

CRIMSON METAL ENGINEERING COMPANY LIMITED

***Annual Report
and Accounts for the year ended
31st March 2018***

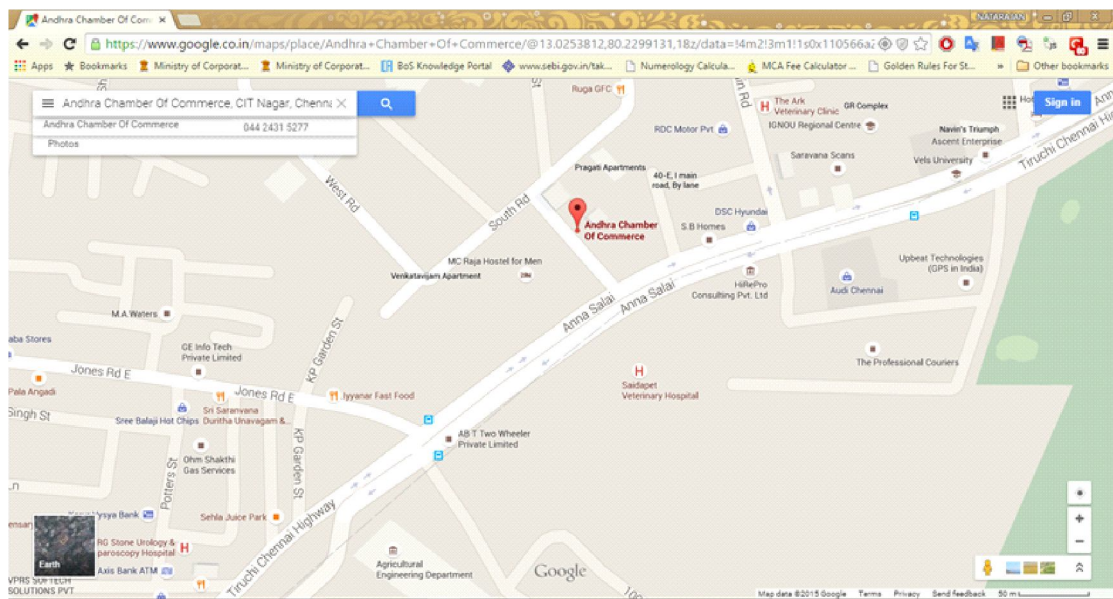
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CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

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ROUTE MAP OF THE AGM VENUE



CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

CIN No. L27105TN1985PLC011566

BOARD OF DIRECTORS	Shri. Vinay Goyal (Managing Director) Smt. R.Uma (Whole - Time Director) Shri. Chandrakesh Pal (Whole Time Director) Shri. Rama IyengarSrinivasa Chari (Independent Director) Ceased to be director on 17.01.2018 due to death Shri. Krishan Chand Batra (Independent Director) Shri. Naresh Sharma (Independent Director)
COMPLIANCE OFFICER	Shri Chandrakesh Pal investorgrievance@crmetal.in
AUDITORS	M/s. Jain Vishal & Co., Chartered Accountants, G-05, Parth Kristal Apartments, DevarajMudaliar Road, Near Shree Complex, St.John's Road, Bangaluru -560042
SECRETARIAL AUDITORS	M/S.LAKSHMMI SUBRAMANIAN & ASSOCIATES PRACTISING COMPANY SECRETARIES 81, MNO COMPLEX, GREAMS ROAD, THOUSAND LIGHTS, CHENNAI 600006
REGISTERED OFFICE	"K Sons Complex" 163/1,Prakasam Road, II Floor, Chennai - 600 108
WORKS - TUBE MILL DIVISION	Sedarpet Industrial Estate Mailam Road, Pondicherry 605 111.
WORKS-FLAT PRODUCTS DIVISION	Karasur Village, Villianur Commune, Pondicherry.
STOCK EXCHANGE	Bombay Stock Exchange P.J.Towers, 25 th Floor, Dalal Street, Mumbai-400 001 Scrip Code: 526977
SHARE TRANSFER AGENTS	M/s. Cameo Corporate Services Ltd., "Subramanian Building", 1, Club House Road,Chennai - 600 002. Ph : 28460390, 28460391, Fax : 044-28460129
BOARD COMMITTEES Audit Committee Members	Shri. Krishan Chand Batra (Independent Director) Shri. Naresh Sharma (Independent Director) Smt. R.Uma (Whole - Time Director)
Nomination & Remuneration Committee Members	Shri. Naresh Sharma (Independent Director) Shri. Krishan Chand Batra (Independent Director) Shri. Chandrakesh Pal (Whole Time Director)
Stakeholders Relationship Committee	Shri. Krishan Chand Batra (Independent Director) Shri. Chandrakesh Pal (Whole Time Director) Smt. R.Uma (Whole - Time Director)

CRIMSON METAL ENGINEERING COMPANY LIMITED

CIN : L27105TN1985PLC011566

163/1 PRAKASAM ROAD, BROADWAY, CHENNAI.600 108

Notice is hereby given that the 34th Annual General Meeting of the Company will be held on Thursday, the 27th September 2018 at Andhra Chamber of Commerce Velagapudi Ramakrishna Building, 23, Third Cross Street, West C.I.T Nagar, Nandhanam, Chennai- 600 035 at 10.30 a.m. to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements for the financial year ended 31st March, 2018 together with the Reports of Board of Directors and Auditors.
2. To appoint a Director in the place of Mr. Chandprakesh Pal (DIN: 07277936) who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. REAPPOINTMENT OF SHRI. KRISHAN CHAND BATRA (HOLDING DIN 00906402) AS AN INDEPENDENT DIRECTOR FOR A FURTHER TERM OF FIVE YEARS.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri. Krishan Chand Batra (holding DIN 00906402), a non-executive Director of the Company, who is eligible for re-appointment, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and as recommended by the Board, be and is hereby re-appointed as an Independent Director of the Company to hold office for a further five consecutive years w.e.f. 1st April 2019 and he shall not be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act, 2013.”

4. RATIFICATION OF PAYMENT OF REMUNERATION TO MANAGING DIRECTOR

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

RESOLVED THAT pursuant to provisions of Sections 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modifications or re-enactment(s) thereof, for the time being in force) the Shareholders of the company do ratify the excess payment of remuneration paid to Shri. Vinay Kumar Goyal, Managing Director of the company, during the year ended 31.03.2018, over and above the remuneration already

approved by the Shareholders at their Annual General Meeting held on 28.09.2016 as detailed in the explanatory statement attached herewith.

FURTHER RESOLVED THAT the Board of Directors be and are hereby severally authorized to include the above item of business in the ensuing General Meeting and to do all acts, deeds and things in order to bring effect to the above resolution.

5. LEASE OF COMPANY'S IMMOVABLE PROPERTY TO RELATED PARTY

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

“RESOLVED THAT furtherance to the approval of the shareholders obtained through postal ballot on 25 March 2017 and pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any, of The Companies Act, 2013 read with Article of Association of the company, Consent of the members of the company be and is hereby accorded to the Board of Directors of the Company to lease all or any part of the immovable property(ies) or undertaking(s) of the company wherever situated, as may be required, from time to time on such terms and conditions as the Directors may deem fit.

“FURTHER RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013, Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), approval of the Company be and is hereby accorded to the Board of Directors, for leasing the Company's property situated at RS No 5/1 , Karasur , Vannur , Karasur road ,Puducherry -605502 admeasuring about 12.4 acre (Premises) and at Plot No A-73 to A-78 , B-73 to B-86 , B-89 to B-95 , B-98 to B-104 , PIPDIC Industrial Estate , Sedarapet , Mailam Road ,Puduchery – 605111 admeasuring about 6.97 acre (Premises) along with various manufacturing equipment's and other similar facilities therein to Ganges Internationale Private Limited, a 'Related Party' as defined under Section 2 (76) of the Companies Act, 2013 and the SEBI LODR, with effect from 01.04.2018, for a period of 9 years or such further period of time as may be decided by the Board of Directors upon the following terms and conditions as approved by the Audit Committee and on such other terms and conditions as may be mutually agreed upon between the Company and Ganges Internationale Private Limited.

1. Lease Rental : up to 600 lacs p.a.

2. Lease Advance : 3 months rentals as security deposit

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do or cause to be done all such acts, deeds and things, settle any

CRIMSON METAL ENGINEERING COMPANY LIMITED
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queries, difficulties, doubts that may arise with regard to any transaction with the related party, finalise the terms and conditions as may be considered necessary, expedient or desirable and execute such agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution in the best interest of the Company."

By Order of the Board
VINAY KUMAR GOYAL

Place: Chennai
Date: 14.08.2018

Managing Director
DIN-00134026

NOTES:

1- A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.

A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as a Proxy for any other person or shareholder.

THE PROXY FORM SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE SCHEDULED COMMENCEMENT OF THE MEETING.

Revenue Stamp should be affixed on the Proxy Form. Forms which are not stamped are liable to be considered invalid. It is advisable that the Proxy holder's signature may also be furnished in the Proxy Form, for identification purpose.

2- The Register of Members and Transfer Books of the Company will remain closed from Friday 21st September 2018 to Thursday, 27th September 2018 (both days inclusive) for the purpose of AGM.

3- Shareholders / Proxy holders are requested to bring their copy of the annual report with them at the meeting and to produce at the entrance the attached admission slip duly completed and signed for the admission to the meeting hall.

4- The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has undertaken a Green Initiative in Corporate Governance and allowed Companies to share documents with its shareholders through an electronic mode. A recent amendment to the Listing Agreement with the Stock Exchanges/ SEBILODR Regulations 2018 permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email addresses for the said purpose. Hence Members are requested to register their e-mail addresses with the Company by sending their details relating to name, folio no/DP Id/Client Id to the company's email id investorgrievance@crmetal.in.

5- Members are requested to notify immediately any change in their address to the Registrar and Share transfer Agent – M/s. Cameo Corporate Services Ltd., "Subramanian Buildings", 1, Club House Road, Chennai-600 002.

6- Members who hold shares in physical form are requested to dematerialize their holdings to make the Company's shares traded in normal segment.

7. Information about Directors retiring by rotation.

Name of the Director	Chandraprakesh Pal	Krishan Chand Batra
Din	07277936	00906402
Age	42	85
Date of appointment	23/12/2015	12/11/2010
Experience in years	17	60
No.of shares as on 31.03.2017	Nil	Nil
Directorship in other public companies	Nil	NIL
Chairman/Member of committees of other company	Nil	NIL
Relationship with any other Director	Nil	NIL

8- Electronic copy of the AGM Notice of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy form is being sent in the permitted mode.

9- Voting through Electronic Means

In compliance with provisions of Section 108 of the Companies Act 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer E-Voting facility as an alternate, for its shareholders to enable them to cast their votes electronically at the 41st Annual General Meeting (AGM) through e-voting service provided by Central Depository Services (India) Limited (CDSL). E-Voting is optional. The procedure and instructions for the same are as follows:

The Company will provide the e-voting facility through CDSL. The e-voting procedures are set out below:

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The instructions for members for voting electronically are as under:-

(i) The voting period begins on Monday 24.09.2018 at 9.00 a.m. and ends on Wednesday 26.09.2018 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 20.09.2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The Shareholders should log on the e-voting website www.evotingindia.com

(iii) Click on " Shareholders " tab

(iv) Now, select the " CRIMSON METAL ENGINEERING COMPANY LIMITED " from the drop down menu and click on " SUBMIT "

(v) Now enter your user ID

a. For CDSL: 16 digits beneficiary ID

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the image verification as displayed and click on Login

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form PAN* Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.
- In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.

DOB# Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details# Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v)

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to

mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for CRIMSON METAL ENGINEERING COMPANY LIMITED

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Note for Non-Individual Shareholders and Custodians

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Question ("FAQs") and e-voting manual available at

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www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

10. Please note that by virtue of providing the e-voting facility by the company as per Rule 20 of Companies (Management and Administration) Rules, 2014 the following will be applicable:

- (i) The manner of voting for the members being present in the General Meeting will be on "proportion principle" ie one share – one vote unlike one person one vote principle, further, as per the provision of the Companies Act, 2013, demand for poll will not be relevant.
- (ii) The option of voting by show of hands will not be available for members presenting the General Meeting in view of clear provision of section 107 of the Companies Act, 2013, ie voting by show of hands would not be allowable in cases where Rule 20 of Companies (Management and Administration) Rules, 2014 is applicable.
- (iii) Any member who has voted through e-voting facility provided by the company may also participate in the General Meeting in person, but such a member will not be able to exercise his vote again in the meeting, and the earlier vote casted through electronic means will be treated as final.
- (iv) The facility for voting through ballot form shall be made available to all the shareholders who could not exercise their vote through e-voting. The ballot paper in Form MGT-12 is being sent to all the members, along with this report. The voting rights of Members shall be in proportion their shares of the paid up equity share capital of the Company as on 20.09.2018.

A Member desiring to exercise vote by ballot paper should complete the Ballot Form attached with this report and sent it to :CRIMSON METAL ENGINEERING COMPANY LIMITED, 163/1 PRAKASAM ROAD, BROADWAY, CHENNAI.600 108.

Please return the form duly completed through post or courier, so as to reach the company on or before 5.00 p.m on 25.09.2018

The facility of voting through ballot form shall also be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through ballot form

- (v) Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares on the cut-off date i.e. 20.09.2018 may obtain the login ID and password by sending an email to investorgrievance@crmetal.in, investor@cameoindia.com or helpdesk.evoting@cdslindia.com by mentioning their Folio No./DP ID and Client ID. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote
- (vi) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least

two witnesses not in the employment of the Company and shall make, not later than three days after the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing , who shall countersign the same and declare the result of the voting forthwith.

(vii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.crmetal.in and website of CDSL <http://www.evotingindia.com> and also forward the same to the Bombay Stock Exchange Limited simultaneously, where the Company's shares are listed.

11. Members are requested to note that the Company's equity shares are under compulsory demat trading for all investors, subject to the provisions of SEBI Circular No.21/99 dated July 8, 1999. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience.

12. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, ECS mandates, email addresses, nominations, power of attorney, change of address/name etc. to their Depository Participant (DP) only and not to the Company or its Registrar and Transfer Agent. Any such changes effected by the DPs will automatically reflect in the Company's subsequent records.

