

DIRECTORS' REPORT

Dear Shareholders

Your Directors have pleasure in presenting the 36th ANNUAL REPORT on the business and operations of your company and the Audited Financial Statements together with the Auditors Report for the year ended 31st March 2018.

1. FINANCIAL HIGHLIGHTS

The Financial Results for the year ended 31st March 2018.

(Rupees in lacs)

	STANDALONE	
	31/03/2018	31/03/2017
Revenue from market Operations	1780.45	2791.65
Other income	4.84	10.10
Profit/(Loss) before, Interest depreciation & tax	8.42	40.22
Interest	1.82	20.09
Depreciation	0.80	1.33
Profit/(Loss) before tax	5.80	18.80
Provision for tax	1.51	6.75
Tax for earlier years	0.00	0.00
Deferred tax	1.22	(0.85)
Profit/(Loss) after tax	3.06	12.90
Other Comprehensive Income (Net of Tax)	(4.01)	2.97
Total Comprehensive Income for the Period	(0.95)	15.87

2. BUSINESS & PERFORMANCE

During the year under review, the Company has made Profit of Rs. 3.06 lacs, in the Financial Year 2017 - 2018 against profit of Rs. 12.90 lacs in the last financial year 2016 - 2017. The Company will make improved profits depending on the Indian market conditions and the global environment.



3. SHARE CAPITAL

The paid up Equity Share Capital as on March 31st, 2018 was Rs. 36468500. No additions and alterations to the capital were made during the financial year 2017-2018.

4. DIVIDEND

In order to conserve resources the board of directors have decided not to declare any dividend for the current Financial year 2017 - 2018

5. TRANSFER TO GENERAL RESERVE

Your Company does not propose any transfer of funds to the General Reserve.

6. HUMAN RESOURCES

The well-disciplined work force which has served the company for the last 5 years lies at the very foundation of the company's major achievements and shall well continue for the years to come. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The company has always recognized talent and has judiciously followed the principle of rewarding performance.

7. DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at work place and has in place a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. During the financial year 2017 - 2018, the Company has not received any complaints on sexual harassment

8. SUBSIDIARY COMPANIES

The company does not have any subsidiaries, associates and Joint venture companies

9. CORPORATE GOVERNANCE REPORT, MANAGEMENT DISCUSSION & ANALYSIS AND OTHER INFORMATION REQUIRED UNDER THE COMPANIES ACT, 2013 AND SEBI (LODR) REGULATIONS 2015

Since your company's paid up Equity capital and Networth is less than Rs.10 crores and Rs.25 crores respectively, the provisions of revised Clause 49 relating to Corporate Governance, vide SEBI circular number CIR/CFD/POLICY CELL/7/2014 dated 15th September 2014. Hence it is not applicable to the company.

10. TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE INFLOW & OUTGO

Company's business does not require any technology absorption and hence no reporting is required to be furnished under this heading.

Foreign Exchange inflow and outflow during the year is Nil.

11. CORPORATE SOCIAL RESPONSIBILITY

Your company is not mandatorily required to constitute CSR committee since it has not come within the purview of threshold limit specified in section 135 of the Companies Act 2013.

12. BOARD EVALUATION

Pursuant to the provisions of companies Act, 2013 and of the Listing Agreement, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder committee.

13. DEPOSITS

Your Company has not accepted any deposits from the public during the year under review. There are no outstanding deposits as on 31st March 2018.

14. ACQUISITION OF PROMOTERS SHARES / OPEN OFFER:

The Promoters of the company holding 59.05% of shares have entered into an agreement on 1st February 2018 to sell 52% of their shareholding @ Rs. 21/- per share. Pursuant to the agreement, promoter's have temporarily parked their said 52% shareholding i.e. 1897376 (Eighteen Lacs Ninety Seven Thousand Three Hundred Seventy Six shares) in the demat account opened with Stock Holding Corporation of India Ltd in name & style of "Cameo Corporate Services Ltd. Escrow a/c. Bhagwandas Metals Ltd. Open offer" in the month of February 2018.

The shares will be transferred to ultimate acquirers on completion of all statutory formalities regarding to the Open offer.

15. RECLASSIFICATION OF PROMOTERS:

The existing promoters seeking reclassification subject to the approval of Shareholders in the General meeting.



16. DIRECTORS AND KEY MANAGEMENT PERSONNEL

Mr. Hareshkumar Prakashbhai Chaudhari, (DIN: 01621522) who was appointed as Managing Director of the company on 19th July 2018. As recommended by the NRC committee, his appointment is placed before shareholders..

Mrs. Mita Ashish Desai, (DIN: 01435940) who was appointed as Additional Non-Executive Director of the company on 19th July 2018. As recommended by the NRC committee, her appointment is placed before shareholders.

