

THE MINUTES OF THE PROCEEDINGS OF THE THIRD MEETING OF THE AUDIT COMMITTEE OF MADHAV COPPER LIMITED FOR FINANCIAL YEAR 2018-19 HELD ON THURSDAY, 1ST NOVEMBER, 2018 AT 01:00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT NO. 2107/D, OFFICE NO. 203, 2ND FLOOR, D & I EXCELUS, WAGHAWADI ROAD, BHAVNAGAR - 364001

Following members were present:

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| 1. Shri Manish Makodia | Chairman |
| 2. Shri Chaitanya Doshi | Member |
| 3. Shri Nilesh Patel | Member |

In attendance of:

- | | |
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| 1. Mr. Kamlesh Solanki | Chief Financial Officer |
| 2. Mr. Kush Bhatt | Company Secretary & Compliance Officer |

Invitees:

1. Mr. Rohit Chaunan – Managing Director

1. CHAIRMAN

Mr. Manish Makodia was elected as the Chairman of the meeting. He took the chair and welcomed the members present to the meeting of the committee and declared that the required quorum is present and the agenda could be taken up for discussion.

2. MINUTES OF PREVIOUS COMMITTEE MEETING

Minutes of the previous meeting held on 4th August, 2018 were placed before the committee and the same is signed by the Chairman.

3. TO REVIEW THE PERFORMANCE OF THE COMPANY AS AT THE END OF HALF YEAR / YEAR ENDED ON 30.09.2018 ALONG WITH

(1) REPORT OF AUDITORS UNDER REGULATION 33(3)(D) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

(2) CEO / CFO CERTIFICATION AS REQUIRED UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

The members of the committee reviewed the Unaudited Financial Results and Accounts for the quarter ended on 30th September, 2018 with particular reference to the following matters as suggested under The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Regulation 33(3) (d) of the Regulations, the Unaudited Financial Results for the half year ended on 30th September, 2018 are furnished

herewith in the prescribed format along with Limited Review Report of the Auditors' thereon.

Moreover, in accordance with the provisions of Regulation 17(8) of the Regulations, while placing the financial results before the Board, Shri Rohit Chauhan, Managing Director and Shri Kamlesh Solanki, CFO tabled a certificate to the effect that the said furnished the Unaudited Financial Results for the half year ended on 30th September, 2018 do not contain any false or misleading statement or figures and do not omit any material fact which makes the statements or figures contained therein misleading.

While highlighting the performance, the Managing Director apprized the operations of the Company.

After due discussion, following resolution was passed:

“RESOLVED THAT the draft of the Unaudited Financial Results for the half year ended on 30th September, 2018, together with draft Limited Review Report of the Auditors' thereon, prepared pursuant to Regulation 33(3) (d) of the Regulations, to be published in the newspapers and placed before the Committee be and is hereby reviewed and recommended to the Board of Directors.

RESOLVED FURTHER THAT Shri Rohit Chauhan, Managing Director of the Company, be and is hereby authorised to sign the said Financial Results, forward the same to the Stock Exchanges and publish in the appropriate News Papers.”

4. REVIEW OF SIGNIFICANT RELATED PARTY TRANSACTIONS:

The Committee reviewed details of related parties transactions entered into during the second quarter ended on 30th September, 2018.

The Chairman stated that pursuant to Pursuant to Section 177(4) of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR-2015), the Audit Committee has to approve related party transactions.

Name of related party	Nature of relationship	Duration of Contract	Salient terms	Amount in INR
<u>Nature of Contract</u>				
1. Madhav Metcast Pvt. Ltd. (Sales on 11/07/2018)	Associate Concern	Not Applicable	Sold machinery fabricated waste at arm's length price basis	98,294

The Chairman further stated that in the above contracts / arrangements, Mr. Divya Monpara and Mr. Nilesh Patel, Director of the Company are considered to be interested.

It was further explained that that pursuant to Regulation 23(1) of the SEBI LODR-2015, a transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company. Considering the total

turnover of the Company for the FY ended on 31.03.2018, none of the related party transactions with individual party falls in the category of "material related party transaction".

The Committee took note of the same and discussed at length the nature and duration as well as terms and conditions governing the aforesaid contracts / arrangements. The Committee also discussed on manner of determining the pricing and other commercial terms and thereafter accorded its consent to the above contracts by passing the following resolution:

"RESOLVED THAT pursuant to Section 177(4) of the Companies Act, 2013 and Regulation 23 of The SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the approval of the Audit Committee be and is hereby accorded to the Company for continuing Contracts / Arrangements with related parties in which directors are interested, for the period commencing from concluding of this meeting till the date of the next meeting, the details whereof are furnished herein below:

Madhav Metcast Pvt. Ltd. - Associate Concern – The Company has sold machinery fabricated waste to Madhav Metcast Pvt. Ltd. on 11.07.2018 at arm's length price.

5. TAKING NOTE OF THE STATUS OF ASSESSMENT COMPLETED AND NOTICES, IF ANY RECEIVED FROM STATUTORY AUTHORITIES AND STATUS OF PENDING LEGAL MATTERS INCLUDING INSURANCE CLAIMS, IF ANY AT THE END OF THE SECOND QUARTER ENDED ON 30.09.2018:

The Committee took note of the status of Sales Tax / Vat Assessment, Status of Income Tax Assessment, Status of Central Excise / Service Tax matters, Status of Pending legal cases in respect of Debtors / Creditors / Employees and other recoveries and status of insurance claims.

The Committee also took note of Inter Corporate Loan/ Investments, secured loan from banks/ Financial Institutions. There were nil significant adjustments in the financial statements arising out of audit findings.

6. TO APPOINT M/S. NIRAV PATEL & CO., AS A GST AUDITORS TO CARRY OUT GST AUDIT FOR F.Y. 2018-19.

The committee decided to appoint M/s. Nirav Patel & Co., Practising Chartered Accountants to conduct GST Audit for the Financial Year 2018-19 and submit Audit Report.

The following resolution was passed:

"RESOLVE THAT as per the provision of section 35 of CGST Act 2017 ("the Act") to be read with the applicable provisions, rules and regulations framed and amended from time to time for the time being in force under the Act, the Audit Committee recommends appointment of M/s Nirav Patel & Co., Practising Chartered Accountants to act as a GST Auditor of the Company for the Financial Year 2018-19."

VOTE OF THANKS

There being no other business to transact, the meeting was concluded with the Vote of thanks to the Chair at 02:00 P.M.

Date:

Place: Bhavnagar



**CHAIRMAN
AUDIT COMMITTEE**