13. Members may avail of the nomination facility as provided under Section 72 of the Companies Act, 2013.

14. Members desirous of getting any information about the accounts and/or operations of the Company are requested to write to the Company at least seven days before the date of the Meeting to enable the Company to keep the information ready at the Meeting.

15. All the documents referred to in the Notice and Explanatory Statement will be available for inspection by the Members at the Registered/Corporate Office of the Company during the business hours on all working days from the date hereof up to the time of the Meeting.

16. Members holding shares in electronic mode are requested to ensure to keep their email addresses updated with the Depository Participants. Members who have not registered their email id with their Depository Participants are requested to do so and support the green initiative. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company at the address mentioned above quoting their folio number(s).

17. Explanatory Statement relating to Item Nos. 3, 4 & 5 is attached herewith.

Managing Director

Place: Chennai
Date: 14.08.2018

VINAYKUMAR GOYAL
DIN-00134026

CRIMSON METAL ENGINEERING COMPANY LIMITED
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EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3:

Shri. Krishan Chand Batra (holding DIN 00906402) was appointed as an Independent Director of the company pursuant to Section 149 and 152 of the Companies Act 2013 for five years effective from 1st April 2014 and his term shall expire on 31st March 2019. Pursuant to the provisions of Section 152(2) of the Companies Act, 2013 for reappointment of the independent Director, for further term of five years upto 31st March 2024, a Special resolution is required to be passed in the General Meeting.

Considering the rich experience of Shri. Krishan Chand Batra (holding DIN 00906402) that will be available to the Company, the Board recommends to pass the Special Resolution given in item No.11

Except Shri. Krishan Chand Batra (holding DIN 00906402), none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution.

ITEM NO.4:

The Company during the financial year 2017 – 2018 has made certain excess payments to Shri Vinay Kumar Goyal, Managing Director of the Company as detailed below:

Particulars	Approved Limit	Actual Payment	Excess payment
Salary	30,00,000	36,00,000	6,00,000
Membership / Subscription	10,00,000	10,96,309	96,309
Insurance Premium	6,00,000	12,37,210	6,37,210

Since the payment of above amount requires the approval of Shareholders at the ensuing annual General Meeting by way of ratification, the special resolution in Item No. 4 is placed before the shareholders for approval.

Except Shri. Vinay Kumar Goyal, Managing Director, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution.

ITEM NO. 5

The company is having its immovable property at RS No 5/1 , Karasur , Vannur , Karasur road ,Puducherry-605502 admeasuring about 12.4 acre (Premises) and at Plot No A-73 to A-78 , B-73 to B-86 , B-89 to B-95,B-98 to B-104 , PIPDIC Industrial Estate , Sedarapet , Mailam Road ,Puduchery – 605111 admeasuring about 6.97 acre (Premises) and has also installed various manufacturing equipment's and other similar facilities therein. Since the company is moving to de-risk and highly secured model with better profitability, it has been unanimously decided to lease the said property to Ganges Internationale Private Limited.

Ganges Internationale Private Limited is a 'Related Party' within the meaning of Section 2 (76) of the Companies Act, 2013 and Regulation 2 (1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

Particulars	Information
Name of the Related Party	Ganges Internationale Private Limited
Name of Director(s) Key Managerial Personnel who is related	Nitin Kumar Goyal
Nature of Relationship	Nitin Kumar Goyal (Director of Ganges Internationale Private Limited) is relative of Vinay Goyal (member of Crimson Metal Engineering)
Material terms of the transaction	
Monetary Value	Up to 600 lakhs
Whether the transactions have been approved by Audit Committee and the Board of Directors	Yes at their respective meeting held on 14.08.2018
Any other information relevant or for the Members to make a decision on the proposed transactions	—

The Board is of the opinion that the aforesaid related party transaction is in the best interests of the Company.

Since leasing of company's property to related party requires the approval of the shareholders in terms of section 180 (1) (a) read with Section 188 of the Companies Act, 2013, the resolution in Item No. 2 is placed before the shareholders for approval.

Except Mr. Vinay Goyal none of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution.

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 34th Annual Report of Crimson Metals Engineering Company Limited along with the audited financial statements for the year ended March 31, 2018.

FINANCIAL HIGHLIGHTS

2017-2018 2016-2017

Amount in Rupees

S. NO	PARTICULARS	Audited financial Statement for the year ended 31.03.2018	Audited financial Statement for the year ended 31.03.2017
1	TOTAL REVENUE	33,37,39,092	46,10,85,488
2	TOTAL EXPENSES	32,78,83,808	45,27,94,829
3	PROFIT BEFORE TAX	58,55,283	82,90,659
4	CURRENT TAX	11,71,057	16,90,000
5	DEFERRED TAX	-11,30,803	10,51,861
6	PROFIT AFTER TAX	58,15,030	55,48,798

PERFORMANCE AND STATE OF AFFAIRS OF THE COMPANY.

During the year 2018-2018, the Company has earned a net profit after tax of Rs.58,15,030 as against Rs.55,48,798 earned in the previous year. On the sales front, the Company has achieved a turnover of about Rs.33,37,39,092 during the year 2017-2018 as against Rs.46,10,85,488 achieved in 2016-2017.

During the year under review there is no change in the nature of activity of the company.

DIVIDEND & TRANSFER OF PROFIT TO RESERVES:

In order to conserve resources the board of directors has decided not to declare any dividend for the current financial year 2017 – 2018 and has not proposed to transfer any of its profits to reserves.

MATERIAL CHANGE AND COMMITMENTS OF THE COMPANY

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report; except that the Company has started earning lease rental income from its related party; and there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The company doesn't have any subsidiaries, associates and joint venture companies.

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

The 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, is annexed herewith as "Annexure I" to this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board Composition and Independent Directors

The Board consists of the Executive Chairman, two Executive directors and two Independent Directors.

Independent Directors are appointed for a term of five years and are not liable to retire by rotation.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI LODR.

Shri. Rama Iyengar Srinivasa Chari, Non-Executive Independent Director of the Company ceased to be Director w.e.f. 17th January, 2018 due to his death. The Directors place on record their deep appreciation for his valuable guidance and assistance received during the tenure as a Director and Member / Chairman of various committee of the Directors of the Company.

The Term of office of Shri. Krishan Chand Batra (holding DIN 00906402) as Independent Director expires on 31st March 2019. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have decided to place a special resolution for the re-appointment of Shri Krishan Chand Batra, as Independent director for a further term of five years upto 31st March 2024 in the General Meeting.

CRIMSON METAL ENGINEERING COMPANY LIMITED
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Retirement by Rotation: -

In terms of Section 152 of the Companies Act 2013, Mr.Chandrakesh Pal, who retire by rotation at the forthcoming AGM and is eligible for re-appointment. Mr. Chandrakesh Pal offered herself for re-appointment. Her Brief profile is included in the Notice of forthcoming Annual General Meeting of the company

Key Managerial Personnel:

The company is in the process of finding a suitable KMP for the post of Company Secretary & Chief Financial Officer.

INDEPENDENT DIRECTORS' DECLARATION

All independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 which has been relied on by the Company and placed at the Board Meeting of the Company.

POLICY OF DIRECTORS APPOINTMENT AND REMUNERATION

Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178 of the Act are covered under the Board's policy formulated by the Company and the same is available on the Company website www.crmetal.in.

INFORMATION U/s 197(12) OF THE COMPANIES ACT 2013

The information required under section 197 (12) of the Act read with rule 5(1) and 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached herewith as Annexure-II.

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

The Company has nothing to disclose with respect to demat suspense account/ unclaimed suspense account

AUDITORS

STATUTORY AUDITORS

As per the provisions of the Companies Act 2013, of M/s.Jain Vishal & Co, Chartered Accountants (Firm registration number : 015407S) were appointed auditors of the company from the conclusion of the 33rd Annual General Meeting (AGM) of the company held on 26th September 2017 till the conclusion of 38th AGM and they continue to be the Auditors. Consequent to the omission of proviso to sub-section 1 of section 139 by the Companies

Amendment Act, 2017 read with Notification S.O. 1833(E) dated 7th May 2018, the ratification of the Appointment of Auditors is no longer required.

COMMENT ON STATUTORY AUDITOR REPORT

There are no qualifications, reservations, remarks or disclaimers made by M/s. Jain Vishal & Co, Chartered Accountants, 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 AUDITOR

Pursuant to the requirements of Section 204 (1) of the companies Act 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed, M/s Lakshmmi Subramanian & Associates, a firm of Company Secretaries in Practice to undertake Secretarial Audit of the Company for the financial year 2017 – 2018.

The Secretarial Audit report as received from the secretarial auditor is annexed to this report as Annexure III.

COMMENT ON SECRETARIAL AUDITOR REPORT

With reference to the remarks made by the secretarial auditor, in the Secretarial Audit Report, the company has taken the corrective measures during the current financial year.

INTERNAL CONTROL AND ITS ADEQUACY

The Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control. M/s Singhi & co, Chartered Accountant was appointed as internal auditors of the Company. The internal auditors of the Company regularly conduct audit and submit his 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.

RELATED PARTY TRANSACTIONS

During the year 2017 – 2018, the Company has not entered into any transaction with related parties as per section 188 of the Companies Act, 2013.

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EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return in form MGT -9 as provided under Sub Section (3) of the Section 92 of the Companies Act,2013 (the "Act") is annexed herewith as Annexure -IV to this report.

RISK MANAGEMENT POLICY

The risk management is overseen by the Audit committee/ Board of Directors of the company in a continuous basis. Major risks, if any, identified by the business and functions are systematically addressed through mitigating action on a continuous basis. The Risk Management policy is available in the Company website www.crmetal.in

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

The Company has zero tolerance for sexual harassment at workplace 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 thereunder.

During the financial year 2017 – 2018, the Company has not received any sexual harassment complaints.

DEPOSITS FROM PUBLIC

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

CORPORATE GOVERNANCE REPORT

Since your company's paid up capital and Net worth is less than Rs.10 Crores and Rs.25 Crores respectively, the provisions of clause 27 of the SEBI LODR,2015 relating to Corporate Governance, is not applicable to the Company.

NUMBER OF MEETINGS OF THE BOARD

The Board met 6 (Six) times during the financial year, and the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

ANNUAL BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and in terms of Regulation 17(10) of the SEBI Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Audit and the Nomination and Remuneration Committees.

PERFORMANCE EVALUATION OF BOARD, COMMITTEE AND DIRECTORS

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Audit and Nomination & Remuneration Committees and the same was based on questionnaire and feedback from all the Directors on the Board as a whole, Committees and self-evaluation.

A structured questionnaire was prepared after taking into consideration of the inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interests of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman of the Board and the Executive Directors was carried out by the Independent Directors.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

The Board of Directors had adopted a Code of Conduct for the Board Members and employees of the company. This code helps the Company to maintain the standard of business ethics and ensure compliance with the legal requirements of the company

The code is aimed at preventing any wrongdoing and promoting ethical conduct at the Board and employees. The Compliance officer is responsible to ensure adherence to the Code by all concerned

The code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders

All the Board Members and the Senior Management personnel have confirmed compliance with the Code

WHISTLE BLOWER POLICY/VIGIL MECHANISM

Pursuant to section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules,2014 and clause 49 of the Listing

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Agreement, the Board of Directors had approved the policy on vigil mechanism / whistle blower and the same was hosted on the website of the Company. The policy inter-alia provides a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director / employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year

BOARD COMMITTEES

The Board had constituted the following committees Viz Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Your company is not meeting the threshold as prescribed under Companies Act, 2013, i.e., Net Profit greater than Rs.5 Crores or Turnover greater than Rs.1000 Crores or Net worth greater than Rs. 500 Crores in the preceding 3 Financial Years and therefore the provisions relating to CSR in accordance with the provisions of section 135 of the Act does not arise.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year, there were no such instances of significant and material orders passed by the regulators, courts or tribunals.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

I Industry structure and developments.

Crimson Metal Engineering Company Ltd is in to steel industry. Our Company has survived the toughest period in the industry and that's why it's identity in the industry is well established.

II. Discussion on financial performance with respect to operational performance

As far as the financial performance of the company is concerned, during the year 2017-2018, the Company has earned a net profit after tax of Rs.58,15,030 as against Rs.55,48,798 earned in the previous year. On the sales front, the Company has achieved a turnover of about Rs. 33,37,39,092 during the year 2017-2018 as against Rs.46,10,85,488 achieved in 2016-2017. In the operational performance front there has been a reduction in the tonnage of production when compared to the earlier financial year

III. Opportunities and Threats.

Due to the expanding economy, industries where company's products are used will also look up giving growth opportunities for the company.

However dumping of raw materials, making the end product prices volatile is a threat to be managed.

IV. Segment-wise or product-wise performance.

The company is operating in single segment and product viz., manufacture of pipes.

V. Outlook

Outlook of the industry continues to be good. With the economy looking up with all round growth we hope the company's products will also have better growth.

VI. Risks & Concerns

The main risk to which the company is exposed to is the fluctuation in the Raw material prices and the competition from the various competitors. During the course of year the company has broad based its operations. This, we believe will strengthen the company to weather any unforeseen volatility in its operations.

VII. Internal Control Systems

The Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control. M/s Singhi & co, Chartered Accountant was appointed as internal auditors of the Company. The internal auditors of the Company regularly conduct audit and submit his 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.

VII. Material developments in Human Resources / Industrial Relations front, including number of people employed

No Material developments have occurred in Human Resources / Industrial Relations front.

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VIII. Cautionary Statement:

Statement in the management discussion, prescribing the company's objective and expectations may be "forward looking statements" within the meaning of applicable SEBI laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic demand/ supply and price conditions in the domestic/ international markets, change in government regulations, tax laws, other statutes and incidental factors.

DISCLOSURE OF ACCOUNTING TREATMENT:

No differential treatment has been followed during the financial year 2017 – 2018 in preparation of the financial statements.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(5) of the Act, the Directors hereby confirm:

1. That in the Preparation of Final Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
2. That they had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit or Loss of the Company for that period;

3. That they had taken proper and sufficient care for the maintenance of adequate Accounting Records in accordance with the provisions of the Act, for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;

4. That they had prepared the Annual Accounts on a Going Concern basis.

5. That they laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating properly; and

6. That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the contributions made by employees at all levels, towards the continued growth and prosperity of your Company. Directors take this opportunity to convey their thanks to all the valued shareholders and the valuable services rendered by the Officers and Staff at all levels.

