 31st March 2020
3	**Date of Book Closure**	Thursday, 24th December, 2020 to Thursday, 31st December, 2020
4	**Dividend Payment Date**	The Company has not declared any dividend for the financial year 2019-20.
5	**Registered office /Plant Location**	Refinery Site, Shirpur, Dist. Dhule, Maharashtra - 425405 Tel: 02563 258001 Fax: 02563 261357 Website: www.shirpurgold.com
6	**Corporate Office**	135, Continental Building, Dr. A.B. Road, Worli, Mumbai - 400 018 Tel: 022 7108 5486 Fax: 022 7154 5940 E-mail: investorinfo@shirpurgold.com
7	**Listing on Stock Exchanges**	BSE Limited (BSE) National Stock Exchange of India Limited (NSE) The Company has paid requisite Listing Fees to the Stock Exchanges for FY 2019-20. None of the Company's Securities have been suspended from trading.
8	**Stock Code**	BSE 512289 NSE SHIRPUR-G
9	**ISIN No.**	Equity -INE196B01016
10	**Corporate Identity Number**	L51900MH1984PLC034501
11	**Registrar and Share Transfer Agent**	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
12	**Investor Relation Officer**	Mr. Shyamal Padhiar, Company Secretary 135, Continental Building, Dr.A.B.Road, Worli, Mumbai – 400 018. Tel: 022 7108 5486 Fax: 022 7154 5940 E-mail: investorinfo@shirpurgold.com

13 PAN &Change of Address

Members holding equity share in physical form are requested to notify the change of address/ dividend mandate, if any, to the Company's Registrar & Share Transfer Agent, at the address mentioned above.

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding equity share in dematerialised form are requested to submit their PAN, notify the change of address/dividend mandate, if any, to their respective Depository Participant (DP). Members holding shares in physical form can submit their PAN, notify the change of address/dividend mandate, if any, to the Company/ Registrar & Share Transfer Agent.

14 Share Transfer System

Equity Shares sent for physical transfer or for dematerialization are generally registered and returned within a period of 7 days from the date of receipt of completed and validly executed documents.

15 Dematerialization of Equity Shares and Liquidity

To facilitate trading of Equity shares of the Company in dematerialised form, the Company has made arrangements with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders can open account with any of the Depository Participant registered with any of these two depositories. The Equity shares of the Company are in the list of scrips specified by SEBI to be compulsory traded in the Dematerialized form. As on 31st March 2020, 99.77% of the total issued and paid-up Equity Share capital of the Company were held in Dematerialized form and the balance 0.23% is held in physical form. Entire shareholding of the promoter in the Company is held in dematerialised form. The Company's shares are actively traded on BSE and NSE.

16 Unclaimed Shares

As per Clause 5A of the Listing Agreement inserted as per SEBI notification no. CIR/CSD/DIL/10/2010 dated 16th December, 2010, there were no shares lying in the suspense account which are unclaimed/undelivered as on 31st March,2020.

17 Shareholders' Correspondence

The Company has attended to all the investors' grievances/ queries/ information requests.

The Company endeavors to reply all letters received from the shareholders within a period of 7 working days.

All correspondence may please be addressed to the Registrar and Share Transfer Agent at the address given above. In case any shareholder is not satisfied with the response or do not get any response within reasonable period, they may approach the Investor Relation Officer of the Company.

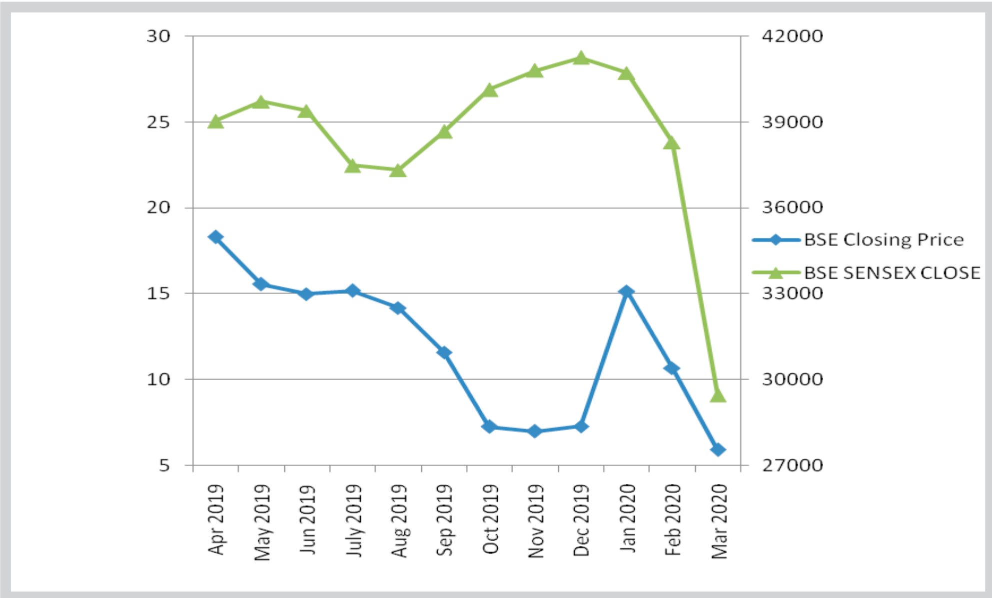
18 Stock Market Data Relating to Shares Listed in India

Monthly high and low Prices on BSE and NSE and volume tradedfor financial year 2019-20 are:

	BSE			NSE		
	High (Rs.)	Low (Rs.)	Volume (In Nos.)	High (Rs.)	Low (Rs.)	Volume (In Nos.)
April 2019	31.85	18.30	29,46,141	32.25	18.30	53,01,364
May 2019	18.30	12.15	9,16,509	18.20	12.10	29,64,914
June 2019	20.65	13.25	2,36,984	20.65	13.25	12,57,868
July 2019	18.48	14.00	2,36,437	18.30	14.10	9,05,416
August 2019	18.95	14.00	2,11,097	19.10	13.60	8,17,299
September 2019	14.97	11.61	1,53,211	14.70	11.75	3,81,679
October 2019	11.95	7.26	5,53,695	11.70	7.50	6,08,630
November 2019	7.87	5.83	2,50,611	7.85	5.80	13,58,244
December 2019	7.79	6.56	1,50,847	7.50	6.35	3,61,010
January 2020	18.40	7.49	4,68,891	18.15	7.00	5,98,637
February 2020	14.45	8.70	1,08,521	14.20	8.60	2,13,335
March 2020	10.17	5.20	65,189	10.00	4.95	4,26,753

19. Relative performance of Shirpur Gold Shares Vs. BSE Sensex

Shirpur Gold Refinery Limited
Closing Monthly BSE Price Vs Closing Monthly BSE Sensex



20. Distribution of Shareholding as on March31,2020 :

No. of Equity Shares	Share Holders		No. of Shares	
	Number	% of Holders	Number	% of Shares
1 to 500	6733	76.62	9,45,758	3.25
501 to 1000	878	10.00	7,16,405	2.46
1001 to 2000	496	5.64	7,42,232	2.55
2001 to 3000	212	2.41	5,46,498	1.88
3001 to 4000	95	1.09	3,38,147	1.16
4001 to 5000	70	0.80	3.32.388	1.14
5001 to 10000	141	1.60	10,22,262	3.50
10001 and above	163	1.84	2,44,93.512	84.06
TOTAL	**8788**	**100.00**	**2,91,37,202**	**100.00**

21. Categories of Shareholders as on March31,2020 :

Category	% Shareholding	No. Shares held
Promoters	43.66	1,27,20,703
Individuals	35.33	1,02,94,971
Foreign Portfolio Investors, OCBs and NRIs	7.44	21,68,698
Domestic Companies	10.97	31,93,769
Others	2.60	7,58,791
TOTAL	**100.00**	**2,91,37,202**

22. Particulars of Shareholding

Promoter Shareholding as on March 31,2020

Name of Shareholder	No. of Equity Shares held	% of Shareholding
Jayneer Infrapower & Multiventures Private Ltd	1,27,20,703	43.66%

24. Commodity Price Risk & hedging activities

Shirpur Gold is exposed to price fluctuations on account of gold prices and this is managed by way of:

a) Purchase of gold on lease from banks where the commodity price is only fixed when the corresponding sale happens to customers. Thus, the Company is not exposed to gold prices for this portion of purchase.

b) Purchase of gold from customers (on exchange) or spot gold where the risk is managed by way of taking a sell position either in the commodity futures in the commodity exchanges / banks. On a later date when this is sold in the stores, the positions are squared off. Thus, there is no exposure to gold prices for this portion of commodity purchase also. The Mark-to-Market of outstanding Sell Future Contracts, is done on a daily basis, based on gold rate fluctuation.

All the commodity hedging is done in adherence to the hedging limits in place. Senior management periodically reviews the hedge position and other actions.

25. Other Disclosures

i. All transactions entered into by the Company with related parties during the financial year 2019-20 were in ordinary course of business and on arms-length basis. The related party transactions undertaken by the Company during the year under review were in compliance with the applicable provisions of Companies Act, 2013 and Listing Regulations. The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of the Annual Report. All ongoing related party transactions along with the estimated transaction value and terms thereof are approved by the Audit Committee before the commencement of financial year and thereafter reviewed on quarterly basis by the Audit Committee.

In compliance with the requirements of Regulation 23 of Listing Regulations, the Board of Directors of the Company has approved a Related Party Transaction Policy, to facilitate management to report and seek approval for any Related Party Transaction proposed to be entered into by the Company. The said Related Party Transaction Policy can be viewed on www.shirpurgold.com.

There are no materially significant related party transactions between the Company and its promoters, directors or key management personnel or their relatives, having any potential conflict with interests of the Company at large.

ii. There has not been any non-compliance by the Company and no penalties or strictures imposed by SEBI or Stock Exchanges or any other statutory authority on any matter relating to capital markets, during the last three years.

iii. As per Section 177 of the Companies Act, 2013and Regulation 22 of Listing Regulations, a comprehensive Whistle Blower and Vigil MechanismPolicy has been approved and implemented withinthe organization. The policy enables the employeesand directors to report instances of any unethicalact or suspected incidents of fraud or violation of Companies Code of Conduct or ethics policy. This Policy (copy of which is uploaded on the website of the Company) safeguards whistle blowers from reprisals or victimization. Your Board affirms that no personnel has been denied access for making disclosure or report under the Policy to the Vigilance Officer and/or Audit Committee.

iv. In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and approved (i) an Insider Trading Code to regulate dealing in the securities of the Company by designated persons in compliance with the regulations; and (ii) a Policy for Fair Disclosure of Unpublished Price Sensitive Information. Company Secretary of the Company is Compliance officer for the purposes of Insider Trading Code, while the Chief Financial Officer of the Company has been assigned responsibility under Fair Disclosure Policy as Investor Relations Officer.In line with the amendment to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Insider Trading Code and Policy for Fair Disclosure of Unpublished Price Sensitive Information was revised with effect from April 1, 2019. The revised Code and Policy can be viewed on Company's website www.shirpurgold.com.

v. Pursuant to the revised threshold prescribed for Material Subsidiary in Regulation 16 of the Listing Regulations as applicable from April 1, 2019, Zee Gold DMCC has become a Material Subsidiary. The Audit Committee reviews financial statements including investments by its Subsidiary.

The policy on determining material subsidiaries has been uploaded and can be accessed on the websiteof the Company at www.shirpurgold.com

Additionally, the Board has in accordance with the requirements of Companies Act, 2013 and Listing Regulations approved and adopted various other policies including Material Events Determination and Disclosure Policy, Document Preservation Policy, Corporate Social Responsibility Policy etc. These policies can be viewed on Companies Website at www.shirpurgold.com

vi. Your Board hereby confirms that the Company has obtained a certificate from a Company Secretary inPractice confirming that none of the Directors on the Board of the Company have been debarred ordisqualified from being appointed or continuing as Directors by SEBI, Ministry of Corporate Affairs orany such other statutory authority.

vii. During FY 2019-20, the Statutory Auditor of the Company M/s. Parikh & Parikh, Chartered Accountants was not paid any fees by any of the Subsidiary(ies) of the Company. Further as disclosed in Note No. 41 to the Standalone Financial Statements, the Company had paid an aggregate remuneration of Rs. 1.34 Millions (excluding taxes and out of pocket expenses) to its Statutory Auditors, including Rs.1.10 Million towards Statutory Audit fees and Rs. 0.24 Millions towards fees for Tax audit / other Certifications.

viii. Your Company has zero tolerance towards sexual harassment at workplace and has adopted a Policyon prevention, prohibition and redressal of sexual harassment at workplace in line with the provisionsof the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013and the Rules thereunder. There was no complaint on sexual harassment during the year under review.

ix. The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 andapplicable requirements of Regulation 46 of Listing Regulations, as amended.

Management Discussion And Analysis

Investors are cautioned that this discussion contains forward-looking statements that involve risks and uncertainties including, but not limited to, risks inherent in the Company's growth strategy, acquisition plans, dependence on certain businesses, dependence on availability of qualified and trained manpower and other factors. The following discussion with the Company's financial statements included herein and the notes thereto:

Indian Macroeconomic Outlook

India has been the growth leader amongst major economies, including Emerging Markets and Developing Economies (EMDEs) over the last few years. However, the momentum of the strong economic growth weakened gradually during FY20 due to the liquidity crunch, rising unemployment and weak consumer demand. GDP on GVA basis grew by just 4.2% in FY20 compared to 6.1% in FY19. An already slowing economy was hit by the whammy of COVID-19, like most of the countries around the globe. After the government announced a nationwide lockdown beginning 25th March, the economic activity came to a near-complete shutdown. After two months of lockdown, economic activity resumed in a phased manner, with some restrictions still in place.

The impact of the shutdown and gradual opening will be felt sharply on the economy in the first half of FY21. While there is still uncertainty on how fast the economic growth would bounce back, most of the estimates suggest that India's economy will shrink in the first half but as the impact of the pandemic subsides in the second half, the economic growth would return to its normal trajectory. The government has unveiled a Rs 20 trillion relief package to support economy. This package includes liquidity measures taken by the Reserve Bank of India (RBI), easing of lending to MSMEs, and specific measure for key sectors like manufacturing, agriculture, and infrastructure. The RBI, besides providing liquidity support and regulatory relief, also cut the lending rates twice to record lows. Apart from the relief package announced in May, the government has taken several steps to revive economic growth. Few steps like overhaul of the corporate tax rate structure, announcement of NIP (National Infrastructure Pipeline), far reaching reforms in agriculture sector, initiatives to boost 'Make in India', and recapitalisation of public sector banks would help strengthen the economy in the long run.

Unlike economic slowdowns over the past decade, the present deceleration in growth is driven by moderation in consumption growth. The growth in PFCE (Private Final Consumption Expenditure) in FY20 decelerated to 9% after several years of double-digit growth. The prospects of M&E industry have a high co-relation with consumption growth in economy and will therefore be impacted in FY21. However, it is expected that the slew of economic policies and liquidity measures introduced by the government will push PFCE and GDP growth back to previous levels in FY22. Indian consumption story is driven by strong secular trends of growing middle class, rising disposable income and increasing discretionary spends. The current slowdown is temporary and consumption growth would revive as the impact of government's initiatives start showing results.

Industry Structre And Developments

Gold is a clear complement to stocks, bonds and broad-based portfolios. A store of wealth and, a hedge against systemic risk, currency depreciation and inflation, gold has historically improved portfolios' risk-adjusted returns, delivered positive returns, and provided liquidity to meet liabilities in times of market stress.

Investors have embraced gold in 2020 as a key portfolio hedging strategy. Looking ahead, expectations for a faster recovery (V-shaped) from COVID-19 are shifting towards slower recovery (U-shaped), or potential setbacks from additional waves of infections (W-shaped). Regardless of the recovery type, the pandemic will likely have a lasting effect on asset allocation. It will also continue to reinforce the role of gold as a strategic asset. And we believe that the combination of high risk, low opportunity cost and positive price momentum looks set to support gold investment and offset weakness in consumption from an economic contraction.
Global Scenario

Demand

Gold demand fell 1% to 4,355.7t in 2019 as a huge rise in investment flows into gold-backed ETFs was matched by the price-driven slump in consumer demand. It was broadly a year of two distinct halves: resilience/growth across most sectors in the first half of the year contrasted with widespread weakness in the second. Global demand in H2 was down 10% on the same period of 2018 as y-o-y losses in Q4 compounded those from Q3, notably in jewellery demand and retail bar and coin investment. High gold prices and a softer economic environment were the main culprits in the 11% decline in consumer demand in 2019.

Central bank buying was once again a major source of gold demand in 2019. A key event was the July announcement that the Central Bank Gold agreement (CBGA) would not be renewed by its signatories. The CBGA was an initiative that the World Gold Council helped launch 20 years ago when central bank selling of gold needed to be moderated. The world's central banks are now very substantial buyers of gold and most are willing to publicly confirm gold is now an important element of their monetary reserves. There is no longer a need for an agreement to moderate sales.

In 2019, global gold jewellery demand volumes fell 6% to 2,107t. Purely an H2 phenomenon, the weakness was primarily due to the big Q3 jump in the gold price, which impacted affordability. The price was well supported at elevated levels throughout the closing months of 2019, leading to a 10% y-o-y drop in Q4 demand to 584.5t. In India, Key factors behind the second half weakness were: higher gold prices (having reached record levels in Q3), domestic economic slowdown and muted rural demand. Weddings and retailer promotions checked the downfall to some extent. Much of the fall came from a sharp decline in the two largest markets: China and India.

Relatively weak performance in the traditional segment – which represents the lion's share of China's jewellery market – dragged total jewellery demand down. But innovative products have been gaining market share as young consumers favour lighter pieces with fashionable designs. The higher margins associated with these products (which tend to be price on a per-piece basis, rather than by weight) make it easy for them to gain traction among retailers, further accelerating the structural change in the market.

Annual demand for gold bars and coins dropped 20% y-o-y to 870.6t – the lowest level since 2009. Much of the decline came from a sharp decline in the two largest markets: China and India. The drop off in investment was mostly a reaction to the price rally and higher price volatility with added pressure coming from a slowdown in the domestic economies of both countries. But weakness was by no means confined to China and India: investment was notably weaker across much of Asia, the Middle East and the west.

Supply

Total supply was slightly higher in 2019 – up 2% y-o-y to 4,776.1t. This growth was attributable to the price performance of gold over the year, primarily through its impact on recycling, but also on net hedging to a certain extent. While mine production fell by 1% y-o-y, a sharp increase in gold recycling to its highest level since 2012 (+11% y-o-y) helped boost higher total supply. Modest net producer hedging – the first year of net hedging since 2016 – also contributed to overall supply.

Gold mine production totalled 3,463.7t in 2019, 1% lower than in 2018 and the first annual decline in production since 2008. Production growth was largely from greenfield and brownfield development, with Russia, Australia, Turkey and West Africa all seeing higher mine output. But this was outweighed by declines elsewhere. Chinese mine output fell for the third-consecutive year, while industrial action and local disputes also curtailed production in South Africa and South America. But Indonesia – and the transition at Grasberg – had the biggest impact on global mine production in 2019.

Indian Scenario

Gold is used to protect and enhance wealth over the long-term and it operates as a means of exchange, because it has global recognition and is no one's liability. Gold is also in demand as jewellery, valued by consumers across the world. And it is a key component in electronics.5 These diverse sources of demand differentiate gold from other investment assets. They also give it a particular resilience: the potential to deliver solid returns in good times and in bad.

The gold market is also more liquid than several major Indian financial markets, including bonds and stocks, while trading volumes are similar to those of the S&P 500 and short-term US treasuries. Gold's trading volumes averaged INR 10.3tn per day in 2019. During that period, over-the-counter spot and derivatives contracts accounted for INR 5.5tn and gold futures traded INR 4.6tn per day across various global exchanges. Gold trading volumes on MCX contributed to INR 61 billion (bn) per day. Gold-backed ETFs offer an additional source of liquidity, with the Indian-listed funds trading an average of INR 18mn per day. The scale and depth of the market mean that it can comfortably accommodate large, buy-and-hold institutional investors. In stark contrast to many financial markets, gold's liquidity does not dry up, even at times of acute financial stress.

India's gold demand in volume terms declined to 690.4 tonnes from 760.4 tonnes in 2018, out of which jewellery demand fell nine per cent to 544.6 tonnes from 598 tonnes, while bar and coins demand also dropped 10 per cent to 145.8 tonnes from 162.4 tonnes in the said period.

Festival demand received some support from advance wedding purchases and a dip in the gold price ahead of the November wedding season released some pent-up wedding-related demand, but volumes were nevertheless soft compared with 2018, it said, and added, the slowdown was less pronounced among the more organised national and regional chain stores.

High prices were a headwind for investment demand during Dhanteras. Although the festival boosted gold coin purchases, they ended around 10-15% lower y-o-y. Digital gold platforms however, witnessed a notable uptick in sales during the festival; low entry points for digital gold investments (as low as Rs1) helped combat the affordability barrier created by higher gold prices.

India's gold market continues to strive towards regulation and standardisation. The opening weeks of 2020 saw two important developments in the gold market: notification on mandatory hallmarking for gold jewellery and the introduction of Indian gold delivery standards for gold bullion. Effective from 15 January 2021, hallmarking will become mandatory for all gold jewellery sold as 14K, 18K or 22K.

Company Overview

Shirpur Gold Refinery Limited, a part of the Essel group, has the largest installed capacity in India of refining gold and silver from the raw gold (Dore) stage to 99.99% purity. The technical capabilities include achieving fineness of up to 999.9 parts per thousand for gold and silver, casting the refined bullion into bars of various denominations, minting of coins and manufacturing of Jewellery in various designs.