Mr. Nilav Divyang Mehta, (DIN: 06857378) who was appointed as Additional Non-Executive Director of the company on 19th July 2018. As recommended by the NRC committee, his appointment is placed before shareholders.

Mr. Ketan Dhirajlal Chaudhari, (DIN: 06397323) who was appointed as Additional Whole Time Director of the company on 19th July 2018. As recommended by the NRC committee, his appointment is placed before shareholders.

Mr. Bhavin Sarvaiya Kanaiyalal, (DIN: 08010395), who was appointed as Additional Director of the company on 4th January 2018. As recommended by the NRC committee, his appointment is placed before shareholders..

Mr. Govind Prasad (DIN: 00017460), Whole Time Director, Mrs. Gita Agarwal (DIN: 06969459), Non-Executive Director and Mr. Nirmal Anraj Gadhiya (DIN: 00678742), Independent Director resigns from the Board from 19th July 2018.

Mr. Nand Kishore Sonthalia (Din: 00021585), who is liable to retire by rotation, being eligible, offers himself for reappointment.

17. AUDITORS

STATUTORY AUDITORS

M/s. Heena Shah & Associates, Chartered Accountants, (Registration Number 144928W) have been appointed as statutory auditors of the company at the Annual General Meeting held on 25th September 2017 from the conclusion of 35th Annual General Meeting till the conclusion of 40th Annual General Meeting of the company. Due to ammendment in section 139 of Companies Act 2013, ratification of Auditors appointment is no longer required.

REPLY TO THE OBSERVATIONS MADE BY THE STATUTORY AUDITOR

There are no qualifications, reservations, remarks or disclaimers made by M/s. Heena Shah & Associates, Statutory auditor, in their auditor report. The statutory auditor have not reported any incident of fraud to the Audit Committee of the Company during the financial year 2017 - 2018.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Lakshmmi Subramanian & Associates, Practising Company Secretaries, (CP No.1087, FCS:3534), Company Secretaries to undertake the secretarial audit of the company for the financial year ended 31st March 2018 (FY 2017-2018). The Secretarial Audit Report is annexed herewith as 'Annexure V'.

REPLY TO THE OBSERVATIONS MADE BY THE SECRETARIAL AUDITOR

Secretarial Auditors in their report have made the following observations:

1. The company is yet to appoint Key Managerial Personnel within the meaning of Section 203 of the Companies Act, 2013.

The company is in the process of identifying suitable candidates in view of the change in Promoters.

2. The Company is in the process of updating its website according to the requirements.

3. The company has carried on limited business of trading in diary and diary products for which the object are yet to be amended as Main object.

The company as on 31.03.2018 had carried only minor business in this segment and since proposing to carry on as one of the main business, resolutions seeking permission from the shareholders for amendment of the main object in the Memorandum is place in Item No: 8

INTERNAL AUDITORS

M/s. Karikalan & Co., Chartered Accountant was appointed as internal auditors of the Company. They regularly conduct audit and submit their quarterly reports, which are reviewed by the Audit Committee. The Company has an adequate Internal Control system, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

18. NUMBER OF MEETINGS OF THE BOARD

Four (4) meetings of the Board of Directors of the Company were held during the year.



19. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134 (3) (c) of the Companies Act, 2013:

a.that in the preparation of the annual financial statements for the year ended 31st March 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b.that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2018 and of the profit of the Company for the year ended on that date;

c.that proper and sufficient care has been taken for the 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.that the annual financial statements have been prepared on a going concern basis;

e.that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

f.that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

20. ACKNOWLEDGEMENTS

The Board of Directors would like to thank all employees of the Company and also Company's shareholders, auditors, customers and bankers for their continued support.

Place: Chennai
Date: 19th July 2018

By Order of the Board
KETAN DHIRAJLAL CHAUDHARI
Director
DIN: 06397323

ANNEXURE-I

1. EXTRACT OF ANNUAL RETURN

The extract of Annual Return as provided under Sub-Section (3) of Section 92 of the Companies Act, 2013 (the "Act") is enclosed at Annexure-II in the prescribed form MGT-9 and forms part of this Report.

2. INDEPENDENT DIRECTORS' DECLARATION

Mr. Narendra Kumar Lunawath, Mr. Nirmal Anraj Gadhiya and Mr. Chidambaram Chettiar Ramasamy Chettiar, who are Independent Directors, as on 31st March 2018 have submitted a declaration that each of them meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Act and revised Clause 49 of the Listing Agreements. Further, there has been no change in the circumstances which may affect their status as independent director during the year.

3. POLICY OF DIRECTORS' APPOINTMENT AND REMUNERATION

Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178 (3) of the Act are covered in this Report. Further, information about elements of remuneration package of individual directors is provided in the extract of Annual Return as provided under Section 92 (3) of the Act, is enclosed at Annexure-II in the prescribed form MGT-9 and forms part of this Report.

4. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

The Directors and members of Senior Management have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company.

5. RELATIONSHIP BETWEEN DIRECTORS INTER-SE

Mr. Ketan Dhirajlal Chaudhari, Whole Time Director is related to Mr. Hareshkumar Prakashbhai Chaudhari, Managing Director of the company. None of the other Directors are related to each other within the meaning of the term "relative" as per Section 2(77) of the Act and the provisions of the revised listing agreements.

6. AUDIT COMMITTEE

The Composition of Audit committee is reconstituted as following:

Sri. Chidambaram Chettiar Ramasamy Chettiar	- Chairman
Sri. Narendra Kumar Lunawath	- Member
Sri. Nilav Divyang Mehta	- Member



7. AUDITOR'S REPORT

M/s. Heena Shah & Associates, chartered Accountants, have submitted the Auditor's Report for the financial year ended 31st March 2018.

8. SECRETARIAL AUDITORS' REPORT

M/s. Lakshmmi Subramanian & Associates, Practicing Company Secretaries have submitted the Secretarial Auditor's Report for the financial year ended 31st March 2018 and is attached Annexure V

9. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There have been no loan, guarantees and investment given or made by the Company under Section 186 of the Act during the financial year 2017 - 2018.

10. TRANSACTIONS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 is annexed herewith in Form AOC-2 - Annexure IV

11. DEPOSITS FROM PUBLIC

The company has not accepted any deposit from public and as such no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

12. MATERIAL CHANGES BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF REPORT

The following are the material changes and commitments occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

The Promoters of the company holding 59.05% of shares have entered into an agreement on 1st February 2018 to sell 52% of their shareholding @ Rs.21/- per share. Pursuant to the agreement, promoter's have temporarily parked their said 52% shareholding i.e.1897376 (Eighteen Lacs Ninety Seven Thousand Three Hundred Seventy Six shares) in the demat account opened with Stock Holding Corporation of India Ltd in name & style of "Cameo Corporate Services Ltd. Escrow a/c. Bhagwandas Metals Ltd. Open offer" in the month of February 2018.

The shares will be transferred to ultimate acquirers on completion of all statutory formalities regarding to the Open offer.

Consequent to the above open offer Four New Directors are appointed in the board and Three Existing directors have resigned the company. Hence there is change in the constitution of Board and Committee.

13. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE INFLOW & OUTGO

The is no information as required to be disclosed on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

15. EVALUATION OF DIRECTORS BY INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 27th March 2018, inter alia to:

- i. Review the performance of non-independent directors and the Board as a whole
- ii. Review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors
- iii. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties

16. EVALUATION OF INDEPENDENT DIRECTORS BY DIRECTORS' MEETING

During the year under review, the Directors (Other than Independent Directors) met on 27th March 2018, inter alia to:

- i. Review the performance of the independent directors of the company, taking into account the views of executive directors and non-executive directors;
- ii. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.



17. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The information about internal financial control system and their adequacy is set out in the Management Discussion & Analysis report which is attached and forms part of this Report.

18. RISK MANAGEMENT

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. For details, please refer to the Management Discussion and Analysis report which form part of the Board Report.

19. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company has practice of conducting familiarization program of the independent directors.

20. VIGIL MECHANISM

The company has framed a whistle blower policy. Further, Directors and employees are having full access to the audit committee to report their genuine and serious concern if they observe any. The policy is available in the Company website www.metal-bml.com

21. PARTICULARS OF REMUNERATION

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, given below by way of table.

The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the company. Particulars of remuneration/ Sitting Fees paid are detailed in Para VI of Annexure-II Extract of Annual Return MGT9

A Statement containing the particulars in accordance with the provisions under Section 134 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below. Top Ten (10) Employees in terms of remuneration drawn is as under:

Bhagwandas Metals Limited

Statement under Section 134 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name, Age and Qualification	Designation	Date of Commencement of employment	Experience in years	Remuneration received	Last Employment	Cessation date
Govind Prasad 70 Years, B.com	Chairman		36	1,25,000/- PM	NA	19.07.2018
Nand Kishore Sonthalia 45 Years, B.com	Managing Director		25	1,00,000/- PM	NA	-

Note: 1. Remuneration includes salary, allowances and Company's contribution to PF.

The particulars of the employees employed throughout the financial year 2017-2018 and in receipt of remuneration aggregating Rs. 1,02,00,000 or more is as follows:

- a) Employed throughout the year - Nil
- b) Employed for part of the year - Nil.

22. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

Place: Chennai

Date: 19th July 2018

For and on behalf of the Board
KETAN DHIRAJLAL CHAUDHARI
Director
DIN: 06397323