For and on behalf of
the Board

VINAYKUMAR GOYAL
MANAGING DIRECTOR
DIN-00134026
Place: Chennai
Date: **14.08.2018**

CHANDRAKESH PAL
WHOLE TIME DIRECTOR
DIN: 07277936

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ANNEXURE I

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

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION		
	Current Year 2018	Previous Year 2017
1. Electricity		
Purchase Units	34,80,112	28,41,680
Rate/Unit in Rs.	6.76	6.58
Total Cost in Rs.	2,35,36,831	1,86,97,757
Own Generated Diesel	-	1,74,581
Total Cost	2,35,36,831	1,88,72,338
2. Furnace Oil (in Lts)	1,15,380	54,840
3. LPG (in Kgs)	3,90,060	3,72,278
CONSUMPTION PER UNIT OF PRODUCTION		
Production MTS	45,918	48,181
Electricity Units	75.79	58.98
Furnace Oil Lts	20.03	6.24
LPG in Kgs	13.79	17.61
TECHNOLOGY ABSORPTION	NIL	NIL

NOTE: CURRENT YEAR CONSUMPTION INCLUDES JOBWORK PRODUCTION

FOREIGN EXCHANGE EARNINGS AND OUTGO		
EARNINGS IN FOREIGN CURRENCY	NIL	NIL
EXPENDITURE IN FOREIGN CURRENCY	USD 3,25,980	NIL
EXPENDITURE IN FOREIGN CURRENCY	GBP 4,600	NIL

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Annexure II

A) Disclosures pursuant to rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Particulars	Disclosure Details		
	Vinay Kumar Goyal	Chandrakesh Pal	R.Uma
the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	18.75	2.62	0.96
the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, \4Company Secretary or Manager, if any, in the financial year	Approximately between 5 to 20 percent		
the percentage increase in the median remuneration of employees in the financial year;	Approximately up to 10% excluding workmen		
the number of permanent employees on the rolls of company	53		
average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof (and point out if there are any exceptional circumstances for increase in the managerial remuneration;)	Average percentile increase for Managerial grade was up to 10%(approximately) Average percentile increase for Non-Managerial grade was up to 10%(approximately)		
affirmation that the remuneration is as per the remuneration policy of the company	The Company affirms that the remuneration is as per the remuneration policy of the company		

CRIMSON METAL ENGINEERING COMPANY LIMITED
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B) Disclosures pursuant to rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

	Employee 1	Employee 2	Employee 3	Employee 4	Employee 5
Name of the Employee designation of the employee;	Vinay Goyal Managing Director	S.Sivagami Accounts Manager	Hardwari Lal Plant Head	Selvi Yuvaraj Planning Manager	Munni Devi Corporate Social Responsibility Officer
remuneration received in Rs.;	36,00,000	6,41,256	6,07,068	5,88,084	5,75,124
nature of employment, whether contractual or otherwise;	Permanent	Permanent	Permanent	Permanent	Permanent
qualifications and experience of the employee;	B.Com with 32 years	B.Com with 20 years	Intermediate with 30 years	MBA with 15 years	Graduate with 20 years
date of commencement of employment;	01-04-1997	01-08-2010	01-08-2010	01-08-2010	01-08-2010
the age of such employee;	49 yrs	42 yrs	60 yrs	40 yrs	57 yrs
the last employment held by such employee before joining the company;	nil	Ganges International Pvt Ltd	Ganges International Pvt Ltd	Ganges International Pvt Ltd	Ganges International Pvt Ltd
the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above; and	10.29%	nil	nil	nil	nil
whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	No	no	no	no	no

	Employee 6	Employee 7	Employee 8	Employee 9	Employee 10
Name of the Employee designation of the employee;	Supriya Communication Officer	G.Baburam Gagoria Manager Cashier	Chandrakesh Pal Whole Time Director	Mohamed Yunus Sr. Engineer Planning	Baidyanath Prajapati Foreman
remuneration received in Rs.;	5,50,656	5,18,436	5,02,692	4,90,632	4,52,232
nature of employment, whether contractual or otherwise;	Permanent	Permanent	Permanent	Permanent	Permanent
qualifications and experience of the employee;	Graduate with 7years	Graduate with 35years	B.A with 20 years	Diploma in Mech Engineering with 10 yrs	SSLC with 27 years
date of commencement of employment;	01-08-2010	01-08-2010	01-02-2016	01-08-2010	13-08-1990
the age of such employee;	28 yrs	76 yrs	41 yrs	30 yrs	46 Yrs
the last employment held by such employee before joining the company;	nil	Ganges International Pvt Ltd	Ganges International Pvt Ltd	Mando India Ltd	nil
the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above; and	nil	nil	nil	nil	nil
whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	no	no	no	no	no

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Annexure III

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

The Members

CRIMSON METAL ENGINEERING COMPANY LIMITED

163/1 Prakasam Road, Broadway,
Chennai - 600 108

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Crimson Metal Engineering Company Limited (hereinafter called the company). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and also the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by CRIMSON METAL ENGINEERING COMPANY LIMITED for the financial year ended on 31st March, 2018 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. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('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, 1992 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Applicable with effect from 15 May, 2015);
 - c) 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;
 - d) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.
- v. In our opinion and as identified and informed by the Management, the company has no Specific laws applicable since it is engaged in the business of manufacturing of pipes and the Company is in the process of establishing adequate systems and processes to monitor and ensure compliance with the other applicable general laws Viz., Industrial Laws, Human Recourses and Labour Laws, including the following Laws:

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1. Employees Provident Fund and Miscellaneous Provisions Act, 1952
2. Employees' State Insurance Act, 1948
3. The Contract Labour (Regulation & Abolition) Act, 1970
4. The Factories Act, 1948
5. The Industrial Disputes Act, 1947
6. The Industrial Employment (Standing Orders) Act 1946
7. The Workmen's Compensation Act, 1923 & Rules
8. Payment of Gratuity Act 1972 & Rules
9. The Payment of Bonus Act, 1965
10. The Minimum Wages Act, 1948
11. The Maternity Benefit Act, 1961
12. Apprentices Act, 1961

We further report that there were no actions/events in the pursuance of

- a) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014 and the Employees Stock Option Scheme, 2007 approved under the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

requiring compliance thereof by the Company during the Financial Year under review.

We have also examined compliance with Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India

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

We further report that during the period under review, the Company has been complying with the provisions of the Act, Rules, Regulations and Guidelines, as mentioned above except that: -

- There were delay in filing forms. However the delay was within the time prescribed under Section 403 of the Companies Act, 2013.
- Compliance of both the Secretarial Standards 1 and 2 in certain areas.
- No appointment of KMP in terms of Section 203, of the Companies Act, 2013. (Chief financial officer and Company Secretary)
- Managerial remuneration paid in excess of permitted limit as given u/s 197 of the Companies Act, 2013, Rules, Schedule V and the Company is in the process of ratifying the same in the ensuing Annual General Meeting.

We further report that:

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act by filing necessary forms with the MCA.

CRIMSON METAL ENGINEERING COMPANY LIMITED
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Notice is given to all directors to schedule the Board Meetings, agenda and notes on agenda were delivered and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that during the audit period no events have occurred, which have a major bearing on the Company's affairs

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Sd/-
P.S.SRINIVASAN
Partner
ACS No. 1090
C.P.NO. 3122

Place: Chennai
Date: 14/08/2018

ANNEXURE-A

The Members

Crimson Metal Engineering Company Limited
163/1 Prakasam Road,
Broadway,
Chennai-600108

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a random test basis.
6. 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.

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Sd/-
P.S.SRINIVASAN
Partner
ACS No. 1090
C.P.NO. 3122

Place: Chennai
Date: 14/08/2018

CRIMSON METAL ENGINEERING COMPANY LIMITED
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ANNEXURE IV

**EXTRACT OF ANNUAL RETURN
FORM MGT 9**

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

Financial Year ended on 31.03.2018

I. REGISTRATION AND OTHER DETAILS :

CIN	L27105TN1985PLC011566
Registration Date	15.02.1985
Name of the Company	CRIMSON METAL ENGINEERING COMPANY LTD
Category / Sub-Category of the Company	Company Limited by shares
Address of the Registered office and contact details	163/1 II FLOOR, PRAKASAM ROAD, BROADWAY, CHENNAI-600108
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited 1, Subramaniam Building, Club House Road, Chennai – 600 002

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	manufacturers of Black Pipe (ERW Pipe & G I Pipe)	73061919	100.00

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
NIL					

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

(i) Category-wise Share Holding

Name of the Company : CRIMSON METAL ENGINEERING COMPANY LTD
Face Value : 10 /-
Paidup Shares as on 01-Apr-2017 : 4428207
Paidup Shares as on 31-Mar-2018 : 4428207
For the Period From : 01-Apr-2017 To : 31-Mar-2018

Category code	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP									
1.	INDIAN									
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY	1742712	0	1742712	39.3547	1748232	0	1748232	39.4794	0.1246
b.	CENTRAL GOVERNMENT/STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	FINANCIAL INSTITUTIONS/BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER	0	0	0	0.0000	0	0	0	0.0000	0.0000
	SUB - TOTAL (A)(1)	1742712	0	1742712	39.3547	1748232	0	1748232	39.4794	0.1246
2.	FOREIGN									
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/FOREIGN INDIVIDUALS)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	INSTITUTIONS	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER	0	0	0	0.0000	0	0	0	0.0000	0.0000
	SUB - TOTAL (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	1742712	0	1742712	39.3547	1748232	0	1748232	39.4794	0.1246
B.	PUBLIC SHAREHOLDING									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	FINANCIAL INSTITUTIONS/BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	CENTRAL GOVERNMENT/STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	VENTURE CAPITAL FUNDS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	INSURANCE COMPANIES	0	0	0	0.0000	0	0	0	0.0000	0.0000
f.	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
i.	ANY OTHER	0	0	0	0.0000	0	0	0	0.0000	0.0000
	SUB - TOTAL (B)(1)	0	0	0	0.0000	0	0	0	0.0000	0.0000

CRIMSON METAL ENGINEERING COMPANY LIMITED
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Category code	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	0	45040	45040	1.0171	1200	45040	46240	1.0442	0.0270
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	52280	416600	468880	10.5884	58520	403400	461920	10.4313	-0.1571
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	35480	30080	65560	1.4805	35480	30080	65560	1.4805	0.0000
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	ANY OTHER									
	FOREIGN CORPORATE BODIES	0	17040	17040	0.3848	0	17040	17040	0.3848	0.0000
	HINDU UNDIVIDED FAMILIES	0	0	0	0.0000	240	0	240	0.0064	0.0000
	NON RESIDENT INDIANS	1394190	694785	2088975	47.1742	1394190	694785	2088975	47.1742	0.0000
		1394190	711825	2106015	47.5590	1394430	711825	2106255	47.5645	0.0054
	SUB - TOTAL (B)(2)	1481950	1203545	2685495	60.6452	14989630	1190345	2679975	60.5205	-0.1246
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	1481950	1203545	2685495	60.6452	14989630	1190345	2679975	60.5205	-0.1246
	TOTAL (A)+(B)	3224662	1203545	4428207	100.0000	3237862	1190345	4428207	100.0000	0.0000
	C. SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED									
	Promoter and Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
	TOTAL CUSTODIAN (C)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	GRAND TOTAL (A)+(B)+(C)	3224662	1203545	4428207	100.0000	3237862	1190345	4428207	100.0000	0.0000

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)
ii) Shareholding of promoters

Name of the Company : CRIMSON METAL ENGINEERING COMPANY LTD

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year	FOLIO / DP_CL_ID	PAN
		No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares			
1	VINAY KUMAR GOYAL	455821	10.2935	0.0000	538831	12.1681	0.0000	1.8745	*1204940000167961	AHOPG4904E
2	PREM CHAND GOYAL	423570	9.5652	0.0000	423570	9.5652	0.0000	0.0000	*1204940000167923	ACUPG1545Q
3	PREMCHAND GOYAL AND SON SHUF.	327551	7.3969	0.0000	327551	7.3969	0.0000	0.0000	*1204940000177885	AAHP2886D
4	SUNIL KUMAR GOYAL	249330	5.6304	0.0000	249330	5.6304	0.0000	0.0000	*1204940000167942	ACUPG1485H
5	YASHOMATI GOYAL SAHUWALA	203430	4.5939	0.0000	203430	4.5939	0.0000	0.0000	*1204940000169025	DOKPS3687Q
6	VINAY KUMAR GOYAL .	83010	1.8745	0.0000	0	0.0000	0.0000	-1.8745	*1204940000171281	AAEHV0170J
7	SHAKUNTALA DEVI	0	0.0000	0.0000	4560	0.1029	0.0000	0.1029	*1204940000168207	AKUPS2685P
8	ANURADHA GOYAL	0	0.0000	0.0000	320	0.0072	0.0000	0.0072	*1204940000167864	AHOPG4905F
9	DEEPIKA GOYAL	0	0.0000	0.0000	320	0.0072	0.0000	0.0072	*1204940000167879	AEAPG8661F
10	HINA DEVI GOYAL	0	0.0000	0.0000	320	0.0072	0.0000	0.0072	*1204940000167883	AHLPG7138H

CRIMSON METAL ENGINEERING COMPANY LIMITED
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(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Name of the Company : CRIMSON METAL ENGINEERING COMPANY LTD