Refining of Gold from the raw gold (Dore) stage and Jewellery scrap to achieve the desired purity of 0.995, 0.999 and 0.9999 fineness is the principal business of the Company. The products manufactured under Company's 'Zee Gold' brand consist of gold bars of 100g, 1 kg. gold and silver coins or different denominations of different purities as per market demand to the highest specifications of global standards.

The State of Company's Affairs/ Developments

The company continues to maintain its commitment to the highest level of production efficiency and excellence in quality. As such at the company has always kept abreast of the ever-changing technologies and processes.

Gold industry in India has always been greatly impacted by the government regulations and controls. Changes implemented by the regulatory authorities has been challenging for the industry and so for the company. The company is well compliant with all directions, changes and regulations implied by the government on gold industry from time to time.

STRENGTHS, OPPORTUNITIES, THREATS, RISKS & CONCERNS:

A) Strengths

(i) Product Range

Currently, The Company is selling its gold bars, Jewellery and coins in different denominations under the brand 'Zee Gold.'

(ii) Product Quality

The company compares its quality standards with the best in the world. The products positioned are comparable with the highest levels certified and accepted internationally. The production processes and controls along with stringent quality control systems has ensured a Zero-defect record over the term.

(iii) Laboratory

The Company's laboratory is a NABL Accredited Lab (National Accreditation Board for Testing & Calibration Laboratories) Government of India for ISO / IEC 17025; 2005 in the discipline of chemical analysis and the scope covers testing of Gold and Silver by Fire Assay, Chemical and Instrument Assay. NABL Accreditation provides formal recognition to Company's lab, thus providing a ready means for users to find reliable testing and calibration services in order to meet their requirements.

(iv) Responsible Sourcing of Raw Material

The company follows acceptable standards of due diligence and responsible sourcing of raw materials. The company ensures adequate compliance following all international regulations covering anti money laundering and terrorist financing. The management is fully committed to establish and maintain strict adherence to international compliance standard for sourcing of raw material. Company's aim is to continually maintain and update its compliance policies with respect to procurement of dore, supply chain management and trading.

(v) Economy of Scales

The production processes established by the Company and continuous monitoring of the same ensures that the Company is in position to reduce the production time with economies of scale and cost reduction through modular structure.

(vi) Distribution network

Your Company has further strengthened the existing strong distribution network created over years. The necessary steps have been initiated to increase penetration in all the gold consuming centers. The company has already created a strong customer base in the international market by having strong and solid channel partners in main hubs of UAE and Hongkong.

(vii) Financial Strengths

The Company is financially sound and has been able to take the advantage in operations.

(viii) Strong operational, technical and management team

Standard Operational Procedures (SOPs) are implemented and policies are put in place by the management to ensure that the work force is adequately monitored and efficiency levels maintained. New trends and practices in the refining areas are evaluated and implemented under the able guidance of technical experts of the Company having on its panel.

B) Opportunities

The dynamics of India's gold industry, with its thousands of small jewellers and millions of skilled artisans, predicate a bottom-up approach to reforms. These are not necessarily quick but are, nevertheless, sustainable. Following the parliamentary announcement in February 2018 by India's then Finance Minister that the Government of India would create policies to establish gold as an asset class, India's policy actions are beginning to generate trust and transparency in the gold market. Introduction of mandatory hallmarking will create significant economic benefits by enhancing employment opportunities in assaying and purity verification and by enabling jewellers to leverage Prime Minister Modi's "Make in India" initiative in our aspiration to be seen as "Jeweller to the world."

SafeGold has proved a successful model with a robust technology platform, having crossed milestones set out at inception in terms of customers, transaction volumes and distribution partnerships. SafeGold promotes good governance by strict adherence to our Internet Investment Gold (IIG) Providers' Guidance. The digital gold market in India as an opportunity for 15 to 20 tonnes growth over the next three to five years. Going forward,
The World Gold Council plan to collaborate with SafeGold as a springboard to expand in southeast Asian and Middle Eastern markets.

At present only LBMA accredited Refiners are only allowed to deliver in the exchanges. Domestic Refiners in India are closely watching the policy developments of regulators and government bodies which is likely to boost the refining business in India. Regulators were showing interest to move towards a delivery method of settlement in Gold rather than cash settled in Exchange based trading.

C) Threats

The weak demand in the first half could drag down India's gold consumption in 2020 to the lowest since 1994, when demand stood at 415 tonnes, Somasundaram said, adding that it is still difficult to provide an estimate for full-year demand as the coronavirus crisis is still unfolding.

An economic contraction will likely result in lower demand for gold in the form of jewellery, technology or long-term savings. This is particularly evident in key gold markets such as China or India. Cconsumer demand to remain soft due to reduced economic activity, concerns about increasing unemployment, and income erosion. However, additional economic packages from the government and a forecasted positive monsoon season could help soften the negative impact of an economic deceleration.

D) Risks & Concerns:

(i) Market Risks

The Company is largely dependents on domestic customers. The Company continues to work towards diversifying its customer mix and to focus on building relationships with customers spread geographically.

(ii) Regulatory Risks

The Company is exposed to regulatory uncertainties facing the gems and Jewellery industry in India. Any changes in the duty, rules and regulations, Import and Export policies or requirements by the Government of India may require the Company to revise business strategies which may impact its financial position adversely. The Company in order to reduce loss of revenue and market share due to any changes in the policies of the Government of India, has diversified sales mix, product range, and raw material mix. However, the management cannot totally eliminate the risks involved in such volatile trades.

(iii) Operational Risks

The Company adopts a sustainable production platform. Continuous availability of gold dore and scrap is critical for the production plans of the company. The company has tied up with global miners for continuous supply of gold dore. The Company is also in process of entering into off-take agreements with miners for supply of gold Dore. The Company is also procuring SR bars and scrap materials from local markets. However, the management cannot totally eliminate the risks involved in such volatile trades.

(iv) Commodity Price Risks

The prices of Gold and Silver are largely governed by movements at major precious metal exchanges of London, New York, Tokyo and others. The local precious metal prices are an algorithm of these movements on 'spot' basis and Indian currency Rates. Prices may fluctuate widely for all products affecting demands in the market. The Company has adopted adequate hedging mechanisms to effectively counter the risk that arises during operations. However, the management cannot totally eliminate the risks involved in such volatile trades.

(v) Currency Risk

This exposes the Company to metal and foreign exchange risks. The Company has established a dealing room and placed hedging policies and procedures for mitigating the risks in gold prices and foreign exchange transactions. However, the management cannot totally eliminate the risks involved in such volatile trades.

(vi) Competition Risk

Significant additional competition in the gold trade may result in reduced off-take and thereby negatively affect the Company's revenues and profitability. The Company may also face competition arising from new technology/ automation leading to new products acceptable to customers. For maintaining or increasing the market share, Company has taken initiatives of effective marketing, ability to improve processes, introducing new products & technology.

(vii) Internal Control Systems

The company follows a standard operating procedure in all its operations, documentation and trades which is best as per industry standards. The management ensure all the activities and operations are well informed to the concerned and risk management policies are followed in all its endeavors.

(viii) Attrition Risk

The Company has a strong management and technical team to oversee the operations and growth of its business. The Company's ability to sustain its growth largely depends, on its ability to attract, train, motivate and retain high skilled employees. An increase in the rate of attrition of experienced employees, would adversely affect the Company business. In view of above, to curtail attrition of high potential employees, the Company always strives to create conducive work environment, platform for innovation & creativity, creation of learning & growth opportunity and sense of belongingness. As a part of its retention strategy the Company is putting its endeavor to identify & ring fence of "High Potential Employees".

Segmental Performance

The Company is in the business of refining, manufacturing and marketing of precious metal which is considered as the only reportable segment.

Outlook

Gold is likely to play an important role for investors as they consider how to adjust their portfolios to account for a climate-impacted economy. In contrast to many other mainstream asset classes, gold is likely to be more resilient and less volatile as climate change impacts the global economy. Whilst there is more to do to fully understand how to construct an investment portfolio that is robust given a changing climate, it is evident that gold will play a leading role, particularly given that on-going emissions associated with gold bullion is negligible.

The COVID-19 pandemic is having a devastating effect on the global economy. The IMF is currently projecting a 4.9% contraction in global growth in 2020, with high levels of unemployment and wealth destruction.

In the coming years, growth in gems and jewellery sector would largely be contributed by the development of large retailers/ brands. Established brands are guiding the organised market and are opening opportunities to grow. Increasing penetration of organised players provides variety in terms of products and designs. Online sales are expected to account for 1–2% of the fine jewellery segment by 2021–22. Also, the relaxation of restrictions of gold import is likely to provide a fillip to the industry. The improvement in availability along with the reintroduction of low-cost gold metal loans and likely stabilisation of gold prices at lower levels is expected to drive volume growth for jewellers over short to medium term. The demand for jewellery is expected to be significantly supported by the recent positive developments in the industry.

India continues its efforts to regulate and standardise the gold industry. The BIS recently announced standards for delivery of a range of items, including gold. Under the
good delivery standards, gold processed by domestic refineries that meet the requirements will now be eligible for delivery on the domestic Multi Commodity Exchange
(MCX). The introduction of good delivery standards will help pave the way for bullion banking and gold spot exchange in India.

The Blueprint for a gold spot exchange in India, a report prepared with the support of 27 leading industry members including global bullion banks, has altered the course of debate from "if" to "when." A series of industry meetings on logistics and good delivery, and trade visits to markets such as China, UK and Turkey, have taken place as the industry awaits the announcement of the implementation roadmap. This has been followed up by a syndicate of leading exchanges and legal practice working on a legal framework along with membership norms for formation of a central gold body.

Bullion banking in India is small and non-core, limited by regulations and a lack of infrastructure. We want to ensure that this large market is well supported and India is able to tap its market potential of US$300-500 million. To aid this objective, a full suite of product offerings will be launched to trade and consumers over the next few years. This will also meet the government objective to make gold an asset class whilst balancing macro-economic concerns.

It is expected the following trends in next 6 to 12 months :

- Financial and geopolitical uncertainty combined with low interest rates will likely continue supporting gold investment demand
- Net gold purchases by central banks will likely remain robust even if they are lower than the record highs seen in recent quarters
- Momentum and speculative positioning may keep gold price volatility high
- Gold price volatility and expectations of weaker economic growth may result in softer consumer demand near term
- But structural economic reforms in India and China will support demand in the long term.

As looking ahead into 2020, it is believed that investors will face an increasing set of geopolitical concerns, while many pre-existing ones will likely be pushed back rather than being resolved. In addition, the very low level of interest rates worldwide will likely keep stock prices high and valuations at extreme levels. Within this context, we believe that there are clear reasons to have higher levels of safe-haven assets like gold.

One of the key drivers of gold, especially in the short and medium term, is the opportunity cost of holding it relative to other assets such as bonds. Unlike bonds, gold does not pay interest or dividends because it does not have credit risk. This perceived lack of yield often deters some investors. But in an environment where a quarter of developed market sovereign debt is trading with negative nominal rates and, once adjusted for inflation, a whopping 70% trades with negative real rates, the opportunity cost of gold almost goes away, even providing what can be seen as a positive "cost of carry" relative to sovereign bonds.

While consumer demand may be soft and speculative activity could amplify price
movements, overall, it is likely that investment demand will remain robust and central banks will continue their net purchasing trend.

Zee Gold DMCC, Dubai (100% subsidiary) is actively engaged in the precious metals trading business and tapping opportunities in countries like Middle East, Africa, Indian sub---Continent, South East and Central Asia, The Americas, Turkey and the former CIS countries.

The central location of Dubai and a time zone that facilitates trading with all global markets provides an ideal base from which to develop a major precious metals business. The business is focused on Wholesale physical bullion trading, incorporating sales of the full range of the company's physical gold and silver products, including value added investment bars and coins. Sourcing of both primary and secondary supplies of gold and silver.

Certification on Financial Statements of the Company

We, Kavita Kapahi, Director and Ashok Sanghavi, Chief Financial Officer of Shirpur Gold Refinery Limited ('the Company'), certify that:

(a) We have reviewed the Audited Financial Results of the Company for the year ended March 31,2020 and that to the best of our knowledge and belief, we hereby certify that the above financial results:

- i) do not contain any false or misleading statement or figures and;
- (ii) do not omit any material fact which may make the statements or figures contained therein misleading and;
- (iii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) To the best of our knowledge and belief, no transactions entered into by the Company during the quarter / year ended March 31,2020 are fraudulent, illegal or violative to the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken to rectify these deficiencies.

(d) During the quarter / year:

- (i) There has not been any significant changes in internal control over financial reporting;
- (ii) There have not been any significant changes in accounting policies; and
- (iii) There have been no instances of significant fraud of which we are aware that involve management or other employees, having significant role in the company's internal control system over financial reporting.

For Shirpur Gold Refinery Limited

Place: Mumbai,	**Kavita Kapahi**	**Ashok Sanghavi**
Date: 30th July,2020	Director	Chief Financial Officer

Independent Auditor's Report on the Standalone Financial Statements

The Members,
SHIRPUR GOLD REFINERY LIMITED

Report on the audit of the Ind AS Financial Statement

1. **Opinion**

   We have audited the accompanying standalone Ind AS Financial Statements of Shirpur Gold Refinery Limited ("the Company"), which comprise the Balance sheet as at 31st March 2020, the Statement of Profit and Loss (including Other comprehensive income), the Statement of Changes in Equity and the statement of Cash Flows for the year ended on that date, and Notes to the Ind AS financial statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

   In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, and total comprehensive loss (comprising of loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. **Basis for Opinion**

   We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

3. **Emphasis of matters:**

   Reference is invited to the following notes to the financial statements:

   (i) **Note No. 60 relating to NPA of cash credit and loans from lenders:** During the year, three of the lender banks and a financial institution ('the lenders') have outstanding dues classified as Non-performing assets, amounting to Rs.3153.94 Millions including amount of bank guarantees invoked, interest and penal interest of Rs.182.30 Millions due to defaults in the repayment and non-compliance of the terms and conditions.

   Of the said lenders, one of the bankers and a financial institution has recalled the loan outstanding of Rs.1982.69 Millions including interest at the year end. The banker has even issued notice for constructive possession of the factory, on as is where is basis, at Shirpur, Dhule District, Maharashtra. However, no further action has been taken by the said bank in this connection.

   An independent auditor is appointed by the lenders to carry out audit of the books of accounts of the Company.

   The Management had informed that it had submitted its scheme of restructuring the said overdues and negotiation with the lenders is under way for amicable settlement. However, we are unable to comment thereon in absence of sufficient appropriate evidences to the above submission.

   (ii) **Note No. 61 relating to Deferred tax :** No provision for deferred tax is made in view of the temporary suspension of the manufacturing operations and slowdown in the trading activities, resulting in no immediate probability of any future profits to absorb such deferred tax.

   (iii) **Note No. 62 relating to Trade Receivables :** Trade receivables net of Rs.2981.65 Millions is after making provisions for doubtful debt of Rs.1061.19 Millions in respect of aggregate dues of Rs.3356.23 Millions from the two of the parties. The Management has informed that it is assured of recoveries of dues from these parties, however, we are unable to comment on the same as there is no sufficient appropriate audit evidences produced before us to show the Management's contentions of such recovery.

   (iv) **Note No. 63 relating to impact of COVID 19:** The Management of the company has assessed that there is no material impact due to countrywide lockdown on account of COVID-19 pandemic and considering the business segment (Precious Metals) in which company operates, there was no material impact which require any adjustment in financial statement as the Company did temporarily stop manufacturing and trading operations due to paucity of funds, the notice from lenders for possession of the factory premises, and various legal and regulatory actions against the company.

   (v) **Note No. 64 relating to Going Concern**, in view of notices served by the lending bank for constructive possession of the Company's factory premises, temporary closer of production. However, the financial statements have been prepared on a going concern basis in view of the financial support from the promoter companies and the management's plan to generate cash flows through furture operations, after expected settlement of the claims of the lenders banks/financial institutions as detailed herein above, which would enable the Company to meet its financial obligations as and when they fall due. The management's assessment is largely dependent on the support from its Promoter Companies and other matters referred to herein.

(vi) **Note No. 65 relating to previous report:** Further the comparative financial information of the Company for the year ended 31st March 2019 prepared in accordance with Ind AS included in this Statement have been reviewed/audited by the predecessor auditor. The report dated 18th May 2019 of the predecessor auditor on this comparative financial information respectively expressed an unmodified conclusion/opinion.

Our report is not modified in respect of this matter.

4. Key Audit Matters

Key Audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matter	**Going Concern Assumption by Management**
Criteria for disclosure as key Audit matter	Assumptions based on Management's opinion on Going Concern basis for preparation of Standalone Financial Statements
Present status	**Audit approach**
1. Assessment of Going Concern as a basis of accounting: (Refer note 61 to the financial statements) The Company has incurred loss during the current due to temporary cessation of manufacturing and trading turnover. Further, it had been served with Notices by the lender banks/ institution, for repayment of the loans taken with interest and even have served notice for constructive handing over of the factory premises. These may create a doubt regarding the Company's ability to continue as a going concern. However, the financial statements have been prepared on a going concern basis considering the expectation of the Management that they will amicably settle with the lender banks/institutions, as negotiations are on. Once settled, the manufacturing and trading operations may re-commence, with the financial support from the promoter company etc and/or the management's plan to generate cash flows through operations which would enable the Company to meet its financial obligations as and when they fall due. We considered this to be a key audit matter because management's assessment is largely dependent on the support letter obtained from its Promoter Company.	Our procedures included the following : • Obtained the management assessment of appropriateness ofGoing Concern basis of accounting. • Discussed with the management on the on-going proceedings in relation to various notices received from the lenders banks/ financial institutions, and the way forward to settlement with them. • Discussed with the management future business and theirplans to ensure that the Company is able to meet its financialobligations in the foreseeable future. • Read the minutes of board of directors meeting for discussion onfuture business plans and on liquidating certain assets to ensureavailability of liquid funds. • Verified based on discussions in minutes the support from itsPromoter indicating that Promoter and group companies will take necessary actions toorganize for any shortfall in liquidity in Company that may ariseto meet its financial obligations and timely repayment of debtduring the period of 12 months from the balance sheet date. Based on the above procedures, we noted the management assessment of going concern basis of accounting is followed.

Key audit matter	Amounts recoverable-claims, receivables, loans & advances given, provision for expected credit losses and related balances
Criteria for disclosure as key Audit matter	Assessed the credit period by the Company vis-à-vis customers, insurance claims status and loans & advances given and management's assessment of realisability of such dues;
Present status	**Audit approach**
2. Refer Note No. 62 and Note No. 47(a)(ii) for credit risk disclosures. Trade receivables and other amounts recoverable comprise a significant portion of the current financial assets of the Company. As at 31 March 2020 trade receivables (Refer Note No. 9). aggregate to Rs.29,81.65 millions and other amounts recoverable (Refer Note No. 14) aggregate to Rs.249.52 millions. In accordance with Ind AS 109, the Company applies expected Note No. 47 of the Notes to Accounts of the standalone financial statements model for measurement and recognition of impairment loss for financial assets. The Company has analysed trade receivables considering ageing etc. and calculated estimated credit loss on the basis of ageing. Accordingly the provision for Rs.1061.19 million is made as credit loss as. Other amount recoverable of Rs.249.52 millions include Rs.124.17 million for insurance claim lodged with the insurance company (Refer Note no.50) pending since April 2015 for settlement. On the basis of such workings and negotiations with the insurance company, the Company do not foresee any ECL for provisions to be made for doubtful or bad debts. Estimation of provisions and assessment of recoverability of amounts involves significant degree of judgement and evaluation basis for ongoing communications with the respective parties and is therefore considered as a key audit matter.	Our audit procedures to address this key audit matter included, but were not limited to the following: a. We discussed with the management about the conditions leading to, and their assessment of recoverability of dues from the parties and also referred to the available communications, if any, between them. b. We referred to the ageing of trade and other receivables and discussed the key balances to establish the management's assessment of recoverability of such dues. c. We analysed the methodology used by the management and considered the credit and payment history of specific parties to determine the trend used for arriving at the expected credit loss, if any. d. We referred to the terms and conditions, verbal and/or in writing wherever available, stipulated in the settlement arrangement with respect to amounts recoverable from a vendor. e. We have assessed the adequacy of disclosures made by the management in the financial statements to reflect the expected credit loss provision, trade and other receivables and related balances. f. In one of the debtor's case having outstanding receivables of Rs.24,18.56million, one of its creditors had filed insolvency petition before NCLT, Delhi pending hearing and disposal. The Company has lodged its claim of Rs.24,18.56 millions before NCLT. However, the Company has made provision of Rs.1061.19 million and in subsequent quarters it has continued to make provision for doubtful debts.
Key audit matter	**Impairment of Assets**
Criteria for disclosure as key Audit matter	Assumptions based on either technical feasibility, economic feasibility or/and estimated future cash flows
Present status	**Audit approach**

3. Impairment of assets/Investments : As per Ind AS 36- Impairment of Assets, for investments in subsidiary, impairment has to be done when the carrying amount of such investment in the separate financial statement is higher than the carrying amount in the consolidated financial statements of the investee's net assets. The Company has long-term investments in a subsidiary aggregating Rs 337.49 millions as at 31 March 2020. The Company records its long-term investments at cost less any provision for impairment loss. Changes in business environment could have a significant impact on the valuation of these investments. These long-term investments are tested for impairment periodically. If triggers of impairment exist the recoverable amounts of the investment in a subsidiary is adjusted for any impairment loss. The impairment loss is recognised in the statement of profit and loss. Refer 1(f & g) of Significant Accounting Policy for impairment of assets/ investments	We performed the following key audit procedures: We have reviewed assumptions taken for projecting the future cash flows and the basis of criteria for the underlying preparation of these projections. Based on the representations provided to us by the management, no impairment is required for the investments made in the subsidiary as at the end of the financial year. (Refer Accounting Policy no.1(f & g).

5. **Information Other than the Ind AS Financial Statements and Auditor's Report Thereon**
   - The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.
   - Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
   - In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.
   - If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.
6. **Management's Responsibility for the Ind AS Financial Statements**

   The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including total comprehensive income), changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

   In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

7. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work, and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

8. **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit, except that due to lockdown and social distancing guidelines for containment of spread of Covid-19, certain evidences, documents, registers, records, forms etc., could not be verified physically by us, as the same were maintained by the Company at their corporate and/or registered office. While all possible steps were taken to verify records made available by the Company after the year end through electronic medium and requisite confirmations were taken from the Company, wherever required, the audit was done subject to limitation of availability and physical verification of certain documents.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss including Other comprehensive income, Statement of changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

    d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

    e) On the basis of the written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting (IFCoFR) of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended.

        The Company has paid or provided for any managerial remuneration during the year and such remuneration so paid is in accordance with the provisions of Section 197 of the Act.

    f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company does not have any pending litigations which would impact its financial position except as otherwise stated in Annexure to Auditors' Report and Auditor's Report and Note no.34 of the and of Notes to Ind AS Financial statements.

        ii. Provision has been made in these Ind AS financial statement as required under the applicable law or Ind AS, for material foreseeable losses, on long term contracts including derivative contracts, in the Ind AS financial statement.

        iii. There has been no amount required to be transferred to the Investor Education and Protection Fund, since the same is not applicable to the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For Parikh & Parikh

Chartered Accountants

Firm Regn No.: 107526W

CA Milan G Parikh

Proprietor

Mem. No.: 038557

ICAI UDIN No. 20038557AAAAGI6278

Mumbai, 30 July 2020

Annexure “A” to Independent Auditor’s Report

(Referred to in para 7(1)(f) of the Independent Auditor’s Report of even date to the members of SHIRPUR GOLD REFINERY LIMITED on the standalone Ind AS financial statements for the year ended 31 March 2020)

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of SHIRPUR GOLD REFINERY LIMITED (“the Company”) as at 31st March, 2020 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

1. **Mnagement’s Responsibility for Internal Financial Controls**

   The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

2. **Auditor’s Responsibility**

   Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

   Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

   We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

3. **Meaning of Internal Financial Controls over Financial Reporting**

   A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

   (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

   (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

   (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

4. **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

5. **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were, operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Parikh & Parikh
Chartered Accountants
Firm Regn No.: 107526W

CA Milan G Parikh
Proprietor
Mem. No.: 038557
ICAI UDIN No. 20038557AAAAGI6278

Mumbai, 30 July 2020

Annexure "B" to Independent Auditor's Report

(Referred to in para 7(2) of the Independent Auditor's Report on the Standalone Ind AS financial statements for the year ended 31st March 2020)

Report on the Companies(Auditor's Report)Order, 2016 (the Order) issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 (the Act) of SHIRPUR GOLD REFINERY LIMITED (the Company)

i) In respect of Fixed Assets:

a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The Company has a regular program of physical verification of its fixed assets, in phased manner designed to cover all the items during the year. In our opinion, this program and periodicity is reasonable having regard to the size of the company and the nature of its assets. In accordance with this program, fixed assets have been physically verified by the Management during the year and as per the information and explanations given, records produced, we observe that no material discrepancies were noticed on such verification.

c) In our opinion and according to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of freehold immovable property of land and building, as disclosed in Note no. 2 – Property, Plant and Equipment, to the standalone financial statements, are held in the name of the Company.

ii) Inventory:

As per the information and explanations given, the inventories have been physically verified by the Management at reasonable intervals during the year. In our opinion the frequency and the procedure of such verification followed by the management is reasonable and adequate in relation to the size of the company and nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not material and accordingly dealt with in the books of account.

iii) Loans, secured or unsecured granted covered under Section 189 of the Act:

According to the information and explanations given to us, the Company has not granted any secured or unsecured loans to companies, firms, Limited Liability Partnerships or other parties, except to its wholly owned foreign subsidiary, covered in the Register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

iv) Loan to directors, investment, and guarantees under Sections 185 and 186 of the Act:

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loan and/or guarantees given and investments made, as applicable. No security has been provided.

v) Public Deposits:

In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi) Cost Records:

According to information and explanation given to us, the Central Government has not prescribed under sub-Section (1) of Section 148 the Act, the maintenance of cost records under the Companies (Cost Records and Audit) Rules, 2014 hence paragraph (vi) of this Order is not applicable to the Company.

vii) Payment of statutory dues:

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service Tax (GST), sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and material statutory dues have generally been regularly deposited during the year with the appropriate authorities.

There are no undisputed amounts payable in respect of the aforesaid dues, which were in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.

b) According to information and explanations given to us and the records of company examined by us, there are no other dues of Income Tax or Sales Tax or Service Tax or Goods and Service Tax (GST) or duty of Customs or duty of Excise or Value added tax which have not been deposited by the Company on account of disputes, except for the following:

Disputed Liabilities under Income tax Act 1961:

Nature of Statute	Amount (in Million)	Period to which the amount relate (Assessment Year)	Forum where dispute is pending
Income Tax Act 1961	0.62*	2001 – 02	Income Tax Appellate Tribunal, Mumbai

*Adjusted against the refund of Rs.1.00 Million, balance refundable.

viii) Default on dues of the financial institutions, banks and government:

In our opinion and according to the information and explanations given to us, and based on the records of the Company, the Company has defaulted during the year in repayment of loans or borrowings to banks and financial instituion, as detailed in Note no.3(i) of the Independent Auditor's Report of even date, annexed hereto, and the default continues till the date of our reporting. There are no dues to the Government, as per records produced. The Company did not have any outstanding debentures during the year.

ix) Application Of term loans and public offers:

According to the information and explanation given to us, the Company has not raised any new loans or working capital hence the rest of the details required to be reported in this clause is not applicable. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

x) Frauds:

During the course of our examination of books of accounts and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud on the Company or by the Company, noticed or reported during the year, nor have been informed of such cases by the management.

xi) Managerial remuneration:

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii) Nidhi Companies:

According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the order and the Nidhi Rules, 2014 are not applicable.

xiii) Transactions with related parties:

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable. The details of such related party transactions have been disclosed at Note No. 50 to the standalone Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

xiv) Preferential allotment or private placement of securities:

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

xv) Non-cash transactions with Directors:

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi) Registration with Reserve Bank of India:

In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For Parikh & Parikh
Chartered Accountants
Firm Regn No.: 107526W

CA Milan G Parikh
Proprietor
Mem. No.: 038557
ICAI UDIN No. 20038557AAAAGI6278

Mumbai, 30 July 2020

Balance Sheet as at 31st March, 2020

(₹ in Millions)

	Particulars	Notes	As at March 31, 2020	As at 31 March, 2019
	ASSETS			
	Non-Current Assets			
a	Property, Plant & Equipments	2	1,446.45	1,510.88
b	Financial Assets			
	(i) Investments	3	337.49	337.60
	(ii) Other Financial Assets	4	2.64	4.69
c	Deferred Tax Assets (Net)	5	461.34	461.34
d	Income Tax Assets (Net)	6	28.28	24.30
e	Other Non-Current Assets	7	19.31	19.31
	Total Non -Current Assets	**(A)**	**2,295.51**	**2,358.12**
	Current Assets			
a	Inventories	8	14.43	362.45
b	Financial Assets			
	(i) Trade Receivables	9	2,981.65	2,795.07
	(ii) Cash and Cash Equivalents	10	5.59	159.24
	(iii) Bank Balances other than Cash and Cash Equivalents	11	145.16	582.74
	(iv) Loans	12	26.10	-
	(v) Other Financial Assets	13	1.65	1.65
c	Other Current Assets	14	249.52	1,262.81
	Total Current Assets	**(B)**	**3,424.10**	**5,163.96**
	TOTAL ASSETS	**(A+B)**	**5,719.61**	**7,522.08**
	EQUITY AND LIABILITIES			
	Equity			
a	Equity Share Capital	15	291.37	291.37
b	Other Equity	16	1,623.80	3,099.50
	Total Equity	**(A)**	**1,915.17**	**3,390.87**
	Liabilities			
	Non-Current Liabilities			
a	Financial Liabilities			
	(i) Borrowings	17	449.90	1,099.90
	(ii) Other Financial Liabilities	18	15.36	15.36
b	Provisions	19	1.58	5.16
		(B)	**466.84**	**1,120.42**
	Current Liabilities			
a	Financial Liabilities			
	(i) Borrowings	20	2,971.64	2,854.39
	(ii) Trade Payables	21	-	
	a) Total Outstanding dues of Micro, Small & Medium Enterprise			-
	b) Total Outstanding dues of creditors other than Micro,Small and Medium enterprises		151.98	127.87
	(iii) Other Financial Liabilities	22	213.62	27.47
b	Provisions	23	0.36	1.06
	Total Current Liabilities	**(C)**	**3,337.60**	**3,010.79**
	Total Liabilities	**(B+C)**	**3,804.44**	**4,131.21**
	Total Equity and Liabilities	**(A+B+C)**	**5,719.61**	**7,522.08**
	Notes forming part of the standalone financial statements	**1-68**		

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

CA Milan Parikh
Proprietor
Membership No. 038557

Place: Mumbai
Date: 30th July 2020

For and on behalf of the Board of Directors

Manoj Agarwal - Director
Kavita Kapahi - Director
Ashok Sanghavi - CFO
Shyamal Padhiar - Company Secretary

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Statement of Profit and Loss for the year ended 31st March, 2020

(₹ in Millions)

	Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
	Revenue			
I	Revenue from Operations	24	5,406.38	18,952.29
II	Other Income	25	15.63	7.32
III	**Total Revenue (I + II)**	**(I+II)**	**5,422.01**	**18,959.61**
IV	**Expenses**			
	a) Cost of Materials consumed	26	2,448.15	7,281.73
	b) Purchase of Stock-in-Trade	27	2,518.58	11,372.34
	c) "Changes in inventories of finished goods, work-in-progress and stock-in-trade"	28	346.86	(79.63)
	d) Employee Benefits Expense	29	19.12	21.70
	e) Finance Cost	30	408.34	201.86
	f) Depreciation & Amortization Expense	31	64.47	66.94
	g) Other Expenses	32	1,091.10	34.55
	Total Expenses (IV)	**(IV)**	**6,896.62**	**18,899.49**
V	**Profit(Loss) before Exceptional Item and Tax (III - IV)**	**(III - IV)**	**(1,474.61)**	**60.12**
	Less: Exceptional Item		**-**	**19.56**
VI	**Profit(Loss) after Exceptional Item and Tax**		(1,474.61)	40.56
VII	**Less : Tax Expenses**	33 a		
	a) Current Tax (Mat)	6	-	8.35
	b) Deferred Tax Charged/(Credit)	5	-	4.71
VIII	**Profit(Loss) after Tax for the Period/Year (VI - VII)**	**(VI -VII)**	**(1,474.61)**	**27.50**
IX	**Other comprehensive income (Loss)**			
	Item that will not be reclassified to profit or loss			
	Re-measurementt of defined benefit plans	49	(1.09)	0.16
	Tax Expense	33 b	-	(0.03)
	Total Other comprehensive income (Loss)		**(1.09)**	**0.13** Check last
X	**Total comprehensive income(Loss) for the period/year**	**(VIII + IX)**	**(1,475.70)**	**27.63**
XI	Paid-up Equity Shares Capital (face value Rs.10/- each)		291.37	291.37
XII	Reserves excluding Revaluation Reserves		1,623.80	3,099.50
XIII	**Basic & Diluted earning per share (not annualized) (in Rs.)**		**(50.61)**	**0.94**
	Notes forming part of the standalone financial statements	**1-68**		

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

CA Milan Parikh
Proprietor
Membership No. 038557

Place: Mumbai
Date: 30th July 2020

For and on behalf of the Board of Directors

Manoj Agarwal - Director
Kavita Kapahi - Director
Ashok Sanghavi - CFO
Shyamal Padhiar - Company Secretary

Cash Flow Statement for the year ended 31st March, 2020

Particulars	As at March 31, 2020	As at March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Taxation and Extraordinary Items	**(1,474.61)**	**40.56**
Adjustment for:		
Depreciation and Amortization Expenses	64.47	66.94
Finance Cost	408.34	201.86
Net Gain on exchange difference	-	(56.79)
Exceptional Item (Refer Note No.54)	-	19.56
Reserve for Doubtful Debts	1,061.19	-
Re-measurementt of defined benefit plans	(1.09)	0.16
Excess Provision Liabilities written back	0.84	
Profit on Sale of Investment	0.07	
Operating Profit /(Loss) before Working Capital Changes	**59.21**	**272.29**
Adjustment for :		
Change in Current Assets & Current Liabilities		
(Increase) /Decrease in Inventory	348.01	17.34
(Increase)/ Decrease in other Current Assets	987.20	(810.51)
(Increase)/ Decrease in Trade Receivables	(1,247.77)	53.12
Increase/(Decrease) in Trade Paybles & Current Liabilities	208.70	(114.75)
Increase/(Decrease) in Other Non Current Liabilities & Provisions	(3.58)	0.53
Cash Generated from Operation	**292.56**	**(854.27)**
Less: Direct taxes paid (Net)		
Net Cash flow from Operating Activities	**351.77**	**(581.98)**
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property Plant & Equipments	(0.03)	(0.13)
Dividend Received		-
Investment in Foreign Subsidiaries	-	0.01
Investment in Other Non Current Assets	(1.88)	(0.14)
Net Cash Generated in Investing Activities	**(1.91)**	**(0.26)**
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Finance Cost	(408.34)	(201.86)
Redemption/(Investment) in Fixed Deposits	437.59	(231.62)
Increase/(Decrease) in Non Current Borrowings	(650.00)	325.00
Increase/(Decrease) in Current Borrowings	117.25	716.15
Net Cash Generated in Financing Activities	**(503.50)**	**607.67**
NET CASH FLOW DURING THE YEAR (A+B+C)	**(153.64)**	**25.42**
Cash and cash equivalents at the beginning of the year*	**159.24**	**133.82**
Cash and cash equivalents at the end of the year*	**5.59**	**159.24**

Notes: 1. Cash Flow Statement has been prepared under the indirect method as set out in the Ind AS-7 "Cash Flow Statements"
2. Previous year's figures have been regrouped, rearranged, reclassified wherever applicable.
3. *Cash & cash equivalent includes Cash and Bank Balance only.

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

For and on behalf of the Board of Directors

CA Milan Parikh
Proprietor
Membership No. 038557
Place: Mumbai
Date: 30th July 2020

Manoj Agarwal - Director
Kavita Kapahi - Director
Ashok Sanghavi - CFO
Shyamal Padhiar - Company Secretary

Statement of Changes in Equity for the year ended 31st March, 2020

A. EQUITY SHARE CAPITAL

(₹ in Millions)

Particulars	Amount
Balance as at 1 April 2018	291.37
Changes in equity share capital during the year	-
Balance as at 31 March 2019	291.37
Changes in equity share capital during the year	-
Balance as at 31 March 2020	**291.37**

B. OTHER EQUITY

(₹ in Millions)

Particulars	Reserves & Surplus				
	Retained earnings	**Capital Reserve**	**General Reserve**	**Security Premium Reserve**	**Total**
Balance as at 1 April 2018	**(17.23)**	**585.51**	**1,068.59**	**1,435.00**	**3,071.87**
Restatement of prior period items	-	-	-	-	-
Profit for the year	27.50	-	-	-	27.50
Other comprehensive income (net of tax)	0.13	-	-	-	0.13
Issue of equity shares	-	-	-	-	-
Other Adjustments with holding company	-	-	-	-	-
Balance as at 31 March 2019	**10.40**	**585.51**	**1,068.59**	**1,435.00**	**3,099.50**
Profit for the year	(1,474.61)	-	-	-	(1,474.61)
Other comprehensive income (net of tax)	(1.09)	-	-	-	(1.09)
Issue of equity shares		-	-	-	-
Other Adjustments with holding company	-	-	-	-	-
Balance as at 31 March 2020	**(1,465.30)**	**585.51**	**1,068.59**	**1,435.00**	**1,623.80**

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

For and on behalf of the Board of Directors

CA Milan Parikh
Proprietor
Membership No. 038557
Place: Mumbai
Date: 30th July 2020

Manoj Agarwal - Director
Kavita Kapahi - Director
Ashok Sanghavi - CFO
Shyamal Padhiar - Company Secretary

Notes forming part of the Financial Statements

CORPORATE INFORMATION

Shirpur Gold Refinery Limited ("SGRL" or "the Company") is incorporated in the state of Maharashtra, India and is listed on Bombay Stock Exchange of India Limited(BSE) and National Stock Exchange of India Limited (NSE) in India. The Registered office and Plant of the Company is situated at Refinery Site, Shirpur, Dist : Dhule, Maharashtra-425 505. The Company has been in the business of manufacturing and trading of gold bars, gold coins, gold jewellery and export of gold jewellery.

1. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

These financial statement have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as notified by Minstry of Corporate Affairs pursuant to Section 133 of the Companies Act,2013 (the Act) read with of the Companies (Indian Accounting Standards) Rules 2015 as amended.

b) Basis of Preparation of financial statements

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets, financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

c) Current versus non-current classification

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company and other criteria set out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

d) Property, Plant and Equipment and Capital Work in Progress

Recognition and initial measurement:

Property, plant and equipment are recorded at the cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use upto the date when the assets are ready for use. Any trade discount, recoverable taxes and rebates are deducted in arriving at the purchase price. All other repairs and maintenance are recognized in statement of profit and loss as incurred.

Subsequent measurement Depreciation and useful lives:

Property, plant and equipment are subsequently measured at cost less depreciation and impairment loss.Based on an independent technical evaluation, the useful life of following PPE has been estimated as 05-60 years (on a single Shift basis), which is different from that prescribed in Schedule II of the Companies Act, 2013.

Assets	Management's Estimate of Useful Life
Concrete Road – GB	60 Years
Airport Complex	30 Years
Plant & Machinery	05-40 years

Depreciation on additions to assets or on sale/discarded of assets, is calculated pro-rata from the month of such addition or up to the month of such sale/ discarded, as the case may be.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition (calculated as the difference between the net disposal proceeds and its carrying amount) is included in the statement of profit and loss.

e) Other Intangible assets

Recognition and initial measurement

Intangible assets are recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. These assets are valued at cost which comprises the purchase price and any directly attributable expenditure on making the asset ready for its intended use.

Subsequent measurement (amortisation)

Intangible assets are amortized on straight line basis over the economic useful life estimated by the management.

f) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication

Notes forming part of the Financial Statements

exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

g) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider –

1. All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
2. Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

h) Revenue Recognition

Ind AS 115 'Revenue from Contracts with Customers'

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognize.

Revenue is recognize to the extent it is probable that economic benefits will flow to the Company and the revenue can be reliably measured . Revenue is a measured at the fair value of the consideration received or receivable . All revenues are accounted on accrual basis except to the extent stated otherwise.

- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Company applies the revenue recognition criteria to each nature of the sales transaction as set out below.
- Sale of Goods is recognized on transfer of all significant risks and rewards of ownership to the buyer and when no significant uncertainty as to collectability exists.
- Revenues/ incomes and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.
- Interestis accounted on time proportion and accrual basis.
- Dividend income is accounted when the right to receive the same is unconditional.

i) Inventories

- Inventories of consumables, raw materials, work-in-progress and finished goods are valued at lower of cost or realizable value. The comparison of cost and net realizable value is made on Market Value or Realizable Value basis.
- In determining cost of raw materials, packing materials, stock-in-trade, stores, spares and consumables, FIFO method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costsincurred in bringing the inventory to their present condition.
- Cost of finished goods and work-in-process includes the cost' of raw materials, an proportionate/ appropriate share of fixed and variable production overheads, duties and taxes as applicable and other costs incurred in bringing the inventories to their present form.

Notes forming part of the Financial Statements

j) **Borrowing Cost**

Borrowing costs include interest and other costs that the Company incurs in connection with the borrowing of funds.

Borrowing costs related to a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use is worked out on the basis of actual utilization of funds out of project specific loans and/or other borrowings to the extent identifiable with the qualifying asset and is capitalized with the cost of qualifying asset, using the effective interest method. All other borrowing costs are charged to statement of profit and loss.

In case of significant long-term loans, other costs incurred in connection with the borrowing of funds are amortised over the period of respective loan.

k) **Investments**

- Investments intended to be held for more than a year from the date of the acquisition are classified as Non Current Investments and are carried at Cost. Provision for diminution in the value of Non-Current investments is made only if in the opinion of management, such decline is other than temporary in nature.
- Current Investments are carried at lower of cost or fair value. The comparison of cost and fair value is done separately in respect of each category of investments. On disposal of aninvestment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Profit or Loss on sale of investments is determined on a first-in-first-out (FIFO) basis.

l) **Transactions in Foreign Exchange**

The functional currency of the Company is Indian Rupee (INR) which is also the presentation currency.