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/ DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	VINAY KUMAR GOYAL						
	At the beginning of the year 01-Apr-2017	455821	10.2935	455821	10.2935	'1204940000167961	AHOPG4904E
	Purchase 14-Apr-2017	83010	1.8745	538831	12.1681		
At the end of the Year 31-Mar-2018	538831	12.1681	538831	12.1681			
2	PREM CHAND GOYAL						
	At the beginning of the year 01-Apr-2017	423570	9.5652	423570	9.5652	'1204940000167923	ACUPG1545Q
At the end of the Year 31-Mar-2018	423570	9.5652	423570	9.5652			
3	PREMCHAND GOYAL AND SONS HUF .						
	At the beginning of the year 01-Apr-2017	327551	7.3969	327551	7.3969	'1204940000177885	AAAHP2886D
At the end of the Year 31-Mar-2018	327551	7.3969	327551	7.3969			
4	SUNIL KUMAR GOYAL						
	At the beginning of the year 01-Apr-2017	249330	5.6304	249330	5.6304	'1204940000167942	ACUPG1485H
At the end of the Year 31-Mar-2018	249330	5.6304	249330	5.6304			
5	YASHOMATI GOYAL SAHUWALA						
	At the beginning of the year 01-Apr-2017	203430	4.5939	203430	4.5939	'1204940000169025	DOKPS3687Q
At the end of the Year 31-Mar-2018	203430	4.5939	203430	4.5939			
6	VINAY KUMAR GOYAL .						
	At the beginning of the year 01-Apr-2017	83010	1.8745	83010	1.8745	'1204940000171281	AAEHV0170J
	Sale 14-Apr-2017	-83010	1.8745	0	0.0000		
At the end of the Year 31-Mar-2018	0	0.0000	0	0.0000			
7	SHAKUNTALA DEVI						
	At the beginning of the year 01-Apr-2017	0	0.0000	0	0.0000	'1204940000168207 '0000781900007888	AKUPS2685P
	Demated 12-May-2017	4560	0.1029	4560	0.1029		
At the end of the Year 31-Mar-2018	4560	0.1029	4560	0.1029			
8	ANURADHA GOYAL						
	At the beginning of the year 01-Apr-2017	0	0.0000	0	0.0000	'1204940000167864 '00007885	AHOPG4905F
	Demated 05-May-2017	320	0.0072	320	0.0072		
At the end of the Year 31-Mar-2018	320	0.0072	320	0.0072			
9	DEEPIKA GOYAL						
	At the beginning of the year 01-Apr-2017	0	0.0000	0	0.0000	'1204940000167879 '00007886	AEAPG8661F
	Demated 05-May-2017	320	0.0072	320	0.0072		
At the end of the Year 31-Mar-2018	320	0.0072	320	0.0072			
10	HINA DEVI GOYAL						
	At the beginning of the year 01-Apr-2017	0	0.0000	0	0.0000	'1204940000167883 '00007887	AHLPG7138H
	Demated 05-May-2017	320	0.0072	320	0.0072		
At the end of the Year 31-Mar-2018	320	0.0072	320	0.0072			

CRIMSON METAL ENGINEERING COMPANY LIMITED
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IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Name of the Company : CRIMSON METAL ENGINEERING COMPANY LTD

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/ DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	JANARTHANAN . At the beginning of the year 01-Apr-2018 At the end of the Year 31-Mar-2018	1392857 1392857	31.4541 31.4541	1392857 1392857	31.4541 31.4541	'120472000 8291831	AMVPJ3766F
2	CHANDRASHEKAR KRISHNA MURTHY At the beginning of the year 01-Apr-2018 At the end of the Year 31-Mar-2018	188200 188200	4.2500 4.2500	188200 188200	4.2500 4.2500	'00007795	ANUPC7533R
3	GIRISH JHUNJHUNUWALAJT1 : SURYAJHUNJHUNUWALA At the beginning of the year 01-Apr-2018 At the end of the Year 31-Mar-2018	134000 134000	3.0260 3.0260	134000 134000	3.0260 3.0260	'TL000104	
4	SURYA JHUNJHUNUWALAJT1 : GIRISH JHUNJHUNUWALA At the beginning of the year 01-Apr-2018 At the end of the Year 31-Mar-2018	106667 106667	2.4088 2.4088	106667 106667	2.4088 2.4088	'TL000112	
5	VIDYADEVI JHUNJHUNUWALA JT1 : SUNDER JHUNJHUNUWALA At the beginning of the year 01-Apr-2018 At the end of the Year 31-Mar-2018	79718 79718	1.8002 1.8002	79718 79718	1.8002 1.8002	'TL000105	
6	VIDYA DEVI JHUNJHUNUWALA JT1 : SHYAM SUNDAR JHUNJHUNUWALA At the beginning of the year 01-Apr-2018 At the end of the Year 31-Mar-2018	64000 64000	1.4452 1.4452	64000 64000	1.4452 1.4452	'TL000151	
7	SURYA JHUNJHUNUWALA JT1 : GIRISH JHUNJHUNUWALA At the beginning of the year 01-Apr-2018 At the end of the Year 31-Mar-2018	60000 60000	1.3549 1.3549	60000 60000	1.3549 1.3549	'TL000152	
8	GIRISH JHUNJHUNUWALA JT1 : SURYA JHUNJHUNUWALA At the beginning of the year 01-Apr-2018 At the end of the Year 31-Mar-2018	60000 60000	1.3549 1.3549	60000 60000	1.3549 1.3549	'TL000153	
9	BILASRAI GOYAL At the beginning of the year 01-Apr-2018 At the end of the Year 31-Mar-2018	35480 35480	0.8012 0.8012	35480 35480	0.8012 0.8012	'IN3003602 0013049	AEIPG8900M
10	KIRON CH At the beginning of the year 01-Apr-2018 At the end of the Year 31-Mar-2018	30080 30080	0.6792 0.6792	30080 30080	0.6792 0.6792	'TL000497	

CRIMSON METAL ENGINEERING COMPANY LIMITED
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IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

(v) Shareholding of Directors and Key Managerial Personnel :

Name of the Company : CRIMSON METAL ENGINEERING COMPANY LTD

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/ DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	VINAY KUMAR GOYAL At the beginning of the year 01-Apr-2018 Purchase 14-Apr-2018 At the end of the Year 31-Mar-2018	455821 83010 538831	10.2935 1.8745 12.1681	455821 538831 538831	10.2935 12.1681 12.1681	'1204940000167961	AHOPG4904E
2	R S CHARI At the beginning of the year 01-Apr-2018 At the end of the Year 31-Mar-2018	80 80	0.0018 0.0018	80 80	0.0018 0.0018		

(v) INDEBTEDNESS

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

(Rs. in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	132410184	3,60,87,806	NIL	16,84,97,990
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	132410184	3,60,87,806	NIL	16,84,97,990
Change in Indebtedness during the financial year				
Addition	18863696	-	NIL	1,88,63,696
Reduction	-	-29,657	NIL	-29,657
Net Change	18863696	- 29,657	NIL	1,88,63,696
Indebtedness at the end of the financial year				
i) Principal Amount	151273880	3,60,58,149		18,73,32,029
ii) Interest due but not paid				
iii) Interest accrued but not due		NIL		NIL
Total (i+ii+iii)	151273880	3,60,58,149	NIL	18,73,32,029

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

I. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		VINAY KUMAR GOYAL	RAJARAM UMA	CHANDRAKESH PAL	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	59,33,519	1,36,464	4,19,232	64,89,215
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission- as % of profit- others	Nil	Nil	Nil	Nil
5.	Others – Retirement benefits Provision for leave salary	Nil	Nil	Nil	Nil
	Total (A)	59,33,519	1,36,464	4,19,232	64,89,215
	Ceiling as per the Act	WITHIN SCHEDULE V LIMITS			

B. Remuneration to other directors : NIL

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD - NIL

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

DECLARATION IN COMPLIANCE WITH THE CODE OF CONDUCT

This is to confirm that all the Board Members and the Senior Management have affirmed compliance with the Code of conduct for the year ended 31st March, 2018.

For Crimson Metal Engineering Company Ltd.

Sd/-
 Vinay Kumar Goyal
 Managing Director
 DIN-00134026

Place: Chennai
 Date: 14th August 2018

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CRIMSON METAL ENGINEERING COMPANY LIMITED

REPORT ON THE Ind AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of CRIMSON METAL ENGINEERING COMPANY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of change in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows & changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards Ind AS)prescribed under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of the appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the Company's preparation and fair presentation of the Ind AS financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Ind AS financial statements.

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 statement.

OPINION

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018 and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

CRIMSON METAL ENGINEERING COMPANY LIMITED
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REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, 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 purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including other Comprehensive Income, the Cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 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 included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, as amended, in our opinion and to the best of our information and according to the explanation given to us:
 - i) The company has disclosed the impact of pending litigation on its financial position in its Ind AS financial statement.
 - ii) The company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor's Education and Protection Fund by 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 Section 143(3) of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For VISHAL JAIN & CO.,
Chartered Accountants
(FRN. 0541075)

(VISHAL JAIN)
Proprietor
M No 209530

Place : Bangalore
Date : 30.05.2018

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

Annexure “A” to the Independent Auditors’ Report on the Ind AS Financial Statements of Crimson Metal Engineering Company Limited.

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”)

We have audited the internal financial controls over financial reporting of M/s. Crimson Metal Engineering Company Limited (“the Company”) as of 31st March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’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 Companies Act, 2013.

Auditors’ 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”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 Ind AS 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.

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 Ind AS 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 (1) pertain 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the Ind AS financial statements.

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

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.

Opinion

In our opinion, 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 2018, 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 VISHAL JAIN & CO.,
Chartered Accountants
(FRN. 0541075)

(VISHAL JAIN)
Proprietor
M No 209530

Place : Bangalore
Date : 30.05.2018

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

Annexure - B to the Independent Auditors' Report on the Financial Statements of Crimson Metal Engineering Company Limited

The Annexure referred to in paragraph 1 of our Report of even date to the members of Crimson Metal Engineering Company Limited. On the accounts of the Company for the year ended 31st March, 2018.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

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

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification. In our opinion the frequency of verification is reasonable

(c) The title deeds of immovable properties are held in the name of the Company.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. The Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Therefore the provision of clause 3(3a), (3b) and (3c) of the said order are not applicable to the Company.
4. In our opinion, and according to the information and explanations given to us, the Company has not given any loan nor made any investment and not provided guarantee or any security as such the provisions of Section 185 and 186 of the Companies Act, 2013 is not applicable on the Company.
5. The Company has not accepted any Deposits from the public within the meaning of section 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Rules prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods & Service Tax, Custom Duty, Excise Duty, Value Added Tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, service tax, duty of customs and duty of excise duty, value added tax as at [balance sheet date] which have not been deposited on account of a dispute, are as follows:

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

Name of the statute	Nature of dues	Amount (Rs.in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Adoption of Incorrect Jobwork Value	9.71	A/Y 2005-06	Hon'ble Madras High Court
Central Excise Act, 1944	Wrong Availment of Cenvat	154.69	A/Y 2006-07	Hon'ble Madras High Court
ESI	Additional Demand	7.09	A/Y 2009-13	ESI Court, Puducherry

8. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or government as of the balance sheet date.
9. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(9) of the Order are not applicable to the Company.
10. During the course of our examination of the books 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 by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
11. The Company has provided for Managerial Remuneration in Accordance with the Provision of Section 197 read with Section V to the Act. The Company has made the payment to Managing Director in excess of Approved amount as per the information and explanation given to us this shall be ratified in forth coming Annual General Meeting.
12. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(12) of the Order are not applicable to the company.
13. In our opinion and according to the information and explanations given to us, the company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements etc. as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review³⁹. Accordingly, the provisions of Clause 3(14) of the Order are not applicable to the company.
15. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(15) of the Order are not applicable to the Company.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(16) of the Order are not applicable to the Company.

For VISHAL JAIN & CO.,
Chartered Accountants
(FRN. 0541075)

(VISHAL JAIN)
Proprietor
M No 209530

Place : Bangalore
Date : 30.05.2018

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

BALANCE SHEET AS AT 31ST MARCH 2018

Particulars	Note	Amount in Rupees		
		As at 31st March,2018	As at 31st March,2017	As at 1st April ,2016
A ASSETS				
1 Non-Current Assets				
(a) Property, Plant and Equipment	2	147,560,641	129,137,657	134,336,116
(b) Capital Work-in-Progress				
(c) Investment Property				
(d) Goodwill				
(e) Other Intangible Assets				
(f) Intangible assets under development				
(g) Biological Assets other than bearer plants				
(h) Financial Assets				
(i) Investments				
(ii) Trade Receivables				
(iii) Loans				
(iv) Others	3	14,602,059	9,603,404	13,172,593
(i) Deferred tax assets (net)				
(j) Other Non-Current Assets	4	33,474	33,474	33,474
2 Current Assets				
(a) Inventories	5	18,736,253	19,199,353	38,556,734
(b) Financials Assets				
(i) Investments				
(ii) Trade Receivables	6	76,118,719	60,799,515	167,832,881
(iii) Cash and Cash Equivalents	7	586,759	59,678,772	17,211,599
(iv) Bank balance other than mentioned above	8	612,973	612,973	9,657,019
(v) Loans				
(vi) Other financials assets	9	2,716,552	8,670,498	13,473,571
(c) Current Tax Assets (Net)				
(d) Other Current Assets	10	58,444,199	5,581,403	1,348,765
Total Assets (1+2)		319,411,629	293,317,049	395,622,752
B EQUITY AND LIABILITIES				
1 (a) Equity Capital	11	44,282,070	44,282,070	44,282,070
(b) Other Equity	12	6,749,133	934,103	-4,614,694
Total Equity				
2 Liabilities				
(a) Non-Current Liabilities				
(i) Financial Liabilities				
- Borrowings	13	187,332,029	168,497,990	37,039,071
- Trade Payable				
- Other Financial Liabilities				
(ii) Provisions	14	2,777,009	2,568,254	2,099,088
(iii) Deferred Tax Liabilities (Net)		8,507,952	9,638,756	8,586,895
(iv) Other non-current liabilities				
(b) Current Liabilities				
(i) Financial Liabilities				
- Borrowings		-	-	137,717,782
- Trade Payable				
- Dues to micro and small enterprises				
- Dues to Others	15	6,036,791	56,089,919	33,660,478
- Other Financial Liabilities				
(ii) Other Current Liabilities	16	63,726,645	11,305,957	136,852,063
(iii) Provisions				
(iv) Current Tax Liabilities (net)				
Total Equity and Liabilities		319,411,629	293,317,049	395,622,752