- **Initial recognition:** Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.
- Measurement of Foreign Currency items at the Balance Sheet date:Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognized as income or as expenses in the period in which they arise.
- Forward Exchange Contracts: The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortized as expense or income over the life of the contract. Any profit or loss arising on cancellation or renewal of such forward exchange contract during the reporting period, is recognized as income or expense for the period, in the Statement of Profit and Loss.
- Accounting of foreign branch: Current assets and liabilities are converted at the appropriate rates of exchange prevailing on the date of the Balance Sheet and revenue and expenses are at average rate.

m) **Financial Derivative for Commodity Hedging Transactions**

In respect of derivative contracts, gain/losses on settlement are recognized in the Statement of Profit and Loss. On the reporting date, profit or loss of all unsettled/ outstanding contracts is determined by comparing the value of the position at the mark to market and recognized in the Statement of Profit and Loss.

n) **Post-employment, long term and short term employee benefits**

1. **Post employment benefits**

i) **Defined contribution plan**

The Company deposits the contributions for provident fund and employees' state insurance to the appropriate government authorities and these contributions are recognised in the Statement of Profit and Loss in the financial year to which they relate.

ii) **Defined benefit plan**

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out at the end of the year by an independent actuary, using the

Notes forming part of the Financial Statements

projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government Securities for relevant maturity. Actuarial gains and losses are recognised immediately in the Statement of Other Comprehensive Income

2. Other long term employee benefits

Benefits under the Company's compensated absences constitute other long-term employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation done by an independent actuary using the projected unit credit method at the year end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

3. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus, etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

o) Earnings/(loss) per share

Basic earning/loss per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

p) Accounting for taxes on Income

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

Unused tax credit such as (Minimum alternate tax ('MAT') credit entitlement) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which such credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as unused tax credit. The Company reviews the same at each balance sheet date and writes down the carrying amount of unused tax credit to the extent it is not reasonably certain that the Company will pay normal income tax during the specified period.

q) Provisions

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will berequired to settle the obligation; in respect of whicha reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to

Notes forming part of the Financial Statements

settle the obligation at the balance sheet date. These a re reviewed at each balance sheet date and adjusted to reflect the current management estimates.

r) Contingent Liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an out flow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow ofresources is remote, no provision or disclosure is made. Contingent Liabilities are not recognized but are disclosed by way of Notes. Contingent assets are neither recognized nor disclosed in the financial statements.

s) Contingencies and Events occurring after the Balance Sheet date

All the major contingencies i.e., a condition or situation the ultimate outcome of which is known or determined only on their occurrences or non-occurrences of uncertain future events, till the signing of the financial statements, have been recognized.

Material events occurring after the balance sheet date till signing of thereof, affecting the going concern assumption or having material impact on the financial statements, are recognized.

t) Cash and cash equivalents

Cash and cash equivalents comprises cash at bank and in hand, cheques in hand and short term investments that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value..

u) Leases

i) Finance lease

Assets held under finance leases are recognized as assets of the Company at their fair value on the date of acquisition, or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reductions of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in statement of profit and loss account, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the general policy on borrowing costs . Contingent rentals are recognized as expenses in the periods in which they are incurred.

ii) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognized on straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

v) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

w) Exceptional items

Certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expenses is classified as an exceptional item and accordingly, disclosed in the financial statements.

x) Financial Instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial Recognition

a) Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted

Notes forming part of the Financial Statements

from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Subsequent Measurement

b) Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'at amortised cost, 'Fair value through other comprehensive income (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

Debt Instrument

Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held with in a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This category generally applies to trade and other receivables.

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI, if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent solely payments of principle and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses, reversals and foreign exchange gain or loss in the statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of Profit and Loss . Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the Effective Interest Rate (EIR) method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of Profit and Loss.

Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Derecognition of financial assets

The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through statement of Profit and Loss. Loss allowance for trade receivables with no significant financing component is measured at an

Notes forming part of the Financial Statements

amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of Profit and Loss.

Financial liabilities

Subsequent Measurement

Financial liabilities measured at amortised cost

Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

Financial liabilities measured at FVTPL (fair value through profit or loss)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities at fair value through statement of Profit and Loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Determination of fair value

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

y) Share based payments

The Company recognizes compensation expense relating to share-based payments in the statement of profit and loss using fair value in accordance with Ind AS 102, "Share-based Payments". The estimated fair value of awards is charged to statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share based payment reserves.

z) Business combinations

Business combinations are accounted for using the acquisition method as per Ind AS 103, Business Combinations. The cost of acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations between entities under common control is accounted for at carrying value. Transaction costs that the Company incurs in connection

Notes forming part of the Financial Statements

with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Recognition of deferred tax assets: The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets: The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Contingent liabilities: At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from this judgement.

Significant estimates

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

Impairment of financial assets: At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables.

Defined benefit obligation (DBO): Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements: Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Useful lives of depreciable/amortisable assets: Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

2. Property, Plant & Equipments

(₹ in Millions)

Particulars	Free Hold Land	Land Development	Buildings	Airport Complex	Plant and equipments	Vehicles	Computers	Office equipment	Furniture and fixtures	Electrical Installations	Total
Gross carrying amount											
As at 1 April 2018	5.45	26.57	304.73	52.69	3,097.01	0.410	22.27	7.63	43.38	73.21	3,633.36
Additions	-	-	-	-	-	-	0.01	-	-	0.12	0.13
Less: Disposal/ adjustments	-	-	-	-	-	-	-		-	-	-
As at 31 March 2019	**5.45**	**26.57**	**304.73**	**52.69**	**3,097.01**	**0.41**	**22.28**	**7.63**	**43.38**	**73.33**	**3,633.49**
Additions	-	-	-	-	-	-					
Disposal/ adjustments	-	-	-	-	-	-	-		-	-	-
As at 31 March 2020	**5.45**	**26.57**	**304.73**	**52.69**	**3,097.01**	**0.41**	**22.28**	**7.63**	**43.38**	**73.33**	**3,633.49**
Accumulated depreciation											
As at 1 April 2018	-	20.92	190.96	41.39	1,662.53	0.40	21.79	7.20	40.98	69.47	2,055.64
Additions	-	0.27	3.62	0.72	59.66	-	0.21	0.13	0.34	1.99	66.94
Less: Disposal/ adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2019	**-**	**21.19**	**194.58**	**42.11**	**1,722.19**	**0.40**	**22.00**	**7.33**	**41.32**	**71.46**	**2,122.58**
Additions	-	0.27	3.62	0.72	58.27	-	0.12	0.12	0.34	1.00	64.47
Less: Disposal/ adjustments	-	-			-	-	-	-	-	-	-
As at 31 March 2020	**-**	**21.46**	**198.20**	**42.83**	**1,780.46**	**0.40**	**22.12**	**7.45**	**41.66**	**72.46**	**2,187.04**
Net Block as at 1 April 2018	5.45	5.65	113.77	11.30	1,434.48	0.01	0.46	0.43	2.40	3.74	1,577.70
Net Block as at 31 March 2019	5.45	5.38	110.15	10.58	1,374.82	0.01	0.27	0.30	2.06	1.87	1,510.89
Net Block as at 31 March 2020	**5.45**	**5.11**	**106.54**	**9.86**	**1,316.55**	**0.01**	**0.16**	**0.18**	**1.72**	**0.87**	**1,446.45**

Notes forming part of the Financial Statements

3. Non Current Investments (Valued at cost unless otherwise stated)
Unquoted

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
In Wholly owned Subsidiary - fully paid up		
18450 (18450) Equity Shares of Shirpur Gold DMCC of AED 1000 each	337.28	337.28
In others		
Investment in equity instrument (unquoted)		
8500 (8500) Equity Shares of Shirpur People Co-op. Bank Ltd. of Rs. 10/- each, fully paid up	0.21	0.21
Investment in Gold	0.00	0.11
Total	**337.49**	**337.60**

*Refer Note No. 56

4. Other Financial Assets

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Security Deposits	2.64	4.69
Total	**2.64**	**4.69**

5. Deferred Tax Assets (Net)

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
As per last year Balance Sheet	461.34	466.05
Add : Deferred Tax Assets		
Less : Deferred Tax Liability	-	(4.71)
Total	**461.34**	**461.34**

6. Income Tax Assets (Net)

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance with government authorities- Direct tax(net of provisions)	28.28	24.30
Total	**28.28**	**24.30**

Notes forming part of the Financial Statements

7. Other Non-Current Assets (Unsecured and considered good)

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Preoperative expenses - Mines*	19.31	19.31
Total	**19.31**	**19.31**

*Pre Acquisition Expenses incurred for acquiring gold mines for backward intergratior has been discontinued.

8. Inventories (Valued at lower of cost or net realisable value)

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Raw Materials and components	0.00	0.93
Work-in-progress	2.66	74.80
Goods-in transit		
Finished goods	0.08	274.80
Market Value)		
Stock in Trade		-
Stores and spares	11.69	11.92
Total	**14.43**	**362.45**

9. Trade Receivables (Unsecured)

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Considered good	1,530.51	2,795.07
Considered doubtful	2,512.33	-
	4,042.84	2,795.07
Less: Allowances for Credit Loss	1,061.19	-
Total	**2,981.65**	**2,795.07**

Trade receivable are non interest bearing and are generally on terms of 0 to 120 days

10. Cash and Cash Equivalents

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks		
In Current Accounts	5.32	158.84
Cash in hand	0.27	0.40
Total	**5.59**	**159.24**

Notes forming part of the Financial Statements

11. Bank Balances other than Cash and Cash Equivalents

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance with banks		
- in Fixed Deposits with maturity upto twelve months*	145.16	582.74
Total	**145.16**	**582.74**

* Refer Note No. 58

12. Loans

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured Considered Good		
Loans to Related Parties*	26.10	-
Total	**26.10**	**-**

*Interest charged @7.8% p.a. refer Note No. 14

13. Other Current Financial Assets

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Others	1.65	1.65
Total	**1.65**	**1.65**

14. Other Current Assets

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid Expenses	1.27	38.89
Advance to suppliers-Unsecured	2.98	993.81
Dues from Government (Taxes)	78.21	86.72
Others including insurance claim receivable	164.96	129.92
Interest on Loan to Related Parties	2.10	13.47
Total	**249.52**	**1,262.81**

Notes forming part of the Financial Statements

15. Share Capital

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised	350.00	350.00
35,000,000 (35,000,000) Equity Shares of Rs. 10/- each		
Issued, Subscribed and Paid up		
29,137,202 (29,137,202) Equity Shares of Rs. 10/- each, fully paid up	291.37	291.37
Total	**291.37**	**291.37**

(a) Reconciliation of number of shares and share capital

(₹ Millions)

Partculars	As at 31 March, 2020		As at 31 March, 1919	
	Number	Million	Number	Million
Shares outstanding at the beginning of the year	29,137,202	291.37	29,137,202	291.37
Changes during the year			-	-
Shares outstanding at the end of the year	29,137,202	291.37	29,137,202	291.37

(b) Details of Shareholders holding more than 5% equity shares in the company

Particulars	% of holding	As at 31 March, 2020 Number	% of holding	As at 31 March, 2019 Number
Jayneer Infrapower & Multiventures Pvt. Ltd. (formally known as Jayneer Capital Private Limited)	43.66	12,720,703	63.89	18,615,428
Polus Global Fund	6.53	1,903,347	6.53	1,903,347
Pricomm Media Distrution Ventures Pvt. Ltd.	5.27	1,537,995	5.27	1,537,995

(c) The company has only one class of shares referred to as equity shares having a par value of Rs 10 per share.All the share are ranking pari- passu in all respect. Each holder of equity share is entitled to one vote per share. As per the Companies Act, 1956, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in the event of liquidation of the company. However no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the Shareholders.

(d) Neither bonus shares are issued nor any shares bought back during the five years preceding 31st March 2020.

(e) As per records of the Company, including Register of Shareholders/Members and other declaration received from the shareholders regarding benefical interest, the above shareholding represents both legal and beneficial ownership of shares.

Notes forming part of the Financial Statements

16. Other Equity

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Securities Premium Account	1,435.00	1,435.00
General Reserve	1,068.59	1,068.59
Capital Reserve	585.51	585.51
Retained earnings		
a. Opening Balance	10.40	(17.23)
b. Add: Net Profit after tax transferred from statement of profit and loss	(1,474.61)	27.50
c. Add: Other Comprehensive income, Net of tax	(1.09)	0.13
Closing Balance (a+b-c)	(1,465.30)	10.40
Total	**1,623.80**	**3,099.50**

17. Non Current Liabilities - Borrowings

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured loans*		
Term Loan from Financial Institution**	-	650.00
Unsecured loans		
From Related Party(Refer Note No. 51)	449.90	449.90
Total	**449.90**	**1,099.90**

*Secured by way of pari passu first charge on current assets, present and future immovable and movable fixed assets including land and building at Shirpur.

** During the year, financial institution had outstanding dues classified as non performing assets, amounting to Rs.727.36 (650) Million including amount of interest and penal interest of rs. 77.36 Million, have been demanded by lender due to default in repayment, hence same has been reclassified under note no.20 current liabilities borrowings

18. Non Current Liabilities - Other Financial Liabilities

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Sundry Creditors for General Purchase & Expenses*	0.16	0.16
-Security Deposits#	15.20	15.20
Total	**15.36**	**15.36**

*for current portion refer Note 22 below

Security Deposits of Rs. 15.20 (15.20) millions in respect of amount received from various dealers,pending confirmation.

Notes forming part of the Financial Statements

19. Non - Current Liabilities - Provisions

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits (unfunded)		
Gratuity	1.15	4.13
Leave benefits	0.43	1.03
Total	**1.58**	**5.16**

20. Current Liabilities - Borrowings

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Loans from banks* - Secured	2,244.28	2,854.39
Term Loan from Financial Institution	727.36	
Total	**2,971.64**	**2,854.39**

*Secured by way of pari passu first charge on current assets, present and future immovable and movable fixed assets including land and building at Shirpur. The aforesaid borrowings are at varying rate of interest and are repayable on demand.

21. Trade Payables

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Dues of Micro, Small and Medium enterprises		-
Dues of creditors other than Micro, small and Medium enterprises	151.98	127.87
Total	**151.98**	**127.87**

Terms and condition of the above Trade Payable.
Trade and other payables are non-interest bearing and are generally having credit terms of 0 to 180 days.

22. Other Current Financial Liabilities

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory Dues	0.58	0.41
Sundry Creditors for General Purchase & Expenses*	29.55	26.05
Advance from customers	0.91	0.89
Others	182.58	0.12
Total	**213.62**	**27.47**

* For non current portion refer Note 18 above.

Notes forming part of the Financial Statements

23. Current Provisions

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Contribution to Provident Fund	0.05	0.12
Contribution to ESIC	0.00	0.01
Gratuity	0.10	0.56
Leave benefits	0.21	0.37
Total	**0.36**	**1.06**

24. Revenue From Operations

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Sale of products		
Traded Goods	2,549.78	11,760.26
Manufactured Goods		
Local Sales	2,856.60	7,027.18
Export Sales	-	106.46
Net Sales	5,406.38	18,893.90
Other operating revenues *	-	58.39
Total	**5,406.38**	**18,952.29**

* Other operating revenues includes Gain from forward contract of Rs. Millions Nil(1.51) and forex gain on trade receivable and trade payable of Rs. Millions Nil (56.62).

25. Other Income

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Dividend income	-	0.02
Balance written back	0.85	0.00
Other income	14.78	7.30
Total	**15.63**	**7.32**

Notes forming part of the Financial Statements

26. Cost of Material Consumed

₹ Millions)

Particulars	For the year March 31, 2020	For the year March 31, 2019
Inventory at the beginning of the year	0.93	97.72
Add: Purchases	2,446.86	7,184.44
	2,447.79	**7,282.16**
Less: Inventory at the end of the year	0.00	0.93
Cost of raw material consumed*	2,447.79	7,281.23
Other materials (Stores and Spares)	0.36	0.50
Total	**2,448.15**	**7,281.73**

*** Break up of Raw Materials consumed**

₹ Millions)

Particulars	For the year March 31, 2020	For the year March 31, 2019
Gold	2,447.79	7,281.23
Other materials (Stores and Spares)	0.36	0.50
Total	**2,448.15**	**7,281.73**

27. Purchase of Stock in Trade

₹ Millions)

Particulars	For the year March 31, 2020	For the year March 31, 2019
Gold	2,518.58	11,372.34
Total	**2,518.58**	**11,372.34**

28. Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade

a. Inventory at the end of the year

₹ Millions)

Particulars	For the year March 31, 2020	For the year March 31, 2019
Stock in Trade		
Gold	-	-
Silver	-	-
Work in Progress		
Gold	2.65	74.80
Silver	-	-
Finished Goods		
Gold	0.07	274.40
Silver	0.01	0.39
Total	**2.73**	**349.58**

Notes forming part of the Financial Statements

b. Inventory at the beginning of the year

₹ Millions)

Particulars	For the year March 31, 2020	For the year March 31, 2019
Stock in Trade		
Gold	-	91.94
Work in Progress		
Gold	74.80	143.52
Finished Goods		
Gold	274.40	30.39
Silver	0.39	4.11
Total	**349.59**	**269.97**

c. Net (a - b)	**346.86**	**(79.63)**

29. Employee Benefit Expenses

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Salaries & wages	17.97	19.37
Contribution to provident & other funds	1.06	1.63
Staff welfare expenses	0.09	0.70
Total	**19.12**	**21.70**

30. Finance Costs

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest expense (Net) Refer Note No. 44	292.67	64.42
Bank charges	40.58	36.07
Other financial charges	75.09	101.37
Total	**408.34**	**201.86**

31. Depreciation & Amortization Expense

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Depreciation on property,plant and equipment.	64.47	66.94
Total	**64.47**	**66.94**

Notes forming part of the Financial Statements

32. Other Expenses

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Auditors' Remuneration	1.39	1.55
Power and fuel	2.34	2.86
Rent Rates & Taxes	0.59	1.05
Repairs & Maintainance	0.07	0.14
Insurance	0.75	0.68
Reserve for Doubtful Debts	1,061.19	-
Miscellaneous expenses	24.77	28.27
Total	**1,091.10**	**34.55**

33. Income Taxes

(a) The major components of income tax for the year ended 31 March 2020 are as under:

(i) Income tax related to items recognized directly in the statement of profit and loss during the year

(ii)

(₹ Millions)

Particulars	March 31, 2020	March 31, 2019
Current tax - current year	-	8.35
- adjustment for current tax of prior periods	-	-
Total	**-**	**8.35**
Deferred tax charge / (credit)	-	4.71
Total tax expense reported in the statement of profit and loss	**-**	**13.06**

(b) Tax Expense related to items recognized in other comprehensive income (OCI) during the year

(₹ Millions)

Particulars	March 31, 2020	March 31, 2019
Tax Expense charge / (credit) on remeasurement of defined benefit plan	-	0.03

(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate

(₹ Millions)

Particulars	March 31, 2020	March 31, 2019
Accounting profit / (loss) before tax	(1474.61)	40.56
Income tax		
Statutory income tax @ of 15.6% (2019: 20.587%) tax on Book profit	-	8.35
Tax effect of earlier years		
Tax effect on exempt income		
Tax effect on non-deductible expenses (including exceptional item)	-	0.20
Additional allowances for tax purposes	-	4.51
Impact of change in tax rate on deferred tax assets		
Tax expense recognized in the statement of profit and loss	-	13.06

Notes forming part of the Financial Statements

Note : The company has brought forward losses to absorb the taxable income . Hence the tax on book profits is calculated as per the provisions of Sec 115JB of the Income Tax Act 1961. The Statutory tax rate is 15.6% i.e Minimum Alternative Tax rate in India. The Tax rate for deferred tax assets for the year ended 31st March 2020 is 31.2% (2019: 33.384%). Deferred Tax assets and liabilities are offset where the company has a legally enforceable right to do so.

(d) Reconciliation of deferred tax assets/(liabilities) (net)

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	461.34	466.05
deferred tax (charge) / credit recognized in		
- Statement of profit and loss	-	4.71
- Other comprehensive income		
Total	**461.34**	**461.34**

34. CONTINGENT LIABILITIES AND COMMITMENTS

Contingent Liabilities

(₹ Millions)

	Particulars	As at March 31, 2020	As at March 31, 2019
1	Disputed Direct Taxes *	0.62	0.62
2	Financial Guarantees and extension of non fund based guarantee provided to wholly owned subsidiary viz Zee Gold DMCC Corporate guarantee for loan	753.86	743.59
3	Extension of SBLC (credit facility)	1,000.00	1,000.00

The Export obligation under EPCG licenses issued in the year 2002, 2012 & 2014 is completed and the redemption of licenses is in process.

*Income tax demands mainly include appeals filed by the Company before various appellate authorities against the disallowance of expenses/claims and Penalty etc. The management is of the opinion that tax cases will be decided in its favour and hence no provision is considered at this stage.

35. COMMITMENTS

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Bank Guarantees issued by banks&balance outstanding at year end[against the said bank guarantees Rs./Millions 145.16 (471.81) has been kept as margin money]	1,016.50	3,229.70

Notes forming part of the Financial Statements

36. DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS STOCKS

Raw Material Consumed

(₹ Millions)

Particulars	For the year March 31, 2020	For the year March 31, 2019
Imported	-	-
Indigenous	2,448.15	7,281.23
Total	**2,448.15**	**7,281.23**

37 INVENTORY AND TURNOVER

(₹ Millions)

Gold	Sales Value	Closing Inventory	Opening Inventory
Manufactured Goods	2,856.59	2.74	350.52
	(7,133.64)	(350.52)	(275.75)
Traded Goods	2,549.78	-	-
	(11,760.26)	(-)	(91.94)
Total	**5,406.37**	**2.74**	**350.52**
	(18,893.90)	**(350.52)**	**(367.69)**

(₹ Millions)

Stores & Spares	Closing Inventory	Opening Inventory
Stores and Spares Consumed	11.69	11.92
	(11.92)	**(12.10)**

38. EARNINGS IN FOREIGN EXCHANGE

(₹ Millions)

Particulars	For the year March 31, 2020	For the year March 31, 2019
FOB Value of Export	-	106.33
Interest Income	2.10	13.47

39. EXPENDITURE IN FOREIGN CURRENCY

(₹ Millions)

Particulars	For the year March 31, 2020	For the year March 31, 2019
Travelling and Related Expenses	-	0.08

40. MANAGERIAL REMUNERATION

Remuneration paid or provided in accordance with Section 197 of the Companies Act, 2013 to Manager is included in Employee benefit expense is as under:

(₹ Millions)

Particulars	For the year March 31, 2020	For the year March 31, 2019
Salary and allowances	1.21	1.00

Notes forming part of the Financial Statements

Note : Salary and allowances include basic salary, personal allowance, house rent allowance, medical reimbursement and leave travel allowance & performance bonus but excluding leave encashment.