Significant Accounting Policies and Notes on Financial Statements 1 to 33

As per our report of even date
for JAIN VISHAL AND CO
Chartered Accountants,

for and on behalf of the Board
(VINAY GOYAL)
Managing Director
DIN : 00134026

Place: Bangaluru
Date: 30.05.2018

(CA VISHAL JAIN)
Partner.
M.No.209530

Place: Chennai
Date: 30.05.2018

(R. UMA)
Whole time Director
DIN:07029264

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2018

PARTICULARS	NOTES	Amount in Rupees	
		Year ended As at 31st March, 2018	Year ended As at 31st March, 2017
A Revenue from operations			
(a) Net sales/income from operations	17	332,365,399	459,908,673
(b) Other Income	18	1,373,693	1,176,815
Total income from operations net		333,739,092	461,085,488
B Expenses			
(a) Cost of Raw Material Consumed	19	223,432,672	376,556,980
(b) Purchases of Stock in Trade		-	-
(c) Changes in Inventories of Finished Goods, Work in progress and Stock in trade		-	4,578,166
(d) Employee benefits expense	20	15,966,053	14,632,304
(e) Depreciation and amortisation expense		11,067,288	9,663,849
(f) Finance costs	21	22,446,092	27,335,625
(g) Other expenses	22	54,971,703	20,027,905
Total expenses		327,883,808	452,794,829
Profit before tax		5,855,283	8,290,659
Tax expense			
Current Tax	23	1,171,057	1,690,000
Deferred Tax	24	-1,130,803	1,051,861
Profit for the period		5,815,030	5,548,798
Other Comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Total Other Comprehensive Income for the period / Year (Comprising profit and other comprehensive Income for the period)		-	-
Total Comprehensive Income for the period / Year (Comprising profit and other comprehensive Income for the period)		5,815,030	5,548,798
Total other comprehensive income net of tax			
Total comprehensive income for the period			
Earnings per Equity share			
Equity shares of par value Rs. 10 each			

As per our report of even date
for JAIN VISHAL AND CO
Chartered Accountants,

(CA VISHAL JAIN)
Partner.
M.No.209530

Place : Bangalore
Date : 30.05.2018

for and on behalf of the Board

(VINAY GOYAL)
Managing Director
DIN : 00134026

(R. UMA)
Whole time Director
DIN:07029264

Place: Chennai
Date: 30.05.2018

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 ST MARCH 2018

Particulars	Note	Amount in Rupees	
		Year ended As at 31st March, 2018	Year ended As at 31st March, 2017
Cash Flow from Operating Activities:			
Net Profit Before Tax		58,55,283	82,90,659
Depreciation		1,10,67,288	96,63,849
Interest Paid		2,24,46,092	2,73,35,625
Loss on Sale of Fixed Asset		-	-
Interest Received		(11,89,714)	(10,54,685)
Other Income		-	(48,000)
Insurance Claim Received		(1,83,979)	(74,130)
Sundry Balance Write Back			
Lease Rent Received			
Operating Profit before Working Capital		3,79,94,971	4,41,13,318
Changes			
Adjustment For:			
Inventories		4,63,100	1,93,57,381
Trade Receivables		(1,53,19,204)	10,70,33,366
Long Term Loans & Advances		59,53,946	(7,78,330)
Short Term Loans and Advances		(5,28,62,796)	13,48,765
Trade Payables		(5,00,53,128)	2,24,29,440
Other Current Liabilities		5,24,20,688	(12,55,46,106)
Cash generated from Operation		(2,14,02,423)	6,79,57,835
Less: Tax Paid		11,71,057	16,90,000
Net Cash Used in Operating Activity	(A)	(2,25,73,480)	6,62,67,835
Cash Flow from Investing Activities:			
Loss on Sale of Fixed Assets			
Sale of Fixed Assets			
Purchase of Fixed Assets		(2,94,90,272)	(44,65,390)
Other Long Term Liability		(49,98,655)	40,38,355
Insurance Claim Received			
Sundry Balance Written back			
Lease Rent received			
Net Cash used in Investing Activities	(B)	(3,44,88,927)	(4,27,035)
Cash Flow from Financing Activities			
Proceed from Long Term Borrowings		1,90,42,794	13,14,58,919
Proceed from Short Term Borrowings		-	(13,77,17,782)
Other Income		1,83,979	74,130
Interest Received		11,89,714	10,54,685
Interest Paid		(2,24,46,092)	(2,73,35,625)
Net Cash from Financing Activities	(C)	(20,29,605)	(3,24,65,673)
Net Increase/ (Decrease)	[A+B+C]	(5,90,92,013)	3,33,75,127
In Cash or Cash Equivalents			
Opening Balance of Cash & Cash Equivalents		6,02,91,745	2,68,68,618
Closing Balance of Cash & Cash Equivalents		11,99,732	6,02,91,745
		(5,90,92,013)	3,34,23,127

As per our report of even date
for JAIN VISHAL AND CO
Chartered Accountants,
(CA VISHAL JAIN)
Partner.
M.No.209530

Place: Bangaluru
Date: 30.05.2018

Place: Chennai
Date: 30.05.2018

for and on behalf of the Board

(VINAY GOYAL)
Managing Director
DIN : 00134026

(R. UMA)
Whole time Director
DIN:07029264

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

NOTES TO THE FINANCIAL STATEMENT

As at and for the year ended March 31, 2018

1. CORPORATE INFORMATION

CRIMSON METAL ENGINEERING COPMANY is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 under CIN: L27105TN1985PLCO11566 its shares are listed on Stock Exchanges in India. The Company is engaged in the manufacturing and selling a reputed Brand of Black Pipe (ERW Pipe) & G I Pipe. The company caters only domestic market.

2. STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016.

Upto the year ended 31st March, 2017, the company prepared its financial statements in accordance with the requirements of previous GAAP prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1st April, 2017.

3. SIGNIFICANT ACCOUNTING POLICES

a. Basis of Preparation of Financial Statements:

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Financial Statements as per the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1st April, 2017. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Statement of Changes in Equity for the year ended 31st March, 2018, and a summary of the significant accounting policies and other explanatory information together hereinafter referred to as "Financial Statements". The figures for the previous year ended 31st March, 2017 and Opening Balance Sheet as on 1st April, 2016 have also been reinstated by the Management as per the requirements of Ind AS.

The financial statements of the Company are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) on the accrual basis of accounting and historical cost convention except for certain material items that have been measured at fair values as required by the relevant Ind AS and explained in the ensuring policies below.

The financial statements are presented in Indian Rupees ("INR").

b. Use of Estimates:

The preparation of the financial statements requires the Management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Property, Plant and Equipment:

The property, plant and equipment, acquired are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalized criteria are met and directly attributable cost or bringing the assets to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard performance. All other expenses on existing property, plant and equipment, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Losses arising from the retirement of, and gains or losses arising from disposal of the property, plant and equipment which are carried at cost are recognized in the Statement of Profit and Loss.

d. Depreciation:

Depreciation on tangible assets is calculated on Straight Line value method (SLV) on the property, plant and equipment using the rates arrived at based on the useful lives estimated by the management or those prescribed under the Schedule II to the Companies Act, 2013.

Depreciation for additions to/deletions from owned assets is calculated on pro-rata from/to the day of addition/deletion.

e. Inventories:

Raw materials, components, store and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

Work in progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Scrap is valued at net realisable value. Net realizable value is estimated at selling price in the ordinary course of business.

f. Impairment of Assets (AS-28):

The assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. In the opinion of the company, the recoverable amount of the fixed assets of the company will not be lower than the book value of the fixed assets. Hence no provision has been made for impairment.

g. Revenue Recognition:

Revenue from sale of products manufactured, sale of products traded and sale or supply of services is recognized when practically all obligations connected with the transaction risks and rights to the buyer have been fulfilled and excluded sales tax and state value added taxes. This usually occurs upon dispatch and collection of the receivable is reasonably certain.

h. Other Income:

Interest income is recognized using time proportion method based on the rates implicit in the transaction.

i. Employee's Benefits:

- (a) Contribution to Provident Fund and other recognised fund is charged to profit and loss account.
- (b) Liability for Leave Encashment is provided for as and when the entitlement is ascertained.
- (c) In respect of Gratuity, the Company offers a non contributory defined benefit plan to its employees. The liability for the same as at the year end is provided for on the bases of actuarial valuation.

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

j. Excise Duty/Service Tax/Sales Tax/Goods and Service Tax/ and Value added Tax:

Excise duty/ Service Tax is accounted on the basis of both, payments made in respect of goods cleared/ services provided as also provision made for goods lying in bonded warehouse if there is.. Sales Tax/ Value added Tax is charged to profit and loss account.

k. Taxation:

Current Tax:

Provision for Current Tax is made after taking into consideration benefits admissible under the provisions of Income Tax act 1961.

Deferred Taxes:

Deferred tax resulting from "Timing difference" between taxable and accounting income is accounted for using the Tax rate and loss that are enacted or substantively enacted as on the balance sheet date. Deferred Tax Liability is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future.

l. Segment reporting:

The accounting policies adopted for segment reporting are in line with the accounting policies stipulated. The company primarily operates in single business segment which is steel tubes (Black and GI pipes), and accordingly there are no primary segments to be reported as per Accounting Standard 17 "Segment Reporting".

m. Earning per share:

The basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period . The number of shares used in computing diluted earnings per share and also the weighted average number of shares considered for deriving basic earnings per share which may be issued on the conversion of all dilutive potential shares, unless the results would be anti-dilutive.

n. Contingent Liabilities:

- i. Central Excise dues for the A/Y 2005 - 06 Rs.9.71 lakhs for which no provision has being made in the books of accounts and appeal is filed before Hon'ble High Court of Madras, being contingent on the judgment of the Hon'ble High Court.
- ii. Central Excise dues for the A/Y 2006 - 07 Rs.154.69 lakhs for which no provision has being made in the books of accounts and appeal is filed before Hon'ble High Court of Madras, being contingent on the judgment of the Hon'ble High Court
- iii. Additional Demand of ESI for the Period AY 2009 – 10 of Rs. 7.09 Lakhs for which no provision has been made the books of accounts and appeal is filed before Hon'ble ESI Court of Puducherry, being contingent on the judgment of the Hon'ble ESI Court of Puducherry.

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

NOTES **Notes on Financial Statements for the Year ended 31st March, 2018** *Amount in Rs.*

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
3. OTHER FINANCIAL ASSETS (Unsecured, considered good unless otherwise stated)			
NON-CURRENT			
Security and other deposits	14,602,059	9,603,404	13,172,593
	14,602,059	9,603,404	13,172,593
4. OTHER NON-CURRENT ASSETS			
Security Deposits with excise, EB and Other Government Authorities	33,474	33,474	33,474
Capital Advances			
Other Advance includes advances for material(s)			
Less: Allowance for bad and doubtful advances			
	33,474	33,474	33,474
5. INVENTORIES			
Raw material	-	-	13,998,354
Finished goods	-	-	4,361,977
Other goods	-	-	216,189
stores and spares	18,736,253	19,199,353	19,407,943
	18,736,253	19,199,353	37,984,463
6. TRADE RECEIVABLES			
(Unsecured unless otherwise stated)			
Considered good	76,118,719	58,485,215	167,832,881
Considered doubtful			
Less: Allocance for bad and doubtful debts			
	76,118,719	58,485,215	167,832,881
7. CASH AND CASH EQUIVALENTS			
Cash on hand	53,942	11,522	346,797
Balance with Banks			
in current accounts	532,817	59,667,250	16,864,803
Term deposits with original maturity of less than three months			
Short term, highly liquid invesetments			
Treasury bills with roiginal maturity of less than three months			
	586,759	59,678,772	17,211,600

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

Amount in Rs.

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
8. BANK BALANCES OTHER THAN CASH AND CASHEQUIVALENTS			
Earmarked balances with banks unpaid dividend Margin money deposits Investments in term deposits [with original maturity of more than three months but less than twelve months]	612,973	612,973	9,657,019
	612,973	612,973	9,657,019
9. OTHER FINANCIAL ASSETS			
Advance to GENERAL PURCHASE Advance for RAW MATERIAL Advance for Expenses Advances Others	1,183,457	7,519,697	4,267,925
	1,533,094	1,150,799	1,422,514
	2,716,551	8,670,496	5,690,439
10. OTHER CURRENT ASSETS			
VAT credit receivable Excise duty receivable Service tax Credit CENVAT receivable GST receivable Other advance [includes prepaid expenses etc]	-	28,672	3,848
	-	5,307,385	7,229,452
	58,444,199	245,346	549,832
	58,444,199	5,581,403	7,783,132

11. EQUITY SHARE CAPITAL

Balance

As at 1st April, 2015	44,282,070
Changes in equity share capital during the year	-
As at 31st March, 2016	44,282,070
Changes in equity share capital during the year	-
As at 31st March, 2017	44,282,070
Changes in equity share capital during the year	-
As at 31st March, 2018	44,282,070

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

Amount in Rs.

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
12. OTHER EQUITY			
A. Summary of Other Equity balance			
Capital Reserve			
Reserve State Subsidy	-	-	-
Forfeited Shares	-	-	-
Retained Earnings	-	-	(4,614,695)
Items of other Comprehensive Income			
- Remeasurements of defined benefit plans			
Total Other Equity	-	-	(4,614,695)

12. STATEMENT OF CHANGES IN EQUITY

	Reserves and Surplus		Items of Other Comprehensive Income(OCI)		Total	Total
	Capital Reserve	Retained Earnings	Remeasurements of net defined benefit plans	Debt Instruments through OCI		
As at 1st April, 2016		-			-	-
Profit for the year		5,548,798			5,548,798	11,097,596
Total comprehensive income for the year			-		-	-
As at 31st March, 2017	-	5,548,798	-		5,548,798	11,097,596
Profit for the year		5,815,030			5,815,030	11,630,060
Total comprehensive income for the year			-		-	-
As at 31st March, 2018	-	11,363,828	-		11,363,828	22,727,656

Notes:2
to the financial statements for the year ended 31st Mar, 2018 Cont.)

	Land	Building	Plant & Machinery	Office Equipment	Tools & Equipment	Furniture & Fittings	Vehicles	Airconditioner & Water Cooler	Computer	Total
Balance as at 1st April 2016 (Deemed Cost)	2,428,588	107,649,817	127,968,169	2,327,959	5,164,210	4,243,686	3,016,949	1,722,961	4,920,147	259,442,486
Additions	-	-	4,405,990	-	-	59,400	-	-	-	4,465,390
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2017	2,428,588	107,649,817	132,374,159	2,327,959	5,164,210	4,303,086	3,016,949	1,722,961	4,920,147	263,907,876
Additions	-	2,137,468	27,352,804	-	-	-	-	-	-	29,490,272
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2018	2,428,588	109,787,285	159,726,963	2,327,959	5,164,210	4,303,086	3,016,949	1,722,961	4,920,147	293,398,148
Accumulated Depreciation										
Balance as at 1st April 2016	-	31,873,388	72,796,185	2,211,561	4,906,000	4,031,502	3,016,949	1,613,556	4,657,229	125,106,370
Additions	-	3,412,499	6,171,664	-	-	56,430	-	23,256	-	9,663,849
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2017	-	35,285,887	78,967,849	2,211,561	4,906,000	4,087,932	3,016,949	1,636,812	4,657,229	134,770,219
Additions	-	3,480,257	7,587,031	-	-	-	-	-	-	11,067,288
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2018	-	38,766,144	86,554,880	2,211,561	4,906,000	4,087,932	3,016,949	1,636,812	4,657,229	145,837,507
Net Block										
Balance as at 1st April 2016	2,428,588	75,776,429	55,171,984	116,398	258,210	212,184	-	109,405	262,918	134,336,116
Balance as at 31st March 2017	2,428,588	72,363,930	53,406,310	116,398	258,210	215,154	-	86,149	262,918	129,137,657
Balance as at 31st March 2018	2,428,588	71,021,141	73,172,083	116,398	258,210	215,154	-	86,149	262,918	147,560,641

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as **SRI SAARBATI STEEL TUBES LIMITED**)

Amount in Rs.