41. PAYMENT TO AUDITORS

(₹ Millions)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Audit Fee	1.10	1.10
Tax Audit Fee	0.15	0.13
Other Services & reimbursement of expenses	0.09	0.32
Total	**1.34**	**1.55**

42. EARNINGS PER SHARE

(₹ Millions)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit(Loss) after tax available for appropriation to equity shareholders	(1,474.61)	27.50
Weighted average number of equity shares for basic and diluted EPS (in numbers)	29,137,202	29,137,202
Nominal Value of equity shares (in Rs.)	10.00	10.00
Basic and Diluted Earnings per share (in Rs.)	(50.61)	0.94

43. Interest expense is net of interest income of Rs./Millions 23.10/(118.05).

44. The Company uses Gold Forward exchange contracts to hedge against its foreign currency exposure relating to the underlying transactions and firm commitments. The foreign currency exposure not hedged at the year-end is as under.

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Payables	-	223.90
Receivables	-	-

Figures indicated in Indian Rupees have been restated as per the RBI reference rate as on 31st March' 2020.

Derivative Contracts entered into by the Company and outstanding at the year end 31st March 2020 Nil (₹ Mllions) and 31st March 2019 Nil (₹ Mllions).

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Currency Future Contract (Rs. Millions)	-	-
MCX Commodity (Rs. Millions)	-	-

Notes forming part of the Financial Statements

45. SEGMENT REPORTING

The Company is in the business of refining, manufacturing and marketing of precious metal which is considered as the only reportable segment. The Company does not have any geographical segments. Hence, there are no separate reportable segments as per Ind AS 108 on "Operating Segments".

46. MICRO, SMALL AND MEDIUM ENTERPRISES

The Company has no dues to Micro, Small and Medium enterprises as at 31stMarch, 2020 on the basis of information provided by the parties and available on record. Further, there is no interest paid / payable to micro and small enterprises during the year.

47. FINANCIAL INSTRUMENTS

(a) Financial risk management objective and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and bank balances.

The Company is exposed to market risk, credit risk and liquidity risk. The Board provides guidance for overall risk-management, as well as policies covering specific are as such as credit risk, liquidity risk and investment of excess liquidity.

(i) Marketrisk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures with in acceptable parameters, while optimizing there turn.

1 Interest rate risk

This refers to risk to Company's cash flow and profits on account of movement in market interest rates.

For the Company the interest risk arises mainly from interest bearing borrowings which are at floating interest rates. To mitigate interest rate risk, the Company closely monitors market interest and as appropriate makes use of optimized borrowing mix/composition etc.

(a) Interest rate risk exposure

(₹ Millions)

Particulars	March 31, 2020	March 31, 2019
Variable rate borrowings	2,971.64	3,504.39
Fixed rate borrowings		
Total borrowings	**2,971.64**	**3,504.39**

(b) Interest rate sensitivity analysis

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rate of 50 basis points increase or decrease. The calculations are based on the variable rate borrowings outstanding at balance sheet date. All other parameters are held constant.

Notes forming part of the Financial Statements

(₹ Millions)

Impact on profit before tax	March 31, 2020	March 31, 2019
	Gain/(Loss)	
Interest rate - increase by 50 basis points	(14.86)	(17.52)
Interest rate - decrease by 50 basis points	14.86	17.52

2 **Foreign currency risk**

Currency risk is the risk that the fair value or future cash flows fluctuate because of changes in market prices.The Company is exposed to foreign exchange risk on their receivables and payables which are mainly held in the United State Dollar ("USD"). Consequently, the Company is exposed primarily to the risk that the exchange rate of the Indian Rupees ("INR") relative to the USD, may change in a manner that has an effect on the reported values of the Company's assets and liabilities that are denominated in these foreign currencies.

The following table sets forth information relating to unhedged foreign currency exposure at the end of the reporting period:

(₹ Millions)

Currencies	Assets as at		Liabilities as at	
	31 March, 2020	31 March, 2019	31 March, 2020	31 March, 2019
USD	-	-	141.33	223.90

Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in the, to a 10% increase and decrease in the Re against the relevant foreign Currency with all other variables held constant.The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

(₹ Millions)

Currencies	Sensitivity			
	31 March, 2020		31 March, 2019	
	Depreciate by 10% Gain/(Loss)	Appreciate by 10%	Depreciate by 10% Gain/(Loss)	Appreciate by 10%
USD	(14.13)	14.13	(22.39)	22.39

(ii) Credit risk

Credit risk is the risk off in ancialloss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loan and deposits given, investments and balances at bank. The Company measures the expected credit loss of trade receivables based on financial conditions/market practices, credit track record in the market, analysis of historical bad debts and past dealings for extension of credit to customers. Individual credit limits are set accordingly. The Company monitors the payment track record of the customers and ageing of receivables. Outstanding customer receivables are regularly monitored. The Company considers the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken advances and security deposits from some of its customers, which mitigate the credit risk to an extent.

Ageing analysis of trade receivables has been considered from the date the invoice falls due.

Notes forming part of the Financial Statements

(₹ Millions)

Particulars	March 31, 2020	March 31, 2019
Trade receivables (unsecured)		
Up to six months	685.18	2766.48
More than six months	2,296.47	28.59
Total (a)	**2,981.65**	**2,795.07**

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings as signed by credit rating agencies. Investments primarily include investment in redeemable preferences hares, optionally convertible debentures, compulsorily convertible debentures and other debt instruments. Security deposits against leasing of premises are refundable upon closure of the lease and credit risk associated with such deposits is relatively low.

(iii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities–borrowings, trade payables and other financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cashflows and matching the maturity profiles of the financial assets and liabilities. It maintains adequate sources of financing including loans, debt and over draft from banks. It also enjoys strong access to domestic capital markets across various debt instruments.

Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities (including interest accrued)at the reporting date. The contractual cash flow amounts are gross and undiscounted.

(₹ Millions)

As at 31 March 2020

	Less than 1 year	Between 1 to 5 years	Beyond 5 years
Financial liabilities			
Long term borrowings *	-	-	449.90
Short term borrowings	2,971.64		
Trade payables	12.62	139.32	-
Other current financial liabilities	213.62	-	-
Other non-current financial liabilities	-	-	15.36
Total	**3,197.88**	**139.32**	**465.26**

Notes forming part of the Financial Statements

(₹ Millions)

*** As at 31 March 2019**

	Less than 1 year	Between 1 to 5 years	Beyond 5 years
Financial liabilities			
Long term borrowings	325	325	449.90
Short term borrowings	2,854.39	-	-
Trade payables	-	127.87	-
Other current financial liabilities	27.47		
Other non-current financial liabilities			15.36
Total	**3,206.86**	**452.87**	**465.26**

A. Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the debt and equity balance.

Fair Value measurements

(i) Financial instruments by category

Financial assets (other than investments in subsidiaries and associates which are carried at cost)

(₹ Millions)

		31 March, 2020		31 March, 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
i)	**Measured at amortized cost**				
	Non-current assets				
	Investments	0	0	0	0
	Other financial assets	2.64	2.64	4.69	4.69
	Current assets				
	Investments				
	Trade receivables	2,981.65	2,981.65	2,795.07	2,795.07
	Loans	0	0	0	0
	Cash and cash equivalents and other bank balances	150.75	150.75	741.98	741.98
	Other financial assets	1.65	1.65	1.65	1.65
	Total financial assets measured at amortized cost	**33,136.69**	**3,136.69**	**3,543.39**	**3,543.39**

ii) Measured at fair value through other comprehensive income Nil

Notes forming part of the Financial Statements

48. EMPLOYEE BENEFITS

As per Ind AS 19 "Employee Benefits", the disclosures are as under :

A. Defined Benefit Plans

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave benefits (non funded) is also recognized using the projected unit credit method.

I Expenses recognized in statement of Profit & Loss Account

(₹ Millions)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current Service Cost	0.50	0.56
Interest on Defined Benefit Obligation	0.16	0.31
Net Actuarial Losses / (Gains) Recognized in Year	-	-
Total, included in "Employees Benefit Expense"	**0.66**	**0.87**

II Other Comprehensive Income (OCI)

(₹ Millions)

Particulars	For the year March 31, 2020	For the year March 31, 2019
Actuarial (Gain)/Loss recognized for the period	1.09	(0.16)
Asset limit effect	-	-
Return on Plan Assets excluding net interest	-	-
Unrecognized Actuarial (Gain)/Loss for previous period	-	-
Total, Actuarial (Gain)/Loss recognized in (OCI)	**1.09**	**(0.16)**

III Net Asset / Liability recognized in the Balance Sheet

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Present Value of Unfunded Obligations	4.70	4.14
Net Liability	4.70	4.14
Liability	4.70	4.14
Net Liability accounted in Books	4.70	4.14

IV Reconciliation ofNet Asset / Liability recognized in the Balance Sheet

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Net Asset / (Liability) at the beginning of year	4.70	4.14
Expenses as per I above	0.66	0.87
Benefits Paid	(5.20)	(0.14)
Other Comprehensive Income (OCI)	1.09	(0.16)
Closing Defined Benefit Obligation	1.25	4.70

Notes forming part of the Financial Statements

V Sensitivity Analysis

(₹ Millions)

Particulars	Dr. Discount Rate PVO DR+1%	Dr. Discount Rate PVO DR -1%	ER-Salary Escalation Rate PVO DR+1%	ER-Salary Escalation Rate PVO DR-1%
PVO	1.15	1.35	1.35	1.16

VI Actuarial assumptions at the valuation date

Particulars	As at March 31, 2020	As at March 31, 2019
Discount Rate (p.a.)	6.55 %	7.47 %
Salary Escalation Rate (p.a.)	7.00 %	7.00 %

VII Experience Adjustments

(₹ Millions)

Particulars	2020	2019	2018	2017	2016
Defined Benefit Obligation	1.25	4.70	4.14	4.75	5.57
Surplus / (Deficit)	(1.25)	(4.70)	(4.14)	(4.75)	(5.57)
Experience Adjustments on Plan Liabilities	-	-	-	-	-

B. Defined Contribution Plan :

"Contribution to provident and other funds" is recognized as an expenses in Note 29 "Employee benefits expenses" of the Statement of Profit & Loss Account.

49. Disclosures as required by Regulations 34(3) of the Listing Agreement

A. Loans and advances given to Subsidiary

(₹ Millions)

Balances	As at 31 March, 2020	As at 31 March,2019
Shirpur Gold DMCC	56.73	7.58

Maximum amount outstanding during the year	As at 31 March, 2020	As at 31 March,2019
Shirpur Gold DMCC	56.73	21.23

B. None of the loans have been utilised to make investments in the shares of the company.

C. Corporate Guarantee given by the company for Loan Rs. 753.86 millions (Rs. 743.59) and extension of SBLC credit facility issued in favour of its subsidiary, Shirpur Gold DMCC – Rs. 1000.00 millions (Rs. 1000.00 millions)

50. RELATED PARTY DISCLOSURES

Wholly Owned Subsidiaries

Shirpur Gold Mining Company Pvt Ltd – Singapore (Upto 7th March 2019),
Shirpur Gold DMCC – Dubai

Step down Subsidiary

Precious Metals Mining and Refining Limited - Papua New Guinea
Metallic Exploration and Mining- Bamako-Mali

Other related parties

Diligent Media Corporation Limited
Jay Properties Pvt.Ltd.

Notes forming part of the Financial Statements

Directors / Key Management Personnel

Mr. Amit Goenka (Promoter Director), Mr. Anish Goel (Independent Director), Mr. Manoj Agarwal (Independent Director), Ms. Kavita Kapahi (Independent Director), Mr. Vipin Chaudhary (resigned 31.10.2019), Mr. Subhash Pareek (resigned 06.12.2019), Ms. Archita Kothari {Chief Financial Officer] (resigned 18.04.2020), Mr. Sharvan Kumar Shah [Chief Financial Officer] (18.04.2019 to 30.09.2019), Mr. Ashok Sanghavi [Chief Financial Officer] (w.e.f. 14.10.2019) Mr. Shyamal Padhiar [Company Secretary].

Related party Transactions during the year

(₹ Millions)

(A) Transactions	**As at 31 March 2020**	**As at 31 March 2019**
Wholly owned Subsidiary Company **Shirpur Gold Mining Company Pvt Ltd - Singapore** Share Capital Reduction	0	(19.56)
Shirpur Gold DMCC-Dubai Loans & Advance given	45.16	527.92
Loans & Advance received back	19.07	662.07
Reimbursement of Expenses given	20.98	24.08
Interest receivable on Loan given	2.10	13.47
Given/Extenstion of Corporate Guarantee	753.86	743.59
Extenstionof SBLC Credit Facility	1000.00	1000.00
Key Managerial personnel (KMP) Remuneration Paid **Mr. SubhashPareek – Manager**	1.21	1.00
Siting Fees Mr. Manoj Agarwal	0.12	0.16
Ms. Kavita Kapahi	0.26	0.20
Other Related Parties Diligent Media Corporation Limited – Sale of goods	3.92	15.49

(B) Balances at the end of the year Shirpur Gold DMCC-Dubai	**As at 31 March 2020**	**As at 31 March 2019**
Share Capital Investment	337.28	337.28
Loans & Advances given	56.73	7.58
Corporate Guarantee Given/ Extended	753.86	743.59
SBLC Credit Facility Given/ Extended	1000.00	1000.00
Jay Properties Pvt.Ltd. Unsecured Loan taken	449.90	449.90
Deposits given	1.33	1.33

51. Robbery of Unrefined Gold in transit

As reported in the preceding year's 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 46.3062 Kgs valued at Rs.1241.71 Lakhs including expenses of Rs.16.52 lakh 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. The Insurance claim in respect of robbery is pending final negotiation and settlement due to changes in the top decision making of the insurance company.

52. Balances appearing in the financial statements are pending reconciliation and confirmation.

53. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a CSR Committee has been formed by the Company. The company is required to spend Rs. 1.15 Millions (2.24 Millions) for the year against which Rs Millions NIL (NIL) has been spent on activities specified in Schedule VII of the Companies Act, 2013. The accumulated balance of such unspent amount is Rs. 10.80 Million (Rs.9.65 Million). CSR has been charged to the statement of Profit and Loss under miscellaneous expenses to the extent of Rs. Nil million (Rs.2.24 million) for the year ended 31st March 2020 (31st March 2019)

Notes forming part of the Financial Statements

54. Dividend paid and proposed

No dividend on equity shares is paid or proposed by Board of Directors for the year ended 31st March 2020 due to losses during the year.

55. Non applicability of IND AS 32 or 109

In view of no terms and conditions as to repayment since the date of receipt of such loan. No restatement under Ind AS 32 or 109 has been considered for Unsecured Interest free Loan of Rs. 4,499.00 Lakhs received from a body corporate under Essel Group and from other deposits of Rs.152.00 Lakhs.

56. The exceptional item in FY 2018-19 being loss of Rs.in Millions 19.56 appearing in the standalone financial statements in the investment value as per books of the company due to exchange difference arising on conversion date i.e..30 September 2018, up to which special purpose audited financial statement are prepared. The said loss has been taken to statement of Profit and Loss account. Since the subsidiary of the group was having no business activity, the requirement of restatement and disclosure separately under discontinued operations is not applicable .Hence the Ind AS 105 "Non-Current Assets held for sale and discontinues operation and relevant provision of Schedule III of the Company's Act 2013 are not applicable.

57. Collateral / security pledged

The carrying amount of assets pledged/mortgaged as security for current and non-current borrowings of the Company are as under:

Partculars	**As at 31 March 2020**	**As at 31 March 2019**
Property Plant & Equipment	1,446.45	1,510.88
Other current and non-current financial assets	3,162.79	3,543.39
Other Current and non-current assets	311.55	1,668.87
Total assets pledged	**4,920.79**	**6,723.14**

58. Disclosure as required by Schedule V(A)(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 During the year no loans and advances were given to firm/ company etc in which directors are interest except to subsidiary company of Rs.45.16 Million (Rs.527.92 Million)

59. Fixed Deposit of Rs.145.97 million including interest thereon, kept as margin against Bank Guarantees of Axis Bank Ltd., has been adjusted against outstanding dues of Rs.382.7 Million due to defaults in repayment and non compliance of terms and condition thereof, in absence of information during reporting period. The same has been disclosed in bank balances other than Cash and Cash Equivalents.

60. During the year, three of the lender banks and a financial institution ('the lenders') have outstanding dues classified as Non-performing assets, amounting to Rs.3153.94 Millions including amount of Bank Guarantees invoked, interest and penal interest of Rs.182.30 Millions due to defaults in the repayment and non-compliance of the terms and conditions.

Of the said lenders, one of the bankers and a financial institution has recalled the loan outstanding of Rs.1982.69 Millions including interest at the year end. The banker has even issued notice for constructive possession of the factory, on as is where is basis, at Shirpur, Dhule District, Maharashtra. However, no further action has been by the said bank in this connection.

An independent auditor is appointed by the lenders to carry out audit of the books of accounts of the Company.

The Management had submitted its scheme of restructuring the said overdues and negotiation with the lenders is under way for amicable settlement.

61. No provision for deferred tax is made in view of the temporary suspension of the manufacturing operations and slowdown in the trading activities, resulting in no immediate probability of any future profits to absorb such deferred tax.

62. Trade receivables net of Rs.2981.65 Millions is after making provisions for doubtful debt of Rs.1061.19 Millions in respect of aggregate dues of Rs.3356.23 Millions from the two of the parties. The Management is assured of recoveries of dues from these parties.

63. The Management has assessed that there is no material impact due to countrywide lockdown on account of COVID-19 pandemic and considering the business segment (Precious Metals) in which company operates, there was no material impact which require any adjustment in financial statement as the Company did temporarily stop manufacturing and trading operations due to paucity of funds, the notice from lenders for possession of the factory premises, and various legal and regulatory actions against the company.

Notes forming part of the Financial Statements

64. Assessment of Going Concern as a basis of accounting

(The Company has incurred loss during the current due to temporary cessation of manufacturing and trading turnover. Further, it had been served with Notices by the lender banks/ institution, for repayment of the loans taken with interest and even have served notice for constructive handing over of the factory premises. These may create a doubt regarding the Company's ability to continue as a going concern. However, the financial statements have been prepared on a going concern basis considering the expectation of the Management that they will amicably settle with the lender banks/institutions, as negotiations are on. Once settled, the manufacturing and trading operations may re-commence, with the financial support from the promoter company etc and/or the management's plan to generate cash flows through operations which would enable the Company to meet its financial obligations as and when they fall due.)

65. Further the comparative financial information of the 5Company for the year ended 31st March 2019 prepared in accordance with Ind AS included in this Statement have been reviewed/audited respectively by the predecessor auditor. The report dated 18th May 2019 of the predecessor auditor on this comparative financial information respectively expressed an unmodified conclusion/opinion.

66. Disclosure as required by Schedule V (A) (2) of the SEBI (Listing Obligation and Disclosure Requirements Regulations, 2015.
During the year, no loans and advances were given to firm/ company in which directors are interested except to subsidiary company.

67. PRIOR YEAR COMPARATIVES

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures.

68. Figures in brackets are for previous year unless otherwise stated.

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

CA Milan Parikh
Proprietor
Membership No. 038557
Place: Mumbai
Date: 30th July 2020

For and on behalf of the Board of Directors

Manoj Agarwal - Director
Kavita Kapahi - Director
Ashok Sanghavi - CFO
Shyamal Padhiar - Company Secretary

Independent Auditor's Report on Consolidated Financial Statements

The Members,
Shirpur Gold Refinery Limited

Report on the audit of Consolidated financial statements

1. Opinion

We have audited the accompanying consolidated financial statements of Shirpur Gold Refinery Limited ("hereinafter referred as "the Parent Company") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary, referred to in the Other Matters section below, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act"), in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at 31st March 2020, its consolidated profit and consolidated total comprehensive income, consolidated cash flows and their consolidated changes in equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports, referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

3. Emphasis of matters

Reference is invited to the following Notes to the Statement:

(i) We did not audit the financial statements of the subsidiary whose financial statements reflect total assets of Rs.3,562.31 Millions as at 31 March 2020, total revenue of Rs.30,241.65 Millions and net Cash flow of Rs.(62.71) Million.

For the year ended on that date, as considered in the consolidated financial statements, in respect of the subsidiary, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosures included in respect of the subsidiary, and our reports in terms of sub section (3) of Section 143 of the Act, is based solely on the reports of the other auditors.

Our opinion on consolidated financial statements is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

(ii) **Note 57:** During the year, three of the lender banks and a financial institution ('the lenders') have outstanding dues classified as Non-performing assets, amounting to Rs.3,153.94 Millions including amount of bank guarantees invoked, interest and penal interest of Rs.182.30 Millions due to defaults in the repayment and non-compliance of the terms and conditions.

Of the said lenders, one of the bankers and a financial institution has recalled the loan outstanding of Rs.1982.69 Millions including interest at the year end. The banker has even issued notice for constructive possession of the factory, on as is where is basis, at Shirpur, Dhule District, Maharashtra. However, no further action has been by the said bank in this connection.

An independent auditor is appointed by the lenders to carry out audit of the books of accounts of the Company.

The Management had informed that it had submitted its scheme of restructuring the said overdues and negotiation with the lenders is under way for amicable settlement. However, we are unable to comment thereon in absence of sufficient appropriate evidences to the above submission.

(iii) **Note 58:** No provision for deferred tax is made in view of the temporary suspension of the manufacturing operations and slowdown in manufacturing operations and stopped trading activities, resulting in no probability of any immediate future profits to absorb such deferred tax.

(iv) **Note 59:** Trade receivables of Rs.5808.50 Millions is after making provisions for doubtful debt of Rs.1061.19 Millions against the aggregate dues of Rs.3356.23 Millions from the two of the parties. The Management has informed that it is assured of recoveries of dues from these parties, however, we are unable to comment on the same as there is no sufficient appropriate audit evidences produced before us to show the Management's contentions of such recovery.

(v) **Note 60:** The Management of the company has assessed that there is no material impact due to countrywide lockdown on account of COVID-19 pandemic and considering the business segment (Precious Metals) in which company operates, there was no material impact which require any adjustment in financial statement. However, due to paucity of funds, the notice from lenders with reference to Note No. 3(ii) above, for possession of the factory premises and various legal and regulatory actions, the Company did temporarily stop manufacturing and trading operations.

(vi) **Note No. 61** relating to Going Concern, in view of notices served by the lending bank for construction possession of the Company's factory premises, temporary closer of production and trading activities due to no liquidity etc.

(vii) **Note 62:** Further the comparative financial information of the Company for the year ended 31st March 2019 prepared in accordance with Ind AS included in this Statement have been reviewed/audited respectively by the predecessor auditor. The report dated 18th May 2019 of the predecessor auditor on this comparative financial information respectively expressed an unmodified conclusion/opinion.

Our report is not modified in respect of this matter.

2. Key Audit Matters

Key Audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matter	**Amounts recoverable-claims, receivables, loans & advances given, provision for expected credit losses and related balances**
Criteria for disclosure as key Audit matter	Assessed the credit period by the Company vis-à-vis customers, insurance claims status and loans & advances given and management's assessment of realisability of such dues;
Present status	**Audit approach**
1. Refer Note No. 47(a)(ii) for credit risk disclosers. Trade receivables and other amounts recoverable comprise a significant portion of the current financial assets of the Company. As at 31 March 2020 trade receivables (Refer Note no.9) aggregate to Rs.5808.50 millions and other amounts recoverable	Our audit procedures to address this key audit matter included, but were not limited to the following: a. We discussed with the management about the conditions leading to, and their assessment of recoverability of dues from the parties.

(Refer Note no.13) aggregate to Rs.244.20 millions. In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company has analysed trade receivables considering ageing etc., and calculated estimated credit loss, if any, on the basis of ageing. Other amount recoverable of Rs.244.20 millions include amongst others Rs.124.17 million for insurance claim lodged with the insurance company (Refer Note No. 49) pending since April 2015 for settlement. On the basis of such workings and negotiations with the insurance company, the Company do not foresee any ECL for provisions to be made for doubtful or bad debts. Estimation of provisions and assessment of recoverability of amounts involves significant degree of judgement and evaluation basis for ongoing communications with the respective parties and is therefore considered as a key audit matter.	b. We referred to the aging of trade and other receivables and discussed the key balances to establish the management's assessment of recoverability of such dues. c. We analysed the methodology used by the management and considered the credit and payment history of specific parties to determine the trend used for arriving at the expected credit loss, if any. d. We referred to the terms and conditions, wherever available, stipulated in the settlement arrangement with respect to amounts recoverable from vendors. e. We have assessed the adequacy of disclosures made by the management in the financial statements to reflect the advances, claims, trade and other receivables and related balances, (assets) pending reconciliation and confirmations from parties concerned. The probability of recovery of these loans and advances, both trade and others and receivables and that there will not be default, requires management judgment, to ensure discloser of most appropriate values of assets. f. In one of the debtor's case having outstanding receivables of Rs.24,18.56million, one of its creditors had filed insolvency petition before NCLT, Delhi pending hearing and disposal. The Company has lodged its claim of Rs.24,18.56 Millions before NCLT. However, the Company has made provision of Rs.1061.19 million and in subsequent quarters it has continued to make provision for doubtful debts.
Key audit matter	**Going Concern by Management**
Criteria for disclosure as key Audit matter	Assumptions based on Management opinion on Going Concern basis for preparation of Consolidated financial statements.
Present status	**Audit approach**
2. Assessment of Going Concern as a basis ofaccounting : (Refer note 61 to the Consolidated financial statements) The Company has incurred loss during the current due to temporary cessation of manufacturing and trading turnover. Further, it had been served with Notices by the lender banks/ institution, for repayment of the loans taken with interest and even have served notice for constructive handing over of the factory premises. These may create a doubt regarding the Company's ability to continue as a going concern. However, the financial statements have been prepared on a going concern basis considering the expectation of the Management that they will amicably settle with the lender banks/institutions, as negotiations are on. Once settled, the manufacturing and trading operations may re-commence, with the financial support from the promoter company etc and/or the management's plan to generate cash flows through operations which would enable the Company to meet its financial obligations as and when they fall due. We considered this to be a key audit matter because management's assessment is largely dependent on the support letter obtained from its Promoter Company.	Our procedures included the following : • Obtained the management assessment of appropriateness ofGoing Concern basis of accounting. • Discussed with the management on the on-going proceedings in relation to various notices received from the lenders banks/financial institutions, and the way forward to settlement with them. • Discussed with the management future business and theirplans to ensure that the Company is able to meet its financialobligations in the foreseeable future. • Read the minutes of board of directors meeting for discussion onfuture business plans and on liquidating certain assets to ensureavailability of liquid funds. • Verified based on discussions in minutes the support from itsPromoter indicating that Promoter and group companies will take necessary actions toorganize for any shortfall in liquidity in Company that may ariseto meet its financial obligations and timely repayment of debtduring the period of 12 months from the balance sheet date. Based on the above procedures, we noted the management assessment of going concern basis of accounting.

4. Information Other than Consolidated financial statements and Auditor's Report Thereon

The Group's Board of Directors is responsible for the other information. The other information comprises of information included in the Management Discussions and Analysis, Directors' Report including Annexures to the Directors' Report, Corporate Governance and Shareholders' Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary, is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Management's Responsibility for the Consolidated financial Statements

The Group's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (financial position), consolidated profit or loss (financial performance including total comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Ind-AS specified under Section 133 of the Act. The respective Board of Directors of the company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Group, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

6. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Group and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Other Matters

(a) We did not audit the financial statements of a subsidiary whose financial statements reflect total assets of Rs.3,472.04 millions as at 31 March 2020, total revenues of Rs.30,241.65 millions and net cash flows amounting to Rs.(62.71) millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of subsection(3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

(b) Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

8. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements and the financial information of the subsidiary referred to in the Other Matters section above, we report to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements, except that due to lockdown and social distancing guidelines for containment of spread of Covid-19, certain evidences, documents, registers, records, forms etc., could not be verified physically by us, as the same were maintained by the Company at their corporate and/or registered office. While all possible steps were taken to verify records made available by the Company after the year end through electronic medium and requisite confirmations were taken from the Company, wherever required, the audit was done subject to limitation of availability and physical verification of certain documents.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books, returns and the reports of the other auditors;

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other comprehensive income, the Consolidated Statement of changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standard specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e) On the basis of the written representations received from the directors of the Group as on 31st March 2020 taken on record by the Board of Directors of the Company, none of the directors of the Parent Company is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the operating effectiveness of internal financial controls over financial reporting of those companies

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Group does not have any pending litigations which would impact its financial position except as otherwise stated in Note No. 1(r) and Note No. 33 of Notes to consolidated financial statements hereto;

      ii. The Group did not have any material foreseeable losses on long term contracts including derivative contracts;

      iii. There has been no amount required to be transferred to the Investor Education and Protection Fund, since the same is not applicable to the Company;

For Parikh & Parikh

Chartered Accountants

Firm Regn No.: 107526W

CA Milan G Parikh

Proprietor

Mem. No.: 038557

ICAI UDIN No. 20038557AAAAGJ8374

Mumbai, 30 July 2020

Annexure 'A' to Independent Auditor's Report on Consolidated Financial Statements - 31st March, 2020

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Shirpur Gold Refinery Limited ("the Parent Company") as of and for the year ended 31st March, 2020, we have audited the internal financial controls over financial reporting of the Holding Company as of that date.

1. **Management's Responsibility For Internal Financial Controls**

   The Board of Directors of the Parent Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

2. **Auditor's Responsibility**

   Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

   Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operational effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

   We believe that the audit evidence we have obtained and audit evidence obtained by other auditor of the subsidiary company, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the company's Parent Company, as stated above, internal financial controls system with reference to consolidated financial statements.

3. **Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements**

   A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that -

   (1) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

   (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

   (3) provide reasonable assurance regarding prevention or

timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

4. **Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements**

   Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

5. **Opinion**

   In our opinion, the Parent Company, has, maintained in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were checked on test basis, operating effectively as at 31st March, 2020, based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Parikh & Parikh
Chartered Accountants
Firm Regn No.: 107526W

CA Milan G Parikh
Proprietor
Mem. No.: 038557
ICAI UDIN No. 20038557AAAAGJ8374

Mumbai, 30 July 2020

Essel GROUP

Consolidated Balance Sheet as at 31st March, 2020

(₹ in Millions)

Particulars	Notes	As at March 31, 2020	As at 31 March, 2019
ASSETS			
Non-Current Assets			
Property, Plant & Equipments	2	1,448.77	1,515.55
Intangible Assets	2	522.95	482.47
Financial Assets			
(i) Investments	3	0.21	0.33
(ii) Others Financial Assets	4	2.64	4.69
Deferred Tax Assets (net)	5	461.34	461.34
Income Tax Assets (Net)	6	28.28	24.30
Other Non-Current Assets	7	106.29	91.18
Total Non -Current Assets		**2,570.48**	**2,579.86**
Current Assets			
Inventories	8	14.43	365.59
Financial Assets			
(i) Trade Receivables	9	5,808.50	4,811.53
(ii) Cash and Cash Equivalents	10	13.20	229.55
(iii) Bank Balances other than (ii) above	11	145.16	582.74
(iv)Other Financial Assets	12	1.65	1.65
Other Current Assets	13	244.20	1,276.45
Total Current Assets		**6,227.14**	**7,267.51**
TOTAL ASSETS		**8,797.62**	**9,847.37**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	291.37	291.37
Other Equity	15	1,962.56	3,312.65
Total Equity attributable to Shareholders		**2,253.93**	**3,604.02**
Non Controlling Interest		**0.04**	**0.04**
Total Equity		**2,253.97**	**3,604.06**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	16	449.90	1,127.31
(ii) Others	17	15.36	15.36
Provisions	18	2.45	7.01
Total Non Current Liabilities		**467.71**	**1,149.68**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	19	4,776.72	4,635.51
(ii) Trade Payables	20		
a) Total Outstanding dues of micro enterprises & Small Enterprises			
b) Total Outstanding dues of creditors other than micro enterprises & Small Enterprises		1,060.39	422.12
(iii) Other Financial Liabilities	21	238.47	34.94
Provisions	22	0.36	1.06
Total Current Liabilities		**6,075.94**	**5,093.63**
Total Liabilities		**6,543.66**	**6,243.31**
TOTAL		**8,797.62**	**9,847.37**
Notes forming part of the consolidated financial statements	**1-64**		

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

CA Milan Parikh
Proprietor
Membership No. 038557

Place: Mumbai
Date: 30th July 2020

For and on behalf of the Board of Directors

Manoj Agarwal - Director
Kavita Kapahi - Director
Ashok Sanghavi - CFO
Shyamal Padhiar - Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March, 2020

(₹ in Millions)

	Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
	Income			
I	Revenue from Operations	23	35,553.22	42,680.92
II	Other Income	24	110.44	64.74
III	Total Revenue (I + II)		35,663.66	42,745.66
IV	**Expenses**			
	a) Cost of Materials consumed	25	17,975.29	28,005.74
	b) Purchase of Stock-in-Trade	26	17,005.40	14,032.91
	c) " Changes in inventories of finished goods, work-in-progress and stock-in-trade"	27	350.06	(9.40)
	d) Employee Benefits Expense	28	31.32	37.00
	e) Finance Cost	29	533.74	316.18
	f) Depreciation & Amortization Expense	30	67.38	69.81
	g) Other Expenses	31	1,105.93	67.15
	Total Expenses (IV)		**37,069.12**	**42,519.39**
V	**Profit(Loss) before Exceptional Item and Tax (III - IV)**		**(1,405.46)**	**226.27**
	Profit(Loss) after Exceptional Item and Tax		**(1,405.46)**	**226.27**
VI	**Less : Tax Expenses**	32 a		
	a) Current Tax (Mat)		-	8.35
	b) Deferred Tax Charged/(Credit)		-	4.71
VII	**Profit(Loss) after Tax for the Period/Year (V - VI)**		**(1,405.46)**	**213.21**
VIII	**Other comprehensive income (Loss)**			
	Item that will not be reclassified to profit or loss			
	Remeasurement of defined benefit plans		(1.09)	0.16
	Tax Expense	32 b	-	(0.03)
	Total Other comprehensive income (Loss)		**(1.09)**	**0.13**
IX	**Total comprehensive income(Loss) for the year**		**(1,406.55)**	**213.34**
X	Net Profit /(Loss) for the year attributable to			
	Equity holders of the parent		(1,405.46)	213.21
	Non-controlling interests			
XI	Total comprehensive income(Loss) for the year attributable to			
	Equity holders of the parent		(1,406.55)	213.34
	Non-controlling interests			
XII	Paid-up Equity Shares Capital (face value Rs.10/- each)		291.37	291.37
XIII	Reserves excluding Revaluation Reserves		2,253.97	3,312.65
XIV	**Basic & Diluted earning per share (not annualized) (in Rs.)**		**(48.24)**	**7.32**
	Notes forming part of the consolidated financial statements	**1-64**		

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

CA Milan Parikh
Proprietor
Membership No. 038557

Place: Mumbai
Date: 30th July 2020

For and on behalf of the Board of Directors

Manoj Agarwal - Director
Kavita Kapahi - Director
Ashok Sanghavi - CFO
Shyamal Padhiar - Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2020

(₹ in Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Taxation and Extraordinary Items	**(1,405.46)**	**226.27**
Adjustment for:		
Depreciation and Amortization Expenses	67.38	69.81
Finance Cost	533.74	316.18
Net Gain on exchange difference		(56.79)
Remeasurement of defined benefit plans	(1.09)	0.16
Exceptional Item (Refer Note No.04)		
Reserve for Doubtful Debts	1,061.19	
Excess Provision Liabilities written back	0.84	
Profit on Sale of Investment	0.07	
Operating Profit /(Loss) before Working Capital Changes	**256.67**	**555.63**
Adjustment for :		
Change in Current Assets & Current Liabilities		
(Increase) /Decrease in Inventory	351.16	87.40
(Increase)/ Decrease in other Current Assets	1,032.24	(907.79)
(Increase)/ Decrease in Trade Receivables	(2,058.17)	(680.81)
Increase/(Decrease) in Trade Paybles & Current Liabilities	840.27	(225.43)
Increase/(Decrease) in Other Non Current Liabilities & Provisions	(4.56)	1.09
Cash Generated from Operation	**160.94**	**(1,725.54)**
Less: Direct taxes paid (Net)		
Net Cash flow from Operating Activities	**417.61**	**(1,169.91)**
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property Plant & Equipments	(0.60)	-
Purchase of Intangible Assets	(40.47)	(31.03)
Increase in Capital Reserve(Rate Differencce of Investment)	56.47	22.73
Investment in Other Non Current Assets	(17.00)	0.14
Net Cash Generated in Investing Activities	**(1.60)**	**(8.16)**
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Finance Cost	(533.74)	(316.18)
Redemption/(Investment) in Fixed Deposits	437.59	(231.62)
Increase/(Decrease) in Non Current Borrowings	(677.41)	288.27
Increase/(Decrease) in Current Borrowings	141.20	1,479.54
Net Cash Generated in Financing Activities	**(632.36)**	**1,220.01**
NET CASH FLOW DURING THE YEAR (A+B+C)	**(216.35)**	**41.94**
Cash and cash equivalents at the beginning of the year*	**229.55**	**187.61**
Cash and cash equivalents at the end of the year*	**13.20**	**229.55**

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

For and on behalf of the Board of Directors

CA Milan Parikh
Proprietor
Membership No. 038557

Place: Mumbai
Date: 30th July 2020

Manoj Agarwal - Director
Kavita Kapahi - Director
Ashok Sanghavi - CFO
Shyamal Padhiar - Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31st March, 2020

A. EQUITY SHARE CAPITAL

(₹ in Millions)

Particulars	Amount
Balance as at 1 April 2018	291.37
Changes in equity share capital during the year	-
Balance as at 31 March 2019	291.37
Changes in equity share capital during the year	-
Balance as at 31 March 2020	291.37

B. OTHER EQUITY

(₹ in Millions)

Particulars	Reserves & Surplus				
	Retained earnings	Capital Reserve	General Reserve	Security Premium Reserve	Total
Balance as at 1 April 2018	**(16.58)**	**592.70**	**1,065.46**	**1,435.00**	**3,076.58**
Restatement of prior period items	-	-	-	-	-
Profit for the year	213.21	-	-	-	213.21
Other comprehensive income (net of tax)	0.13	-	-	-	0.13
Issue of equity shares		-	-	-	-
Other Adjustments with holding company	-	22.73	-	-	22.73
Balance as at 31 March 2019	**196.76**	**615.43**	**1,065.46**	**1,435.00**	**3,312.65**
Profit for the year	(1,405.46)	-	-	-	(1,405.46)
Other comprehensive income (net of tax)	(1.09)	-	-	-	(1.09)
Issue of equity shares		-	-	-	-
Other Adjustments with holding company	-	53.33	3.13	-	56.46
Balance as at 31 March 2020	**(1,209.79)**	**668.76**	**1,068.59**	**1,435.00**	**1,962.56**

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

CA Milan Parikh
Proprietor
Membership No. 038557
Place: Mumbai
Date: 30th July 2020

For and on behalf of the Board of Directors

Manoj Agarwal - Director
Kavita Kapahi - Director
Ashok Sanghavi - CFO
Shyamal Padhiar - Company Secretary

Notes forming part of Consolidated Financial Statements

CORPORATE INFORMATION

Shirpur Gold Refinery Limited ("SGRL" or "the Company") or "the parent company" is incorporated in the state of Maharashtra, Indiais listed on Bombay Stock Exchange of India Limited(BSE) and National Stock Exchange of India Limited (NSE) in India. The Registered office and Plant of the Company is situated at Refinery Site, Shirpur, Dist: Dhule, Maharastra-425 505. The Company along with its subsidiaries (collectively referred to as "the Group") has been in the business of manufacturing and trading of gold bars, gold coins, gold jewellery and export of gold jewellery. The Consolidate financial statements were authorized for issue by Board of Directors at their meeting held on 30th July 2020.

1. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

These Consolidated financial statement have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act,2013 (the Act) read with of the Companies (Indian Accounting Standards) Rules 2015 as amended and other relevant provisions of the Act and Rules framed thereunder and guidelines issued by SEBI.

b) Basis of Preparation of Consolidated Financial Statement

i) Compliance with Ind AS

The Consolidatedfinancial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Consolidated Financial Statements up to the year ended March 31,2018 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules ,2006 (as amended) " Previous GAAP" and other relevant provisions of the Companies Act, 2013. These Consolidated Financial Statements are the first Financial statements of the Company in accordance with Ind AS. The date of transition to IndAS is April 1,2017. Refer Note 53 for details of first-time adoption exemptions availed by the Company.

ii) Principles of Consolidation

The consolidated financial statements of the Grouphave been prepared to comply with the Indian Accounting Standards (Ind AS), including the rules notified under the relevant provisions of the Companies Act, 2013 to the extent possible in the same manner as that adopted by the parent company and the subsidiariesaudited financial statements as per the respective countries accounting standards. The consolidated financial statements have been prepared under the historical cost convention on the Going Concern concept of accounting.

- The consolidation of financial statements of the parent company and its subsidiaries is done to the extent possible on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. All significant intra-group transactions, unrealized inter-company profits and balances have been eliminated in the process of consolidation. Being the 100% holding in subsidiaries, minority interest in subsidiaries is not applicable.
- The consolidated financial statements are prepared using uniform accounting policies for transactions and other events in similar transactions.
- The Companyfollows mercantile system of accounting and recognizes income and Expenditureon accrual basis.
- The consolidated financial statements includes the financial statements of the parent company and the subsidiaries (aslisted in the table below). Subsidiaries are consolidated from the date on which effective control is acquired.

Name of the Subsidiaries	Proportion of interest (including beneficial interest) / Voting Power (either directly / indirectly or through subsidiaries)	Country of Incorporation
Shirpur Gold DMCC	100 %	Dubai, U.A.E.
Precious Metal Mining and Refining Limited	100% subsidiary of Shirpur Gold DMCC	Papua New Guinea
Metalli Exploration And Mining	70% subsidiary of Shirpur Gold DMCC, Dubai (UAE)	Bamako, Mali

c) Current versus non-current classification

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company and other criteria set out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

d) Property, Plant and Equipment and Capital Work in Progress

Recognition and initial measurement:

Property, plant and equipment are recorded at the cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use upto the date when the assets are ready for use. Any trade discount, recoverable taxes and rebates are deducted in arriving at the purchase price. All other repairs and maintenance are recognized in statement of profit and loss as incurred.