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
13. BORROWINGS			
Borrowings			
Term Loan from Bank of Ceylon	151,273,880	132,410,184	-
Securities offered			
Secured by Hypothecation of Plant & Machinery, Fixtures, Electrical Items & Miscellaneous items purchased/to be purchased out of Term Loan			
Collateral Security			
Mortgage over land & Building situated at Plot No.A-73 to A-78, B-73 to B-86, B-89 to B-95, B-98 to B-104, Pipdic Industrial Estate, Sedarpet, Mailam Road Puducherry-605111			
Hypothecation of Machineries in the factory premises of the company situated at Puducherry			
Guarantee			
Personal guarantee of Mr. Vinay Goyal - Managing Director			
Unsecured Loan			
Inter Corporate Loans	36,058,149	36,087,806	37,039,071
TOTAL			
Current Maturity of Long Term Borrowings is shown in Note No.10- Other Current Liabilities			
	187,332,029	168,497,990	37,039,071
OTHER FINANCIAL LIABILITIES			
NON-CURRENT			
Security Deposits	-	-	-
Total(A)	-	-	-
CURRENT			
Other payable (payable for purchase of property, plant and equipemnt, employee liability etc)			
Total(B)			
Total (A +B)			
a. There no amounts due for payment to the Investor Education and Protection fund under section 125 of companies act 125 of the Companies Act 2013 as at 31st March 2018 (31st March 2017 Nil, 1st April 2016 Nil)			
14. PROVISIONS			
NON-CURRENT			
Provisions for employee benefits (pension, compensated absence and others (refer note no.xx)	2,777,009	2,568,254	2,099,088
Other provisions (including restructuring etc)			
Total(A)	2,777,009	2,568,254	2,099,088
CURRENT			
Provisions for employee benefits (pension, compensated absence and others (refer note no.xx)	-	-	-
Total(B)	-	-	-
Total (A +B)	2,777,009.00	2,568,254.00	2,099,088.00

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

Amount in Rs.

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
OTHER NON-CURRENT LIABILITIES			
Advance for land			
Employee and ex-employee related liabilities			
Total	-	-	-
SHORT TERM BORROWINGS			
Secured			
Central Bank of India	-	-	137,717,782
(Secured by hypothecation of Stock in Trade, receivable, EM on Factory Land, Building, Plant & Machinery, all moveable and immovable assets and personal guarantee of Managing Director of the Company)			
Unsecured			
From directors	-	-	-
inter corporate loans	-	-	-
Total	-	-	137,717,782
15. TRADE PAYABLE			
DUES TO MICRO AND SMALL ENTERPRISES (as per intimation received from vendor)			
a. Principal and interest amount remaining unpaid			
b. Interest due thereon remaining unpaid			
c. Interest paid by the Company in terms of Sections 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day			
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprise Act, 2006			
e. Interest accrued and remaining unpaid			
f. Interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to these small enterprises			
DUES TO OTHERS			
Acceptances			
Trade payable	6,036,791	56,089,919	33,660,478
Total	6,036,791	56,089,919	33,660,478
16. OTHER CURRENT LIABILITIES			
Salaries, wages, bonus and other employee payable	9,655,315	7,653,861	2,096,601
Statutory dues (including provident fund, tax deducted at source and others)	2,609,300	1,013,332	5,750,258
Advance from customers	2,190,444	413,398	396,827
Other payables	49,271,586	2,225,366	128,608,378
	63,726,645	11,305,957	136,852,064

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

Amount in Rs.

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
17. REVENUE FROM OPERATIONS		
Sale of products	170,280,306	339,939,797
Other operating revenue		
Others - sale of scrap, commission etc	162,085,093	113,749,647
	332,365,399	453,689,444
18. OTHER INCOME		
Interest Income		
Bank deposits	-	476,066
Others	1,189,714	578,619
Others		
Lease rent received	-	48,000
Other Misc income	183,979	74,130
	1,373,693	1,176,815
19. COST OF MATERIALS CONSUMED		
Cost Of Raw Materials Consumed		
Opening Stock	-	13,998,354
Add: Purchase	157,074,081	309,114,143
Less: Closing Stock	-	-
Raw Material Consumed(A)	157,074,081	323,112,497
Manufacturing Expenses		
Carriage Inward	2,003,778	3,714,623
Power & Fuel	46,889,811	37,297,809
Labour Charges	6,497,589	6,061,042
Consumption Of Stores	10,580,621	6,065,757
Machinery Maintenance	386,791	305,252
TOTAL	66,358,590	53,444,483
TOTAL COST OF MATERIALS CONSUMED	223,432,672	376,556,980
CHANGES IN INVENTORIES OF FINISHED GOODS STOCK IN PROCESS & STOCK-IN-TRADE		
Closing Inventories :		
Finished Goods	-	-
Other Goods (Scrap)	-	-
Total	-	-
Opening Inventories :		
Finished Goods	-	4,907,224
Other Goods (Scrap)	-	243,213
Excise Duty	-	(572,271)
Total	-	4,578,166
Change In Inventories	-	4,578,166
20. EMPLOYEE BENEFITS EXPENSES		
Salary	13,568,168	12,951,566
Gratuity	342,623	504,962
Bonus	186,732	98,274
P.F. Company's Contribution	372,323	402,308
E.S.I Company's Contribution	1,167,425	416,772
Staff Welfare	328,782	258,422
	15,966,053	14,632,304

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

Amount in Rs.

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
21. FINANCE COST		
Interest To Bank	18,707,038	16,224,630
Bank Charges	105,340	2,390,550
Interest To Others	3,633,715	8,720,446
	22,446,092	27,335,625
DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on property, plant and equipment	11,067,288	9,663,849
	11,067,288	9,663,849
22. OTHER EXPENSES		
A. MANAGERIAL REMUNERATION:		
Directors Salary	6,489,215	2,823,672
	6,489,215	2,823,672
B. PAYMENT TO AUDITORS		
Audit Fees	100,000	125,000
Tax Audit Fees	-	55,000
I.T Matters	-	50,000
Vat Audit Fees	-	10,000
	100,000	240,000
C. INSURANCE EXPENSES		
Insurance	406,069	278,947
	406,069	278,947
D. POWER & FUEL EXPENSES		
Power & Fuel	-	-
	-	-
E. OTHERS :		
Rent & lease rent	4,263,410	4,008,450
Postage & telegram	209,535	313,092
Telephone	202,232	391,260
Travelling expenses	500,743	405,541
Printing & stationery	70,127	185,750
Subscription & membership Fees	72,644	524,713
Office maintenance	329,449	822,451
Vehicle maintenance	1,024,159	553,630
Miscellaneous expenses	-	1,876
Professional charges	237,423	170,945
Service Tax Expenses	1,050,386	988,321
Rates & taxes	55,662	185,202
Repairs & maintenance	1,292,302	795,803
Bad debts	428,069	444,005
Freight & transportation	2,284,092	1,543,694
Advertisement	5,017,575	4,115,572
Sales promotion	64,710	71,180
Commission & brokerage	176,662	983,522
Swacch bharat cess	21,769	124,576
Quantitative Discount allowed	83,992	55,703
	30,591,479	-
TOTAL (E)	47,976,419	16,685,286
Grand Total - Other exp	54,971,703	20,027,905

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

Amount in Rs.

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
23. CURRENT TAX		
Income Tax Provision for the Current Tax	1,171,057	1,690,000
24. DEFERRED TAX		
Provision for Deferred Tax for the Year	(1,130,803)	1,051,861
25. EARNINGS PER SHARE		
The following reflects the profit and share data used in the basic and diluted EPS computations		
Profit after Tax	5,815,030	5,548,798
Net Profit for EPS calculation	5,815,030	5,548,798
Weighted average number of shares outstanding during the year (Nominal value of Rs.10/-per share each) in absolute numbers	4,428,207	4,428,207
Basic and diluted earning per share	1.31	1.25
26. CONTINGENT LIABILITIES		
(i) On account of pending appeals of Central Excise		
(a) Job Work-incorrect adoption of value vide ref:V/73/15/61/2004-CXADJ/8/02/05 for Rs.20226475/-	20,226,475	20,226,475
(b) Availment of Cenvat credit vide ref.V/73/15/100/2005-CX ADJ/25/01/06 for Rs.16506601/-	16,506,601	16,506,601
(c) Removal of waste & scrap without payment of duty vide ref: V/Ch.73/15/55/2006-CX ADJ/29/01/09 for Rs.1318706/-	1,318,706	1,318,706
(ii) Electricity tax on electricity bill Pondy Rs.13.10 lacs	1,310,000	1,310,000
(iii) ESI Additional demand	709,096	709,096
27. SEGMENT REPORTING		
As per information given to us and to the best of our knowledge company is only manufacturing of Skelp, MS Pipes & GI Pipes and Operating from one Place therefore segment reporting in this case is not applicable.		
28. EARNINGS AND EXPENSES IN FOREIGN CURRENCY		
Expenses in Foreight Currency	USD 3,25,980	NIL
Expenses in Foreight Currency	GBP 4,600	NIL

CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

Amount in Rs.

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
29. RELATED PARTY DISCLOSURE		
29.1 Nature of Relationship		
Key Managerial Person		
i) Holding Company	NIL	NIL
ii) Subsidiaries	NIL	NIL
iii) Key Managerial Personnel		
Mr VinayGoyal (Managing Director)		
Ms.Uma (Whole Time Director)		
Mr Chandrakesh Pal(Whole Time Director)		
30. Directors Remuneration		
Mr Vinay Goyal (Managing Directors salary, insurance and subscription)	5,933,519	2,400,000
Mr.Chandrakesh Pal(Whole Time Director)	419,232	335,772
Ms.Uma	136,464	87,900
TOTAL	6,489,215	2,823,672
31. IMPORTED & INDIGENOUS RAW MATERIALS CONSUMED		
Imported	-	-
Indigenous	157,074,081	323,112,497
TOTAL	157,074,081	323,112,497
Percentage of consumption		
Imported	-	-
Indigenous	100%	100%
TOTAL	100%	100%
32. Detail of finished goods		
32.1 Purchase of stock in trade	-	-
32.2 Sale of finished goods (GP Slitted coil)	170,280,306	339,939,797
32.3 Stock of finished goods		
Opening	-	9,612,451
Closing	-	-

33. GENERAL

- (a) Balance in Sundry Debtors/ Creditors and advances are subject to confirmation
(b) Previous Year's Figures have been re-arranged and re-grouped wherever necessary.
(c) Tax deducted at source from the payment to contractors, Professional charges, Comission, intrest and Salaries have been deposited.
(d) In view of insufficient information from the suppliers regarding their status as SSI units the amount due to small scale Industrial Undertakings cannot be ascertained.
(e) Additional information pursuant to the provisions of schedule-III of Companies Act, 2013 to the extent applicable to the company.

SIGNATURE TO NOTES ON FINANCIAL STATEMENTS 2 TO 33

As per our report of Even Date Annexed
for JAIN VISHAL AND CO
Chartered Accountants,

(CA VISHAL JAIN)
Partner.
M.No.209530

Place: Bengaluru
Date: 30.05.2018

(VINAY GOYAL)
Managing Director
DIN : 00134026

(R. UMA)
Whole time Director
DIN:07029264

Place: Chennai
Date: 30.05.2018

CRIMSON METAL ENGINEERING LIMITED

CIN: L27105TN1985PLCO11566

Regd. Office : "K Sons Complex", 163/1, Prakasam Road, II Floor, Chennai 600108

Phone : 044-25240393, Fax : 044-42079967, Website : www.crmetal.in.

Date : 14.08.2018

Dear Shareholder

Sub: Updation of PAN, Bank account details, Email address and Dematerialisation of Shares

Securities and Exchange Board of India (SEBI) vide circular No: SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 has mandated all listed Companies to update the Permanent Account Number (PAN) and Bank account details of all shareholders who are holding shares in physical form. As per our record, PAN and Bank details have not been updated in your Folio. Hence, we request you to send us the enclosed form, duly filled and signed by all shareholders (including joint holders, if any) along with the following documents to the below mentioned address of our Registrar and Share Transfer Agent within 21 days from the date of this letter.

- (1) Self attested copy of PAN card of all shareholders including joint holders. In case of residence of Sikkim, the requirement of PAN Card be substituted with a valid Identity proof issued by Government.
- (2) Original Cancelled Cheque Leaf bearing the name of Sole / first named shareholder (or) attested copy of Bank passbook.

**M/s. Cameo Corporate Services Ltd.,
"Subramanian Building" 1, Club House Road, Chennai - 600 002.
Ph : 28460390, 28460391 Fax : 044-28460129
E-mail ID : murali@cameoindia.com**

Please note that Companies Act, 2013, provides for sending all documents, notices convening general meetings, audited financial statements, directors' report, auditors' report and every other documents required by law to be annexed or attached thereto etc., in electronic form to the registered e-mail address of the Shareholders. In terms of Regulation 36 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity shall send soft copies of full annual report to all those shareholder(s) who have registered their e-mail address(es) for the purpose. In order to receive all the documents and correspondences from us by e-mail, you may kindly mention your e-mail id, which will be registered with us as your registered e-mail id for sending all documents and correspondence by e-mail to you.

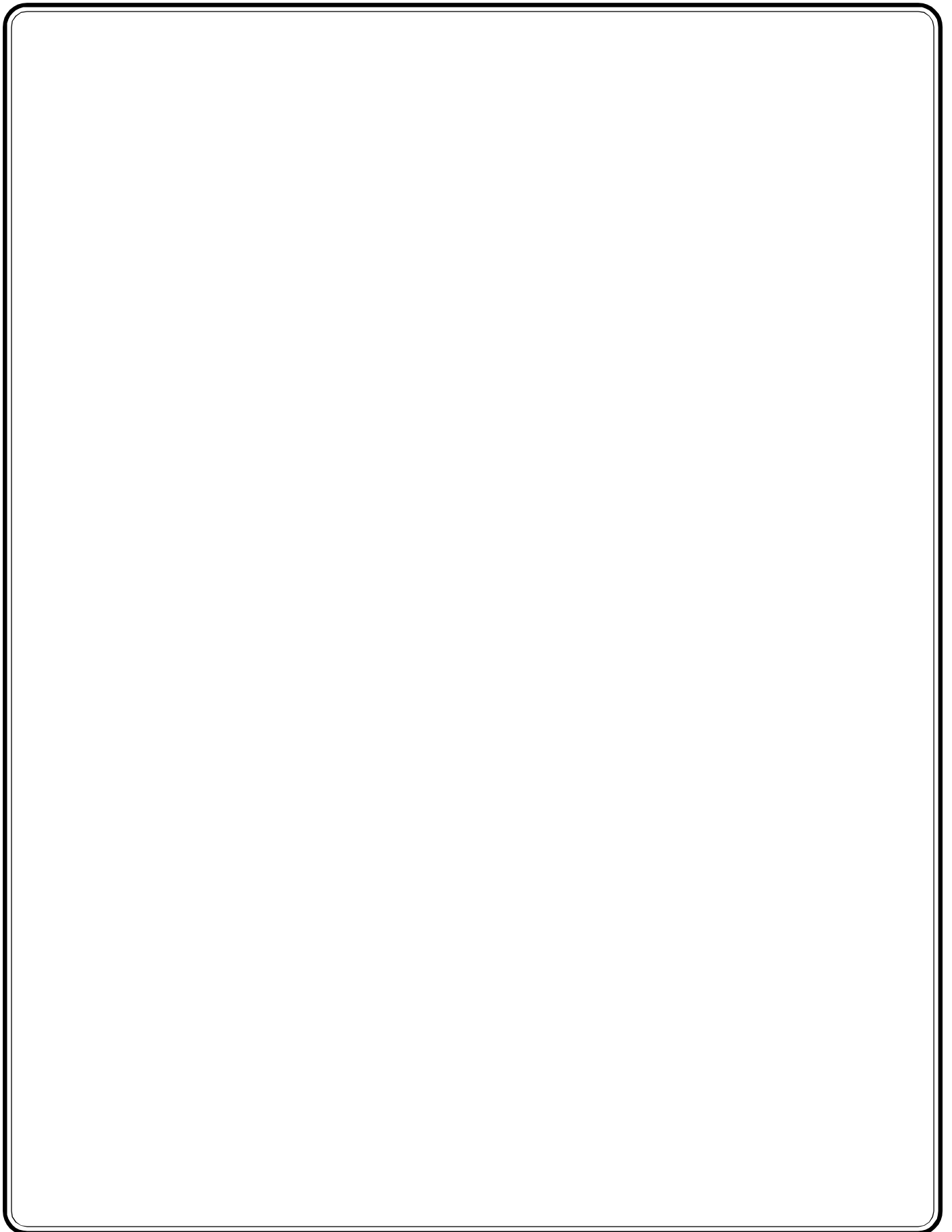
Also, on 8th June 2018, SEBI vide its notification No. SEBI/LAD-NRO/GN/2018/24 had amended the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), which states that, "except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository."

As such, SEBI had mandated transfer of shares in dematerialised form alone. This comes into effect from December 2018 and hence you are requested to take note of it and take necessary steps to dematerialise your shares that are held in physical form.

We seek your co-operation in this regard.

For CRIMSON METAL ENGINEERING LIMITED

Vinay Kumar Goyal
Managing Director
DIN-00134026
Encl. as above



To

Cameo Corporate Services Limited

(Unit: CRIMSON METAL ENGINEERING LIMITED)

Regd. Office: "K Sons Complex", 163/1, Prakasam Road, II Floor, Chennai 600108

Folio No:

PERMANENT ACCOUNT NUMBER (PAN) AND BANK ACCOUNT UPDATION FORM

	SHARE HOLDER (S) NAME	PAN									
1											
2											
3											

PARTICULARS OF BANK ACCOUNT OF FIRST / SOLE SHAREHOLDER

Name of the Bank	
Branch	
Account Number	
Account Type	Savings / Current
MICR Code (9-Digit Code Number of the Bank and Branch appearing on the MICR cheque issued by the Bank)	
IFSC of Bank Branch	
Mobile No. of First / Sole holder (Phone / Mobile No.)	
Email ID of First / Sole holder for serving all future communications including Annual Report, AGM Notice etc.	

(Please attach a blank "cancelled" cheque leaf)

I, hereby, declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the user institution responsible.

Signature of Shareholder (First / Sole)	
Signature of Joint Holder 1 (if any)	
Signature of Joint Holder 2 (if any)	

Date :

Encl :

- (1) Self attested copy of PAN card of all shareholders including joint holders.
- (2) Original Cancelled Cheque Leaf bearing the name of Sole / first named shareholder (or) attested copy of Bank passbook.
- (3) Shareholders are requested to get the specimen signature attested by their bank manager, in case of any change in their signature.

In case, the shareholder is not in a position to submit "cancelled cheque leaf", please submit Copy of Bank Pass Book (1st page and Current Transaction page) certified by Concerned Bank Manager as under

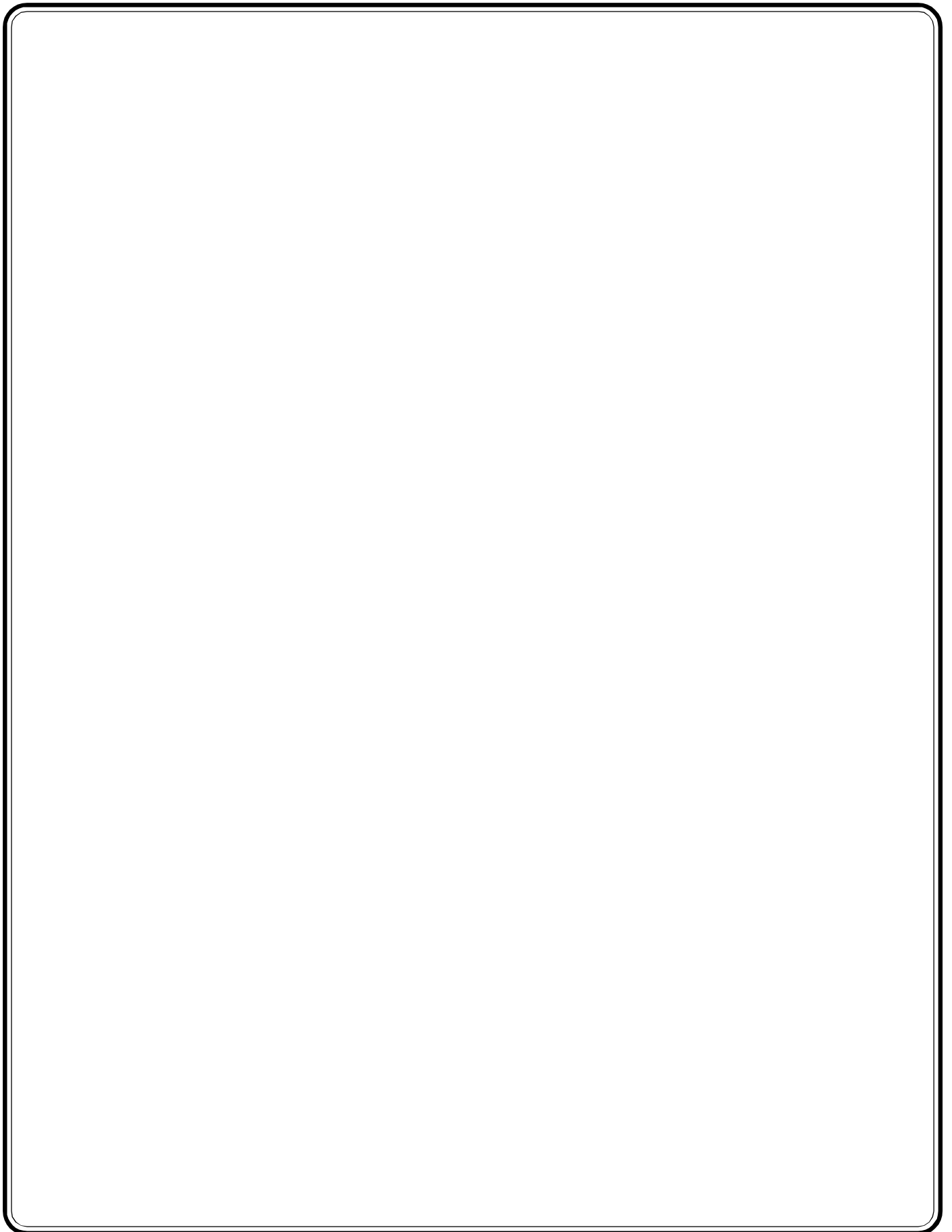
Certificate of the Shareholder's Bank

Certified that the particulars furnished above are correct as per our records.

Date :

(Please affix Bank Seal with Identity Number of Bank Official)

Signature of the Authorised Official of the Bank



CRIMSON METAL ENGINEERING COMPANY LIMITED
(Formerly known as SRI SAARBATI STEEL TUBES LIMITED)

IMPORTANT

Company's shares are listed in Bombay Stock Exchange and can be traded. Company has obtained ISIN from CDSL and NSDL. Now shares can be demated and traded, shareholders can approach their DP for demating their shares.

ISIN NO: INE318P01016

BSE SCRIPT CODE : 526977

Date :

Dear Sir / Madam

Pursuant to the Green Initiative in the Corporate Governance initiated by the Ministry of Corporate Affairs (MCA) vide its circular dated 21/4/2011, your company has proposed to send the Notice / Annual Report / documents through electronic mode to our shareholders.

This, you will appreciate, would facilitate fast, secured communication and contribute towards improved environment.

Kindly arrange to send the following details to our Registered Office address duly signed, which will be considered by us for sending the future communication through Email.

Company Name	Crimson Metal Engineering Ltd
Folio No.	
Name (1 st / Sole Holder)	
Email ID	
Mobile Number	
Pan (Optional)	

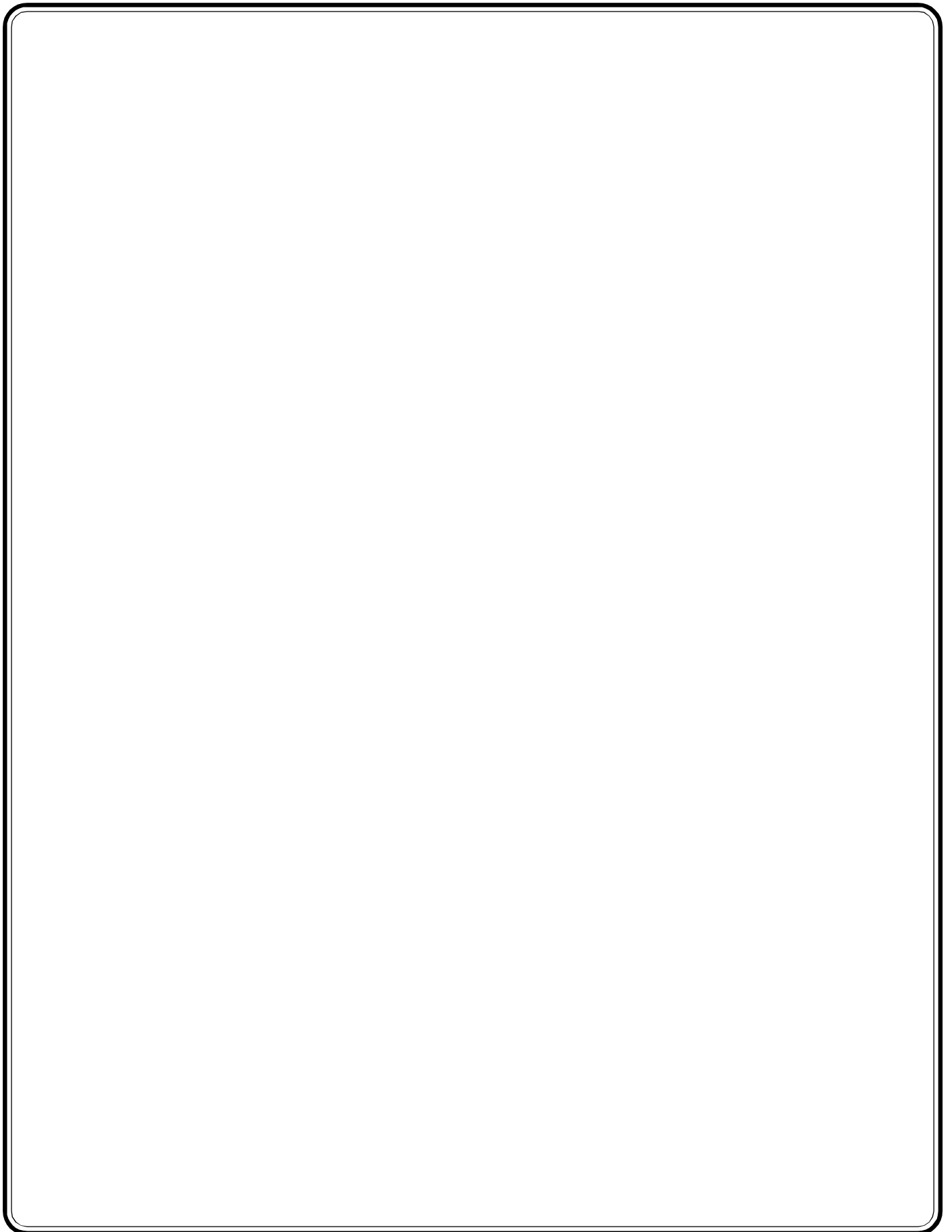
In case if you are holding the shares in electronic mode, you may kindly register / update your correct email id with your DP, so that the future communication can be sent through the same.