Subsequent measurement Depreciation and useful lives

Property, plant and equipment are subsequently measured at cost less depreciation and impairment loss.Based on an independent technical evaluation, the useful life of following PPE has been estimated as 05-60 years (on a single Shift basis), which is different from that prescribed in Schedule II of the Companies Act, 2013.

Assets	Management's Estimate of Useful Life
Concrete Road – GB	60 Years
Airport Complex	30 Years
Plant & Machinery	05-40 years

Depreciation on additions to assets or on sale/discarded of assets, is calculated pro-rata from the month of such addition or up to the month of such sale/ discarded, as the case may be.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of an assets(calculated as the difference between the net disposal proceeds and its carrying amount) is included in the statement of profit and loss.

e) Other Intangible assets

Recognition and initial measurement

Intangible assets are recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. These assets are valued at cost which comprises the purchase price and any directly attributable expenditure on making the asset ready for its intended use.

Subsequent measurement (amortisation)

Intangible assets are amortized on straight line basis over the economic useful life estimated by the management.

f) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

g) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider –

1. All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
2. Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

h) Revenue Recognition

- Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Company applies the revenue recognition criteria to each nature of the sales transaction as set out below.

Notes forming part of Consolidated Financial Statements

- Sale of Goods is recognized on transfer of all significant risks and rewards of ownership to the buyer and when no significant uncertainty as to collectability exists.
- Revenues/ incomes and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.
- Interestis accounted on time proportion and accrual basis
- Dividend income is accounted when the right to receive the same is unconditional.

i) Inventories

- Inventories of consumables, raw materials, work-in-progress and finished goods are valued atlower of cost or realizable value. The comparison of cost and net realizable value is made onMarket Value or Realizable Value basis.
- In determining cost of raw materials, packing materials, stock-in-trade, stores, spares andconsumables, FIFO method is used. Cost of inventory comprises all costs of purchase, duties,taxes (other than those subsequently recoverable from tax authorities) and all other costsincurred in bringing the inventory to their present condition.
- Cost of finished goods and work-in-process includes the cost' of raw materials,an proportionate/appropriate share of fixed and variable production overheads, dutiesand taxes as applicable and other costs incurred in bringing the inventories to their present form.

j) Borrowing Cost

Borrowing costs include interest and other costs that the Company incurs in connection with the borrowing of funds.

Borrowing costs related to a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use is worked out on the basis of actual utilization of funds out of project specific loans and/or other borrowings to the extent identifiable with the qualifying asset and is capitalized with the cost of qualifying asset, using the effective interest method. All other borrowing costs are charged to statement of profit and loss.

In case of significant long-term loans, other costs incurred in connection with the borrowing of funds are amortised over the period of respective loan.

k) Investments

- Investments intended to be held for more than a year from the date of the acquisition are classified as Non Current Investments and are carried at Cost. Provision for diminution in the value of Non-Current investments is made only if in the opinion of management, such declineis other than temporary in nature.
- Current Investments are carried at lower of cost or fair value. The comparison of cost andfair value is done separately in respect of each category of investments. On disposalof aninvestment, the difference between its carrying amount and net disposal proceeds is chargedor credited to the Statement of Profit and Loss. Profit or Loss on sale of investments isdetermined on a first-in-first-out (FIFO) basis.

l) Transactions in Foreign Exchange

The functional currency of the Company is Indian Rupee (R) which is also the presentation currency.

- Initial recognition:Foreign currency transactions are accounted at the exchange rateprevailing on the date of such transactions.
- Measurement of Foreign Currency items at the Balance Sheet date:Foreign currencymonetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognized as income or as expenses in the period in which they arise.
- Forward Exchange Contracts: The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortized as expense or income over the life of the contract. Any profit or loss arising on cancellation or renewal of such forward exchange contract during the reporting period, is recognized as income or expense for the period, in the Statement of Profit and Loss.
- Accounting of foreign branch: Current assets and liabilities are converted at the appropriate rates of exchange prevailing on the date of the Balance Sheet and revenue and expenses are at monthly average rate for the year.

m) Financial Derivative for Commodity Hedging Transactions

In respect of derivative contracts, gain/losses on settlement are recognized in the Statement of Profit and Loss. On the reporting date, profit or loss of all unsettled/outstanding contracts is determined by comparing the value of the posi-

Notes forming part of Consolidated Financial Statements

tion at the mark to market at the Balance Sheet date and recognized in the Statement of Profit and Loss.

n) Post-employment, long term and short term employee benefits

1. Post- employment benefits

i) Defined contribution plan

The Company deposits the contributions for provident fund and employees' state insurance to the appropriate government authorities and these contributions are recognised in the Statement of Profit and Loss in the financial year to which they relate.

ii) Defined benefit plan

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out at the end of the year by an independent actuary, using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government Securities for relevant maturity. Actuarial gains and losses are recognised immediately in the Statement of Other Comprehensive Income

2. Other long term employee benefits

Benefits under the Company's compensated absences constitute other long-term employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation done by an independent actuary using the projected unit credit method at the year end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

3. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus, etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

o) Earnings/(loss) per share

Basic earning/loss per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

p) Accounting for taxes on Income

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity).

Unused tax credit such as (Minimum alternate tax ('MAT') credit entitlement) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which such credit becomes eligible to be recognized

Notes forming part of Consolidated Financial Statements

as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as unused tax credit. The Company reviews the same at each balance sheet date and writes down the carrying amount of unused tax credit to the extent it is not reasonably certain that the Company will pay normal income tax during the specified period.

q) Provisions

A provision is recognized when there is a present obligation as a result of past event and it isprobable thatan outflow of resources willberequired to settlethe obligation; in respect of whicha reliable estimate can be made. Provisions are not discounted to its present value and are determined basedon best estimate required to settle the obligation at the balance sheet date.These arereviewed at each balancesheetdate and adjusted to reflect the current Management Estimates.

r) Contingent Liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a presentobligation that may, but probably will not require an outflow of resources. When there is a possibleobligation or a present obligation in respect of which likelihood of outflow ofresources is remote,no provision or disclosure is made. Contingent Liabilities are not recognized but are disclosed byway of Notes. Contingent assets are neither recognized nor disclosed in the financial statements.

s) Contingencies and Events occurring after the Balance Sheet date

All the major contingencies i.e., a condition or situation the ultimate outcome of which is known ordetermined only on their occurrences or non-occurrences of uncertain future events, till the signingof the financial statements, have been recognized.

Material events occurring after the balance sheet date till signing of thereof, affecting the goingconcern assumption or having material impact on the financial statements, are recognized.

t) Cash and cash equivalents

Cash and cash equivalents comprises cash at bank and in hand, cheques in hand and short term investments that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value..

b) Leases

i) Finance lease

Assets held under finance leases are recognised as assets of the Company at their fair value on the date of acquisition, or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reductions of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in statement of profit and loss account, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the general policy on borrowing costs . Contingent rentals are recognised as expenses in the periods in which they are incurred.

ii) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognised on straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

c) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods

d) Exceptional items

Certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expenses is classified as an exceptional item and accordingly, disclosed in the financial statements.

e) Financial Instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity

Notes forming part of Consolidated Financial Statements

instrument of another entity.

Initial Recognition

a) Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Subsequent Measurement

b) Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'at amortised cost, 'Fair value through other comprehensive income (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

Debt Instrument

Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held with in a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This category generally applies to trade and other receivables.

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI, if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent solely payments of principle and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses, reversals and foreign exchange gain or loss in the statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of Profit and Loss . Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the Effective Interest Rate (EIR) method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of Profit and Loss.

Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Derecognition of financial assets

The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

Notes forming part of Consolidated Financial Statements

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through statement of Profit and Loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of Profit and Loss.

Financial liabilities

Subsequent Measurement

Financial liabilities measured at amortised cost

Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

Financial liabilities measured at FVTPL (fair value through profit or loss)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities at fair value through statement of Profit and Loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Determination of fair value

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

f) Share based payments

The Company recognizes compensation expense relating to share-based payments in the statement of profit and loss using fair value in accordance with Ind AS 102, "Share-based Payments". The estimated fair value of awards is charged to statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share based payment reserves.

g) Business combinations

Business combinations are accounted for using the acquisition method as per Ind AS 103, Business Combinations. The cost of acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations between entities under common control is accounted for at carrying value. Transaction

Notes forming part of Consolidated Financial Statements

costs that the Company incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Recognition of deferred tax assets: The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets: The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Contingent liabilities: At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from this judgement.

Significant estimates

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

Impairment of financial assets: At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables.

Defined benefit obligation (DBO): Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements: Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Useful lives of depreciable/amortisable assets: Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

Notes forming part of Consolidated Financial Statements

2a. Property, Plant & Equipments

(₹ Millions)

Particulars	Free Hold Land	Land Development	Buildings	Airport Complex	Plant and equipments	Vehicles	Computers	Office equipment	Furniture and fixtures	Electrical Installations	Total
Gross carrying amount											
As at 1 April 2018	5.45	26.57	304.73	52.69	3,097.12	0.410	27.13	7.64	49.72	73.21	3,644.66
Additions	-	-	-	-	-	-	0.74	0.05	-	0.12	0.91
Disposal/ adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2019	**5.45**	**26.57**	**304.73**	**52.69**	**3,097.12**	**0.41**	**27.87**	**7.69**	**49.72**	**73.33**	**3,645.57**
Additions	-	-	-	-	-	-	0.07		0.10	-	0.17
Disposal/ adjustments	-	-	-	-	-	-	-		-	-	-
As at 31 March 2020	**5.45**	**26.57**	**304.73**	**52.69**	**3,097.12**	**0.41**	**27.94**	**7.69**	**49.82**	**73.33**	**3,645.74**
Accumulated depreciation											
As at 1 April 2018	-	20.92	189.25	41.36	1,662.54	0.40	23.85	7.19	46.60	68.54	2,060.65
Additions	-	0.27	3.62	0.72	59.66	-	1.23	0.13	1.76	1.99	69.38
Disposal/ adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2019	**-**	**21.20**	**192.87**	**42.08**	**1,722.20**	**0.40**	**25.08**	**7.32**	**48.36**	**70.53**	**2,130.03**
Additions	-	0.27	3.62	0.72	58.27	-	1.16	0.12	1.77	1.00	66.94
Disposal/ adjustments	-	-			-	-	-	-	-	-	-
As at 31 March 2020	**-**	**21.47**	**196.48**	**42.81**	**1,780.47**	**0.40**	**26.24**	**7.44**	**50.13**	**71.53**	**2,196.97**
Net Block as at 1 April 2018	5.45	5.65	115.48	11.33	1,434.58	0.01	3.28	0.45	3.12	4.67	1,584.02
Net Block as at 31 March 2019	5.45	5.37	111.87	10.61	1,374.92	0.01	2.79	0.37	1.36	2.80	1,515.55
Net Block as at 31 March 2020	**5.45**	**5.10**	**108.25**	**9.88**	**1,316.65**	**0.01**	**1.70**	**0.24**	**(0.31)**	**1.80**	**1,448.77**

Notes forming part of Consolidated Financial Statements

2 b Other intangible assets

(₹ Millions)

Particulars	License fee and other	Computer Software	Total
Gross Carrying Amount			
As at 1 April 2018	451.64	2.01	453.65
Additions	30.11	-	30.11
Disposal/adjustment	-	-	-
As as 31 March 2019	**481.75**	**2.01**	**483.76**
Additions	40.91		40.91
Disposal/adjustment	-	-	-
As as 31 March 2020	**522.66**	**2.01**	**524.67**
Accumulated depreciation			
As at 1 April 2019	-	0.86	0.86
Depreciation charge during the year	-	0.43	0.43
Disposal/ adjustments	-	-	-
As as 31 March 2019	**-**	**1.29**	**1.29**
Depreciation charge during the year		0.44	0.44
Disposal/ adjustments	-	-	-
As as 31 March 2020	**-**	**1.73**	**1.73**
Net Block as at 1 April 2018	451.64	1.15	452.79
Net Block as at 31 March 2019	481.75	0.72	482.47
Net Block as at 31 March 2020	522.66	0.29	522.95

3. Non Current Investments (Valued at cost unless otherwise stated)

Unquoted

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
In others		
Investment in equity instrument (unquoted)		
8500 (8500) Equity Shares of Shirpur People Co-op. Bank Ltd. of Rs. 10/- each, fully paid up	0.21	0.21
Investment in Gold	0.00	0.12
Total	**0.21**	**0.33**

4. Other Financial Assets

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Security Deposits	2.64	4.69
Total	**2.64**	**4.69**

Notes forming part of Consolidated Financial Statements

5. Deferred Tax Assets (Net)

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
As per last year Balance Sheet	461.34	466.05
Add : Deferred Tax Assets*	-	-
Less : Deferred Tax Liability	-	4.71
Total	**461.34**	**461.34**

* Refer Note No.---

6. Income Tax Assets (Net)

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance with government authorities- Direct tax(net of provisions)	28.28	24.30
Total	**28.28**	**24.30**

7. Other Non-Current Assets (Unsecured and considered good)

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Preoperative expenses - Mines*	106.29	91.18
Total	**106.29**	**91.18**

*Pre Acquisition Expenses incurred for acquiring gold mines for backward intergration has been discontinued

8. Inventories (Valued at lower of cost or net realisable value)

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Raw Materials and components	0.00	0.93
Work-in-progress	2.66	74.80
Goods-in transit		
Finished goods	0.08	277.94
Market Value)		
Stock in Trade	-	-
Stores and spares	11.69	11.92
Total	**14.43**	**365.59**

Notes forming part of Consolidated Financial Statements

9. Trade Receivables (Unsecured and considered good)

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Considered Good*	5,808.50	4,811.53
Total	**5,808.50**	**4,811.53**

Trade receivable are non interest bearing and are generally on terms of 0 to 120 days

10. Cash and Cash Equivalents

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks		
In Current Accounts	12.93	229.15
Cash in hand	0.27	0.40
Total	**13.20**	**229.55**

11. Bank Balances other than Cash and Cash Equivalents

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance with banks		
- in Fixed Deposits with maturity upto twelve months*	145.16	582.74
Total	**145.16**	**582.74**

* Refer note No. 58

12. Other Current Financial Assets

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Others	1.65	1.65
Total	**1.65**	**1.65**

Notes forming part of Consolidated Financial Statements

13. Other Current Assets

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid Expenses	1.27	38.89
Advance to suppliers-Unsecured	2.98	1,007.46
Dues from Government (Taxes)	78.21	86.71
Others including insurance claim receivable	161.74	143.39
Total	**244.20**	**1,276.45**

14. Share Capital

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised	350.00	350.00
35,000,000 (35,000,000) Equity Shares of Rs. 10/- each		
Issued, Subscribed and Paid up		
29,137,202 (29,137,202) Equity Shares of Rs. 10/- each, fully paid up	291.37	291.37
Total	**291.37**	**291.37**

(a) Reconciliation of number of shares and share capital

(₹ Millions)

Partculars	As at 31 March, 2020		As at 31 March, 1919	
	Number	Million	Number	Million
Shares outstanding at the beginning of the year	29,137,202	291.37	29,137,202	291.37
Changes during the year			-	-
Shares outstanding at the end of the year	29,137,202	291.37	29,137,202	291.37

(b) Details of Shareholders holding more than 5% equity shares in the company

Particulars	% of holding	As at 31 March, 2020 Number	% of holding	As at 31 March, 2019 Number
Jayneer Infrapower & Multiventures Pvt. Ltd. (formally known as Jayneer Capital Private Limited)	43.66	12,720,703	63.89	18,615,428
Polus Global Fund	6.53	1,903,347	6.53	1,903,347
Pricomm Media Distrution Ventures Pvt. Ltd.	5.27	1,537,995	5.27	1,537,995

Notes forming part of Consolidated Financial Statements

(c) The company has only one class of shares referred to as equity shares having a par value of Rs 10 per share.All the share are ranking pari- passu in all respect. Each holder of equity share is entitled to one vote per share. As per the Companies Act, 1956, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in the event of liquidation of the company. However no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the Shareholders.

(d) Neither bonus shares are issued nor any shares bought back during the five years preceding 31st March 2020.

(e) As per records of the Company, including Register of Shareholders/Members and other declaration received from the shareholders regarding benefical interest, the above shareholding represents both legal and beneficial ownership of shares.

15. Other Equity

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Securities Premium Account	1,435.00	1,435.00
General Reserve	1,068.59	1,065.46
Capital Reserve	668.76	615.43
Retained earnings		
a. Opening Balance	196.76	(16.58)
b. Add: Net Profit after tax transferred from statement of profit and loss	(1,405.46)	213.21
c. Add: Other Comprehensive income, Net of tax	(1.09)	0.13
Closing Balance (a+b-c)	(1,209.79)	196.76
Total	**1,962.56**	**3,312.65**

16. Non Current Liabilities -Borrowings

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured loans*		
Term Loan from Financial Institution		650.00
Unsecured loans		
From Related Party(Refer Note No.48)	449.90	449.90
Other		27.41
Total	**449.90**	**1,127.31**

*Secured by way of pari passu first charge on current assets, present and future immovable and movable fixed assets including land and building at Shirpur.

** During the year, Financial Institution had outstanding dues classified as Non Performing Assets, amounting to Rs.727.36 (650) Million including amount of interest and penal interest of Rs. 77.36 Million, have been demanded by lender due to default in repayment, hence same has been reclassified under Note No. 20 current liabilities borrowings.

Notes forming part of Consolidated Financial Statements

17. Non Current Liabilities - Others Financial Liabilities

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Sundry Creditors for General Purchase & Expenses*	0.16	0.16
Advances from others		
-Security Deposits#	15.20	15.20
Total	**15.36**	**15.36**

*for current portion refer Note 21 below

Security Deposits of Rs. 15.20 (15.20) millions in respect of amount received from various dealers,pending confirmation.

18. Non - Current Liabilities - Provisions

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits (unfunded)		
Gratuity	2.02	5.98
Leave benefits	0.43	1.03
Total	**2.45**	**7.01**

19. Current Liabilities - Borrowings

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Loans from banks* - Secured	4,776.72	4,635.51
Total	**4,776.72**	**4,635.51**

* Secured by way of pari passu first charge on current assets, present and future immovable and movable fixed assets including land and building at Shirpur. The aforesaid borrowings are at varying rate of interest and are repayable on demand , excluding Fixed Deposits and interest thereon adjusted by bank amounting to Rs. 145.97 Million kept as margin against bank guarantee as detailed in Note No. 56.

20. Trade Payables

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Dues of Micro, Small and Medium enterprises	-	-
Dues of creditors other than Micro, small and Medium enterprises	1,060.39	422.12
Total	**1,060.39**	**422.12**

Terms and condition of the above Trade Payable

Trade and other payables are non-interest bearing and are generally having credit terms of 0 to 180 days.

Notes forming part of Consolidated Financial Statements

21. Other Current Financial Liabilities

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory Dues	0.58	0.41
Sundry Creditors for General Purchase & Expenses*	29.55	26.05
Advance from customers	0.91	0.89
Others	207.43	7.59
Total	**238.47**	**34.94**

* For non current portion refer Note 17 above

22. Current Provisions

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Contribution to Provident Fund	0.05	0.12
Contribution to ESIC	0.00	0.01
Gratuity	0.10	0.56
Leave benefits	0.21	0.37
Total	**0.36**	**1.06**

23. Revenue from Operations

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Sale of products		
Traded Goods	17,216.12	14,640.86
Manufactured Goods		
Local Sales	18,337.10	27,875.21
Export Sales		106.46
Net Sales	35,553.22	42,622.53
Other operating revenues *	-	58.39
Total	**35,553.22**	**42,680.92**

* Other operating revenues includes Gain from forward contract of Rs. Millions Nil (1.51) and forex gain on trade receivable and trade payable of Rs. Millions Nil (56.62).

Notes forming part of Consolidated Financial Statements

24. Other Income

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Dividend income	-	0.02
Balance written back	-	0.00
Other income	110.44	64.72
Total	**110.44**	**64.74**

25. Cost of Material Consumed

(₹ Millions)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventory at the beginning of the year	0.93	97.72
Add: Purchases	17,973.99	27,908.45
	17,974.92	28,006.17
Less: Inventory at the end of the year	0.00	0.93
Cost of raw material consumed*	17,974.92	28,005.24
Other materials (Stores and Spares)	0.37	0.50
Total	**17,975.29**	**28,005.74**

*** Break up of Raw Materials consumed**

(₹ Millions)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gold	17,974.92	27,998.81
Silver	-	6.43
Other materials (Stores and Spares)	0.37	0.50
Total	17,975.29	28,005.74

26. Purchase of Stock-In-Trade

(₹ Millions)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gold	17,005.40	14,032.91
Total	**17,005.40**	**14,032.91**

27. Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade

a. Inventory at the end of the year

₹ Millions)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Stock in Trade		
Gold	-	-
Silver		
Work in Progress		
Gold	2.65	74.80
Silver		
Finished Goods		
Gold	0.05	277.58
Silver	0.01	0.39
Total	**2.71**	**352.77**

b. Inventory at the beginning of the year

₹ Millions)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Stock in Trade		
Gold	-	92.15
Work in Progress		
Gold	74.80	143.53
Finished Goods		
Gold	277.58	103.58
Silver	0.39	4.11
Total	**352.77**	**343.37**
c. Net (b - a)	**350.06**	**(9.40)**

28. Employee Benefit Expenses

₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Salaries & wages	30.18	32.16
Contribution to provident & other funds	1.05	4.06
Staff welfare expenses	0.09	0.78
Total	**31.32**	**37.00**

29. **Finance Costs**

₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest expense (Net) Refer Note No. 43	418.07	150.20
Bank charges	40.58	45.72
Other financial charges	75.09	120.26
Total	**533.74**	**316.18**

30. **Depreciation & Amortization Expense**

₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Depreciation on property, plant and equipment	66.94	69.38
Amortization of intangible assets	0.44	0.43
Total	**67.38**	**69.81**

31. **Other Expenses**

₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Auditors' Remuneration	1.39	1.96
Power and fuel	2.34	3.08
Rent Rates & Taxes	0.59	3.82
Repairs to buildings	0.07	1.24
Insurance	0.75	0.68
Miscellaneous expenses*	39.6	56.36
Reserves and doubtful debts*	1,061.19	-
Total	**1,105.93**	**67.15**

* Refer Note No. 59

32. **Income Taxes**

(a) The major components of income tax for the year ended 31 March 2020 are as under:

(i) Income tax related to items recognized directly in the statement of profit and loss during the year

(ii)

(₹ Millions)

Particulars	March 31, 2020	March 31, 2019
Current tax - current year	-	8.35
- adjustment for current tax of prior periods	-	-
Total	**-**	**8.35**
Deferred tax charge / (credit)	-	4.71
Total tax expense reported in the statement of profit and loss	**-**	**13.06**

Notes forming part of Consolidated Financial Statements

(b) Tax Expense related to items recognized in other comprehensive income (OCI) during the year

(₹ Millions)

Particulars	March 31, 2020	March 31, 2019
Tax Expense charge / (credit) on remeasurement of defined benefit plan	-	0.03

(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate

(₹ Millions)

Particulars	March 31, 2020	March 31, 2019
Accounting profit / (loss) before tax	(1,474.61)	226.27
Income tax		
Statutory income tax @ of 15.6% (2019: 20.587%) tax on Book profit	-	46.58
Tax effect of earlier years		
Tax effect on exempt income	-	(38.23)
Tax effect on non-deductible expenses (including exceptional item)	-	0.20
Additional allowances for tax purposes	-	4.51
Impact of change in tax rate on deferred tax assets		
Tax expense recognized in the statement of profit and loss	-	13.06

Note : The company has brought forward losses to absorb the taxable income . Hence the tax on book profits is calculated as per the provisions of Sec 115JB of the Income Tax Act 1961. The Statutory tax rate is 15.6% i.e Minimum Alternative Tax rate in India. The Tax rate for deferred tax assets for the year ended 31st March 2020 is 31.2% (2019: 33.384%). Deferred Tax assets and liabilities are offset where the company has a legally enforceable right to do so.

(d) Reconciliation of deferred tax assets/(liabilities) (net)

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	461.34	466.05
deferred tax (charge) / credit recognized in		
- Statement of profit and loss	-	4.71
- Other comprehensive income		
Total	**461.34**	**461.34**

33. CONTINGENT LIABILITIES AND COMMITMENTS

Contingent Liabilities

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Disputed Direct Taxes *	0.62	0.62

The Export obligation under EPCG licenses issued in the year 2002, 2012 & 2014 is completed and the redemption of licenses is in process.

Notes forming part of Consolidated Financial Statements

* Income tax demands mainly include appeals filed by the Company before various appellate authorities against the disallowance of expenses/claims and Penalty etc. The management is of the opinion that tax cases will be decided in its favour and hence no provision is considered at this stage.

34. COMMITMENTS

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Bank Guarantees issued by banks & balance outstanding at year end[against the said bank guarantees Rs./Millions 145.16(471.81) has been kept as margin money]	1,016.50	3,229.70

35. DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS STOCKS

Raw Material Consumed

(₹ Millions)

Particulars	For the year March 31, 2020	For the year March 31, 2019
Imported	15,527.13	20,724.01
Indigenous	2,448.16	7,281.23
Total	**17,975.29**	**28,005.24**

36. INVENTORY AND TURNOVER

(₹ Millions)

Gold	Sales Value	Closing Inventory	Opening Inventory
Manufactured Goods	18,337.10	2.75	353.67
	(27981.67)	(353.67)	(348.95)
Traded Goods	17216.12	--	--
	(14,640.86)	(--)	(91.94)
TOTAL	**35,553.22**	**2.75**	**353.67**
	(42,622.53)	**(353.67)**	**(440.89)**

(₹ Millions)

Stores & Spares	Closing Inventory	Opening Inventory
Stores and Spares Consumed	11.69	11.92
	(11.92)	(12.34)

37. EARNINGS IN FOREIGN EXCHANGE

(₹ Millions)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
FOB Value of Export	---	106.33

Notes forming part of Consolidated Financial Statements

38. (A) EXPENDITURE IN FOREIGN CURRENCY

(₹ Millions)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Travelling and Related Expenses	0.00	0.08

39. MANAGERIAL REMUNERATION

Remuneration paid or provided in accordance with Section 197 of the Companies Act, 2013 to Manager is included in Employee benefit expense is as under:

(₹ Millions)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salary and allowances	1.21	1.00

Note: Salary and allowances include basic salary, personal allowance, house rent allowance, medical reimbursement and leave travel allowance & performance bonus but excluding leave encashment.

40. PAYMENT TO AUDITORS

For Standalone

(₹ Millions)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Audit Fee	1.10	1.10
Tax Audit Fee	0.15	0.13
Other Services & reimbursement of expenses	0.09	0.24
Total	**1.24**	**1.47**

For Subsidiaries

(₹ Millions)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Audit Fee	0.18	0.41
Tax Audit Fee	-	-
For Other Services	-	-
Total	**0.18**	**0.41**

Notes forming part of Consolidated Financial Statements

41. EARNINGS PER SHARE

(₹ Millions)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit (Loss) after tax available for appropriation to equity shareholders	(1405.46)	213.21
Weighted average number of equity shares for basic and diluted EPS (in numbers)	29,137,202	29,137,202
Nominal Value of equity shares (in Rs.)	10.00	10.00
Basic and Diluted Earnings per share (in Rs.)	(48.24)	7.32

42. The consolidated financial statements have been prepared as per the requirement of Ind AS 110, a consolidated financial statements and Ind AS 111 for its two foreign subsidiaries alongwith two of there step down foreign subsidiaries.

43. Interest expense is net of interest income of Rs. Millions23.10(104.58).

44. The Company uses Gold Forward exchange contracts to hedge against its foreign currency exposure relating to the underlying transactions and firm commitments. The foreign currency exposure not hedged at the year-end is as under:

(₹ Millions)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Payables	-	223.90
Receivables	-	-

Figures indicated in Indian Rupees have been restated as per the RBI reference rate as on 31st March' 2020.

Derivative Contracts entered into by the Company and outstanding at the year end 31st March 2020 Nil (Rs. Millions) and 31st March 2019 NIL (Rs. Millions)

45. SEGMENT REPORTING

The Group is in the business of refining, manufacturing and marketing of precious metal which is considered as the only reportable segment. The Company does not have any geographical segments. Hence, there are no separate reportable segments as per Ind AS 108 on "Operating Segments"

46. MICRO, SMALL AND MEDIUM ENTERPRISES

The Company has no dues to Micro, Small and Medium enterprises as at 31st March, 2018, on the basis of information provided by the parties and available on record. Further, there is no interest paid / payable to micro and small enterprises during the year.

47. FINANCIAL INSTRUMENTS

(a) Financial risk management objective and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and bank balances.

Notes forming part of Consolidated Financial Statements

The Company is exposed to market risk, credit risk and liquidity risk. The Board provides guidance for overall risk-management, as well as policies covering specific are as such as credit risk, liquidity risk and investment of excess liquidity.

(i) Marketrisk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures with in acceptable parameters, while optimizing there turn.

1 Interest rate risk

This refers to risk to Company's cash flow and profits on account of movement in market interest rates.

For the Company the interest risk arises mainly from interest bearing borrowings which are at floating interest rates. To mitigate interest rate risk, the Company closely monitors market interest and as appropriate makes use of optimized borrowing mix/composition etc.

(a) Interest rate risk exposure

(₹ Millions)

Particulars	March 31, 2020	March 31, 2019
Variable rate borrowings	4,776.72	5,285.51
Fixed rate borrowings		
Total borrowings	**4,776.72**	**5,285.51**

(b) Interest rate sensitivity analysis

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rate of 50 basis points increase or decrease. The calculations are based on the variable rate borrowings outstanding at balance sheet date. All othe rparameters are held constant.

(₹ Millions)

Impact on profit before tax	March 31, 2020	March 31, 2019
	Gain/(Loss)	
Interest rate - increase by 50 basis points	(23.88)	(26.43)
Interest rate - decrease by 50 basis points	23.88	26.43

2 Foreign currency risk

Currency risk is the risk that the fair value or future cash flows fluctuate because of changes in market prices.The Company is exposed to foreign exchange risk on their receivables and payables which are mainly held in the United State Dollar ("USD"). Consequently, the Company is exposed primarily to the risk that the exchange rate of the Indian Rupees ("INR") relative to the USD, may change in a manner that has an effect on the reported values of the Company's assets and liabilities that are denominated in these foreign currencies.

The following table sets for thin formation relating to unhedged foreign currency exposure at the end of the reporting period:

Notes forming part of Consolidated Financial Statements

(₹ Millions)

Currencies	Assets as at		Liabilities as at	
	31 March, 2020	31 March, 2019	31 March, 2020	31 March, 2019
USD	-	-	141.33	223.90

Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in the, to a 10% increase and decrease in the Re against the relevant foreign Currency with all other variables held constant.The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

(₹ Millions)

Currencies	Sensitivity			
	31 March, 2020		31 March, 2019	
	Depreciate by 10% Gain/(Loss)	Appreciate by 10%	Depreciate by 10% Gain/(Loss)	Appreciate by 10%
USD	(14.13)	14.13	(22.39)	22.39

(ii) Credit risk

Credit risk is the risk off in ancialloss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loan and deposits given, investments and balances at bank. The Company measures the expected credit loss of trade receivables based on financial conditions/market practices, credit track record in the market, analysis of historical bad debts and past dealings for extension of credit to customers. Individual credit limits are set accordingly. The Company monitors the payment track record of the customers and ageing of receivables. Outstanding customer receivables are regularly monitored. The Company considers the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken advances and security deposits from some of its customers, which mitigate the credit risk to an extent.

Ageing analysis of trade receivables has been considered from the date the invoice falls due.

(₹ Millions)

Particulars	March 31, 2020	March 31, 2019
Trade receivables (unsecured)		
Up to six months	1,577.66	4782.94
More than six months	4,230.84	28.59
Total (a)	**5,808.50**	**4811.53**

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings as signed by credit rating agencies. Investments primarily include investment in redeemable preferences hares, optionally convertible debentures, compulsorily convertible debentures and other debt instruments. Security deposits against leasing of premises are refundable upon closure of the lease and credit risk associated with such deposits is relatively low.

Notes forming part of Consolidated Financial Statements

(iii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at are asonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities–borrowings, trade payables and other financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cashflows and matching the maturity profiles of the financial assets and liabilities. It maintains adequate sources off in ancing including loans, debt and over draft from banks. It also enjoys strong access to domestic capital markets across various debt instruments.

Exposure to liquidity risk

The table below provides details regarding the contractual maturities off in ancial liabilities (including interest accrued)at the reporting date. The contractual cashflow amounts are gross and undiscounted.

(₹ Millions)

As at 31 March 2020

	Less than 1 year	Between 1 to 5 years	Beyond 5 years
Financial liabilities			
Long term borrowings *	--	--	449.90
Short term borrowings	4776.72		
Trade payables	921.07	139.32	
Other current financial liabilities	238.47		
Other non-current financial liabilities			15.36
Total	**5936.26**	**139.32**	**465.26**

(₹ Millions)

*** As at 31 March 2019**

	Less than 1 year	Between 1 to 5 years	Beyond 5 years
Financial liabilities			
Long term borrowings	352.41	325	449.9
Short term borrowings	4635.51		
Trade payables	294.25	127.87	
Other current financial liabilities	34.94		
Other non-current financial liabilities			15.36
Total	**5317.11**	**452.87**	**465.26**

A. Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the debt and equity balance.

Notes forming part of Consolidated Financial Statements

Fair Value measurements

(i) Financial instruments by category

Financial assets (other than investments in subsidiaries and associates which are carried at cost)

(₹ Millions)

	31 March, 2020		31 March, 2019	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
i) Measured at a mortized cost				
Non-current assets				
Investments	0.21	0.21	0.33	0.33
Other financial assets	2.64	2.64	4.69	4.69
current assets				
Investments				
Trade receivables	5808.50	5808.50	4811.53	4811.53
Loans	0	0	0	0
Cash and cash equivalents and other bank balances	158.36	158.36	812.29	812.29
Other financial assets	1.65	1.65	1.65	1.65
Total financial assets measured at amortized cost	**5971.36**	**5971.36**	**5630.49**	**5630.49**

ii) Measured at fair value through other comprehensive income Nil

48. RELATED PARTY DISCLOSURES

List of Related Parties

Other related parties

Diligent Media Corporation Limited

Jay Properties Pvt.Ltd.

Related party Transactions during the year

(₹ Millions)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
(A) Transactions		
Key Managerial personnel (KMP)		
Remuneration paid	1.21	1.00
Other Related Parties		
Diligent Media Corporation Limited – Sale of goods	3.92	15.49
Jay Properties Pvt.Ltd.		
Unsecured Loan	449.90	449.90
Deposits	1.33	1.33

Notes forming part of Consolidated Financial Statements

49. Robbery of Unrefined Gold in transit

As reported in the preceding year's 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 46.3062 Kgs valued at Rs.1241.71 Lakhs including expenses of Rs.16.52 lakh 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. The Insurance claim in respect of robbery is pending final negotiation and settlement due to changes in the top decision making management of the insurance company

50. Balances appearing in the financial statements are pending reconciliation and confirmation from the parties concerned.

51. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a CSR Committee has been formed by the Company. The company is required to spend Rs. 1.15 Millions (2.24 Millions) for the year against which Rs Millions NIL (NIL) has been spent on activities specified in Schedule VII of the Companies Act, 2013.The accumulated balance of such unspent amount is Rs. 10.80 Million (Rs.9.65 Million). CSR has been charged to the statement of Profit and Loss under miscellaneous expenses to the extent of Rs. Nil million (Rs.2.24 million) for the year ended 31st March 2020 (31st March 2019)

52. Dividend paid and proposed

No dividend on equity shares is paid or proposed by Board of Directors for the year ended 31st March 2020 and 31st March 2019, due to losses during the year.

53. Non applicability of IND AS 32 or 109

In view of no terms and conditions as to repayment since the date of receipt of such loan etc., no restatement under Ind AS 32 or 109 has been considered for Unsecured Interest free Loan of Rs.4499.00 Lakhs received from a body corporate under Essel Group and from other deposits of Rs.15.20 Millions.

54. Collateral/ security pledged, mortgaged

The carrying amount of assets as per standalone financials pledged and mortgaged as security for current and non-current borrowings of the Company are as under:

(₹ Millions)

Particulars	As at March 31, 2020	As at March 31, 2019
Property Plant & Equipment	1,446.45	1,510.88
Other current and non- current financial assets	3,162.79	3,543.39
Other Current and non current assets	311.55	1,668.87
Total assets pledged	**4,920.79**	**6,723.14**

55. Disclosure as required by Schedule V (A) (2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015
During the year, no loans and advances were given to firm/company etc in which directors are interested except to subsidiary company of Rs. 45.16 million (Rs. 527.92 million).

Notes forming part of Consolidated Financial Statements

56. Fixed Deposit of Rs.145.97 million including interest thereon, kept as margin against Bank guarantees of Axis Bank Ltd., has been adjusted against outstanding dues of Rs.382.7 Million due to defaults in repayment and non compliance of terms and condition thereof, in absence of information during reporting period the same has been disclosed in Bank Balances other than Cash and Cash equivalents.

57. During the year, three of the lender banks and a financial institution ('the lenders') have outstanding dues classified as Non-performing assets, amounting to Rs.3153.94 Millions including amount of bank guarantees invoked, interest and penal interest of Rs.182.30 Millions due to defaults in the repayment and non-compliance of the terms and conditions.

Of the said lenders, one of the bankers and a financial institution has recalled the loan outstanding of Rs.1982.69 Millions Lakhs including interest at the year end. The banker has even issued notice for constructive possession of the factory, on as is where is basis, at Shirpur, Dhule District, Maharashtra. However, no further action has been by the said bank in this connection.

An Independent Auditor is appointed by the lenders to carry out audit of the books of accounts of the Company.

The Management submitted its scheme of restructuring the said overdues and negotiation with the lenders is under way for amicable settlement.

58. No provision for deferred tax is made in view of the temporary suspension of the manufacturing operations and slowdown in the trading activities, resulting in no immediate probability of any future profits to absorb such deferred tax.

59. Trade receivables net of Rs.5,808.50 Millions is after making provisions for doubtful debt of Rs.1061.19 Millions in respect of aggregate dues of Rs.3356.23 Millions from the two of the parties. The Management is assured of recoveries of dues from these parties.

60. The Management has assessed that there is no material impact due to countrywide lockdown on account of COVID-19 pandemic and considering the business segment (Precious Metals) in which company operates, there was no material impact which require any adjustment in financial statement as the Company did temporarily stop manufacturing and trading operations due to paucity of funds, the notice from lenders for possession of the factory premises, and various legal and regulatory actions against the company.

61. Assessment of Going Concern as a basis of accounting:

The Company has incurred loss during the current due to temporary cessation of manufacturing and trading turnover. Further, it had been served with Notices by the lender banks/institution, for repayment of the loans taken with interest and even have served notice for constructive handing over of the factory premises. These may create a doubt regarding the Company's ability to continue as a going concern. However, the financial statements have been prepared on a going concern basis considering the expectation of the Management that they will amicably settle with the lender banks/institutions, as negotiations are on. Once settled, the manufacturing and trading operations may re-commence, with the financial support from the promoter company etc and/or the management's plan to generate cash flows through operations which would enable the Company to meet its financial obligations as and when they fall due.

62. Further the comparative financial information of the Company for the year ended 31st March 2019 prepared in accordance with Ind AS included in this Statement have been reviewed/audited respectively by the predecessor auditor. The report dated 18th May 2019 of the predecessor auditor on this comparative financial information respectively expressed an unmodified conclusion/ opinion.

Notes forming part of Consolidated Financial Statements

63. Prior Year Comparatives

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures.

64. Figures in brackets are for previous year unless otherwise stated.

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

CA Milan Parikh
Proprietor
Membership No. 038557
Place: Mumbai
Date: 30th July 2020

For and on behalf of the Board of Directors

Manoj Agarwal - Director
Kavita Kapahi - Director
Ashok Sanghavi - CFO
Shyamal Padhiar - Company Secretary

SHIRPUR GOLD REFINERY LIMITED

Registered Office: Refinery Site, Shirpur, Dist. Dhule, Maharashtra – 425 405
CIN: **L51900MH1984PLC034501 Website:** www.shirpurgold.com

ATTENDANCE SLIP

(To be presented at the entrance)

I / We hereby record my / our presence at the Thirty Fifth Annual General Meeting of the Company held at the Registered Office of the Company at Refinery Site, Shirpur, Dist. Dhule, Maharashtra – 425 405 on Thursday, 31st December, 2020 at 10.00 a.m.

______________________________ ______________________________

Name of the Shareholder / Proxy (in Block Letters) **Signature of the Shareholder / Proxy**

Reg. Folio No. ....

DP ID No. ....

Client ID / Demat A/c. No. ....

No. of Shares ....

Note: You are requested to sign and handover this slip at the entrance of the Meeting Venue.

SHIRPUR GOLD REFINERY LIMITED

Registered Office: Refinery Site, Shirpur, Dist. Dhule, Maharashtra – 425 405
Tel: 02563-258001, Fax: 02563-261357
CIN: **L51900MH1984PLC034501 Website:** www.shirpurgold.com

PROXY FORM

Name of Member(s):____

Registered address: ____

E-mail Id: ____

Folio No./Client ID No.: ____

I/We, being the member(s) of ________________________ Shares of **Shirpur Gold Refinery Limited,** hereby appoint

Name: ________________________ E-mail Id: ________________________

Address ________________________ Signature: ________________________

or failing him

Name: ________________________ E-mail Id: ________________________

Address ________________________ Signature: ________________________

or failing him

Name: ________________________ E-mail Id: ________________________

Address ________________________ Signature: ________________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35thAnnual General Meeting of the Company to be held on Thursday, 31st December, 2020 at 10.00 a.m. at Refinery Site, Shirpur, Dist. Dhule, Maharashtra – 425 405 and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above proxy to vote in the manner as indicated in the box below

Resolutions	**For**	**Against**
1. Adoption of Audited Financial Statements of the Company for the financial year ended March 31, 2019		
2. Appointment of Mr. Amit Goenka as Director		
3. Appointment of Ms.Kavita Kapahi as Director		
4. Appointment of M/s. Parikh & Parikh, Chartered accountants, Mumbai, as Statutory Auditor of the Company		

Signed this ____________ day of____________ 2019

Affix
₹ 1/-
Revenue
Stamp

Signature of Shareholder __________________ Signature of Proxyholder(s) __________________

Note: This form in order to be effective should be duly completed and deposited at the Registered Office of the Company at Refinery Site, Shirpur, Dist. Dhule, Maharashtra – 425 405, not less than 48 hours before the commencement of the Meeting.

SHIRPUR GOLD REFINERY LIMITED

(An ISO 9001:2015 Company)

Corporate Office: 135, Continental Building, Dr. A.B. Road, Worli, Mumbai – 400 018

Tel: 022 7106 1234 | Fax: 022 7154 5940

E-mail: investorinfo@shirpurgold.com | www.shirpurgold.com