Signature of the Shareholder

Thanking You,

Yours truly,
For CRIMSON METAL ENGINEERING LIMITED

DIRECTOR



CRIMSON METAL ENGINEERING LIMITED

CIN: L27105TN1985PLCO11566

Regd.Office : "K Sons Complex", 163/1, Prakasam Road, II Floor, Chennai 600108

Phone : 044-25240393, Fax : 044-42079967, Website : www.crmetal.in.

34th ANNUAL GENERAL MEETING ON THURSDAY THE 27TH DAY OF SEPTEMBER 2018 AT 10:30 A.M

ATTENDANCE SLIP

Please complete the attendance slip and hand over at the entrance of the Meeting Hall.

Name & Address of the Shareholder(s) (In block letters):

Joint Holder's Name (In block letters):

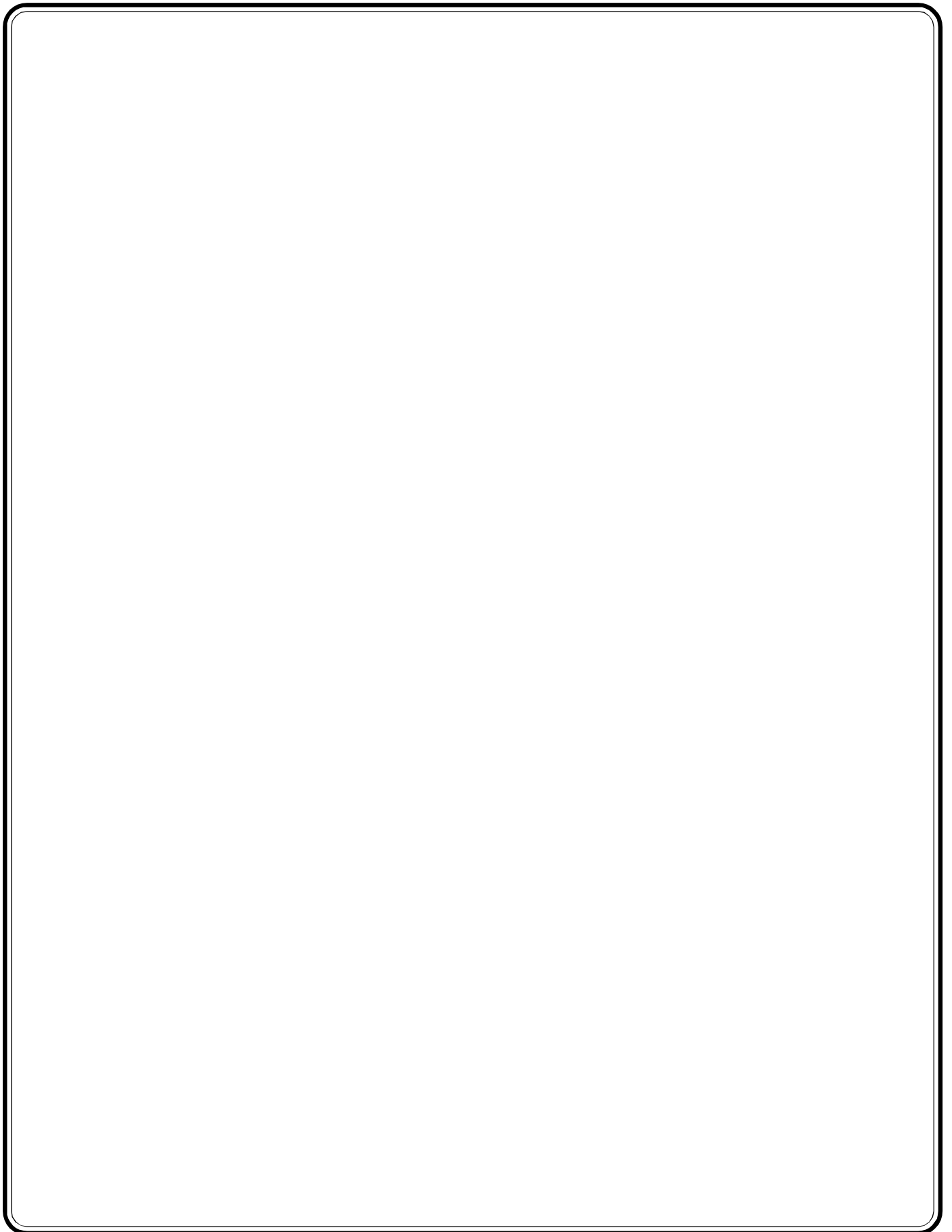
No of Shares Held :

I certify that I am a registered equity shareholder / Proxy for the registered equity shareholder of the Company. I hereby record my presence at the 34th Annual general meeting, to be held on Thursday, 27th September 2018 at Andhra Chamber of Commerce Velagapudi Ramakrishna Building, 23, Third Cross Street, West C.I.T Nagar, Nandhanam, Chennai- 600 035 at 10.30 a.m.

Signature of shareholder / Joint Holder / Proxy attending the Meeting.....

Electronic Voting Event Number (Even)	User ID	Password

Note: Person attending the Meeting is requested to bring this Attendance Slip and Annual Report with him / her. Duplicate Attendance Slip and Annual Report will not be issued at the Annual General Meeting.



CRIMSON METAL ENGINEERING LIMITED

CIN: L27105TN1985PLCO11566

Regd.Office : "K Sons Complex", 163/1, Prakasam Road, II Floor, Chennai 600108

Phone : 044-25240393, Fax : 044-42079967, Website : www.crmetal.in.

34thANNUAL GENERAL MEETING ON THURSDAY THE 27TH DAY OF SEPTEMBER 2018 AT 10:30 A.M

FORM MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s) :

Registered address :

E-mail Id :

Folio No/ Client Id :

DP ID :

I/We, being the member (s), holding shares of the above named company, hereby appoint

1. Name: Address:
E-mail Id: Signature:, or failing him/her
2. Name: Address:
E-mail Id: Signature:, or failing him/her
3. Name: Address:
E-mail Id: Signature:, or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting, to be held on Thursday, 27th September 2018 at Andhra Chamber of Commerce Velagapudi Ramakrishna Building, 23, Third Cross Street, West C.I.T Nagar, Nandhanam, Chennai- 600 035 at 10.30 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution Number	Description of Resolution	No. of Shares held by me	I assent to the resolution	I dissent to the resolution
Ordinary Business				
1	Consider and adopt the Audited Statements of Account for the year ended 31 st March, 2018 and the Reports of Directors and the Auditors thereon.			
2	Re-appointment of Mr. Chandprakesh Pal (DIN: 07277936) who retires by rotation as a whole time Director			
SPECIAL BUSINESS				
3	REAPPOINTMENT OF SHRI. KRISHAN CHAND BATRA (HOLDING DIN 00906402) AS AN INDEPENDENT DIRECTOR FOR A FURTHER TERM OF FIVE YEARS.			
4	RATIFICATION OF PAYMENT OF REMUNERATION TO MANAGING DIRECTOR			
5	LEASE OF COMPANY'S IMMOVABLE PROPERTY TO RELATED PARTY			

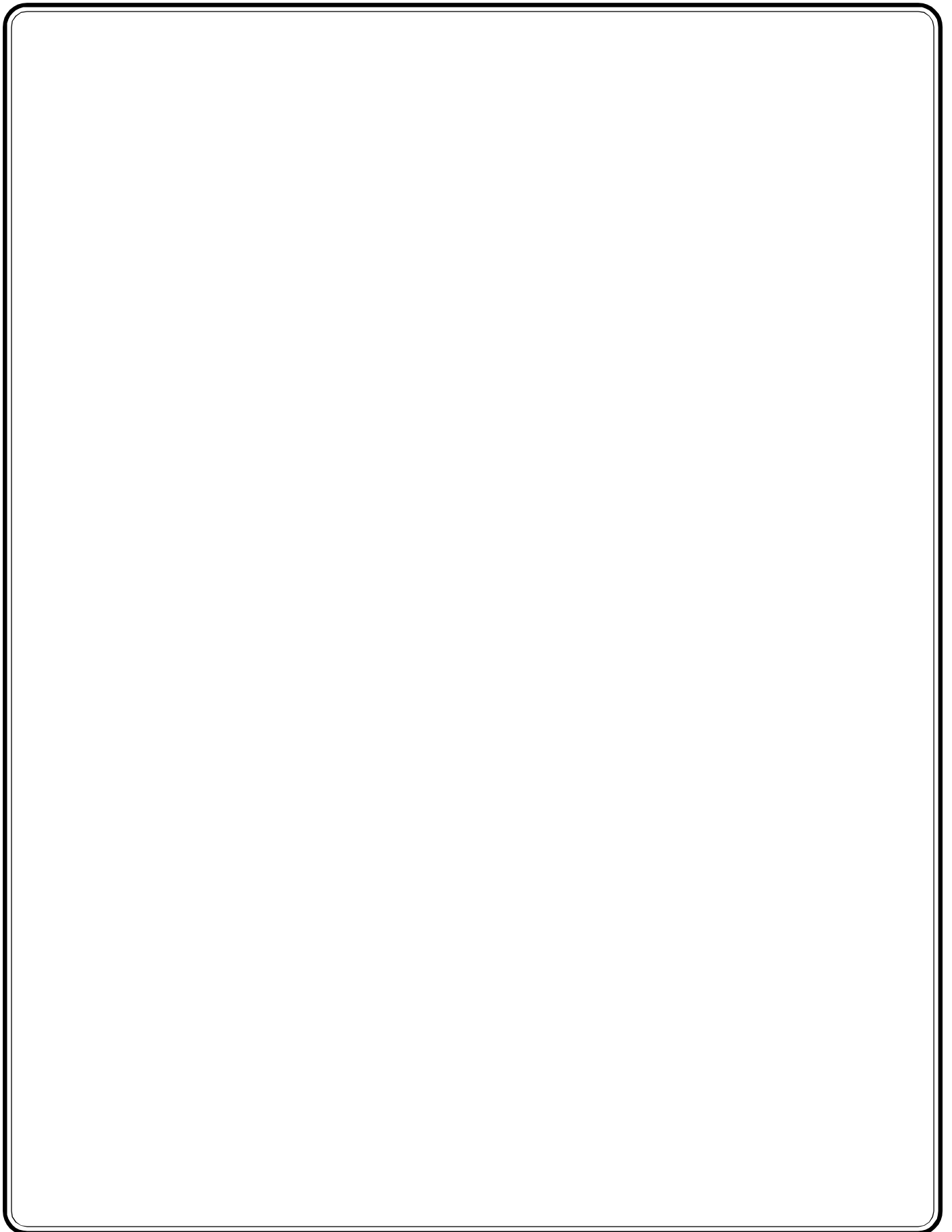
Signed this..... day of..... 2018

Signature of shareholder

Signature of Proxy holder(s)

Affix One
Rupee
Revenue
Stamp

- Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. It is optional to indicate your preference. If you label column 'For, Against, Abstain' blank against all or any of the resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 34th Annual General Meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty(50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights, In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.



CRIMSON METAL ENGINEERING LIMITED

CIN: L27105TN1985PLCO11566

Regd. Office : "K Sons Complex", 163/1, Prakasam Road, II Floor, Chennai 600108

Phone : 044-25240393, Fax : 044-42079967, Website : www.crmetal.in.

Form No. MGT-12

POLLING / BALLOT PAPER

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Sl. No.	Particulars	Details
1	Name of the First Named Shareholder (In block letters)	EQUITY
2	Postal Address	
3	Registered Folio No / *Client ID No: (*Applicable to Investors holding shares in dematerialized form)	
4	Class of Share	

Resolution Number	Description of Resolution	No. of Shares held by me	I assent to the resolution	I dissent to the resolution
Ordinary Business				
1	Consider and adopt the Audited Statements of Account for the year ended 31 st March, 2018 and the Reports of Directors and the Auditors thereon.			
2	Re-appointment of Mr. Chandprakesh Pal (DIN: 07277936) who retires by rotation as a whole time Director			
SPECIAL BUSINESS				
3	REAPPOINTMENT OF SHRI. KRISHAN CHAND BATRA (HOLDING DIN 00906402) AS AN INDEPENDENT DIRECTOR FOR A FURTHER TERM OF FIVE YEARS.			
4	RATIFICATION OF PAYMENT OF REMUNERATION TO MANAGING DIRECTOR			
5	LEASE OF COMPANY'S IMMOVABLE PROPERTY TO RELATED PARTY			

Place :

Date :(Signature of shareholder)

INSTRUCTIONS

1. Members may after duly filling up the Ballot Form printed overleaf, submit the same in a sealed envelope to the Scrutinizer, **Mrs. Lakshmmi Subramanian**, Practising Company Secretary, Unit: **Crimson Metal Engineering Company Limited, "K Sons Complex", 163/1, Prakasam Road, II Floor, Chennai 600108** to his email id lakshmmi6@gmail.com as to reach by 5.00 p.m. on or before Wednesday, the 26th day of September, 2018. Ballot paper received thereafter will strictly be treated as if not received.
2. The consent must be accorded by recording the assent in the column 'I Assent the Resolution' and dissent in the column 'I Dissent the Resolution' by placing tick mark () in the appropriate column.
3. The Company will not be responsible, if the envelope containing the Ballot Form is lost in transit.
4. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
5. In the event a member casts his votes through both the processes, i.e., e-voting and Ballot Form, the votes in the electronic system will be considered and the Ballot Form will be ignored.
6. The right of voting through Ballot Form shall not be exercised by a proxy.
7. To avoid fraudulent transactions, the identity / signature of the members holding shares in electronic / demat form is verified with the specimen signatures furnished by NSDL / CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company (i.e., Cameo Corporate Services Limited). Members are requested to keep the same updated.
8. There will be only one Ballot Form for every Folio / DP ID / Client ID irrespective of the number of joint members.
9. In case of Joint Holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot Form signed by the Joint Holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
10. Where the Ballot Form has been signed by an authorized representative of the body corporate / Trust / Society, etc, a certified copy of the relevant authorization / Board resolution to vote should accompany the Ballot Form.
11. Instructions for the e-voting procedure are available in the Notice of the AGM and are also placed on the website of the Company.

Tear Here

REGISTERED BOOK - POST
PRINTED MATTER

To

If undelivered Please return to :

CRIMSON METAL ENGINEERING COMPANY LIMITED
Regd. Office : 163/1, Prakasam Road,
K.Sons Complex, II Floor,
Chennai - 600 108.