

**BOARD OF DIRECTORS**

Mr. Dalbir Chhibbar, Chairman & Managing Director  
Mr. Yudhbir Chhibbar, Director  
Mr. Puranmal Agarwal, Director  
Mr. Suresh Kumar Agarwal, Director  
Mrs. Sushma Chhibbar, Director  
Mr. Vishesh Chhibbar, Director  
Mr. Pravin Kumar Chhabra, Independent Director  
Mr. Lalit Kishore Choudhury, Independent Director  
Mr. Tapas Datta, Independent Director

**STATUTORY AUDITORS**

M/s. M. R. Singhwi & Company, Chartered Accountants  
34/A, Metcalfe Street, 3rd Floor, Kolkata - 700 013.

**BANKERS**

CITIBANK, N.A., Kolkata, HDFC Bank Ltd., Kolkata  
State Bank of India, Jamshedpur and Nalgonda (A.P.)  
Corporation Bank, Raigarh, Chhattisgarh.

**COMPANY SECRETARY &  
COMPLIANCE OFFICER**

Miss Shweta Mishra  
(Email:ashirwadsteels@gmail.com)

**AUDIT COMMITTEE  
MEMBERS**

Mr. Tapas Datta, Independent Director (Chair Person)  
Mr. Pravin Kumar Chhabra, Independent Director  
Mr. Lalit Kishore Choudhury, Independent Director

**NOMINATION & REMUNERATION  
COMMITTEE MEMBERS**

Mr. Tapas Datta, Independent Director (Chair Person)  
Mr. Pravin Kumar Chhabra, Independent Director,  
Mr. Lalit Kishore Choudhury, Independent Director

**STAKEHOLDERS RELATIONSHIP  
COMMITTEE**

Mr. Lalit Kishore Choudhury, (Chairman)  
E-mail:lkchoudhury@gmail.com  
Mr. Vishesh Chhibbar (Director)  
Miss. Shweta Mishra (Company Secretary)  
E-mail : ashirwadsteels@gmail.com

**REGISTERED & HEAD OFFICE**

6, Waterloo Street, 5th Floor, Suite No.506,  
Kolkata - 700 069, West Bengal  
Phone: 091-033-22430372; Telefax : 091-033-22430376  
E-mail: ashirwadsteels@gmail.com, Website: www.ashirwadsteels.com

**COMPANY'S CORPORATE  
IDENTIFICATION NUMBER (CIN)**

L51909WB1986PLCO40201

**WORKS**

**SPONGE IRON PLANTS :**

1. Plot Nos. A1,A3,A5,A7, Phase-V,  
Adityapur Industrial Area, Ghamaria  
Jamshedpur-832108, Jharkhand,
2. Vill. & P.O. Veliminedu, Mandal-Chityal,  
Dist. Nalgonda, Pin-508114, Telengana.

**HYDROCARBON GAS BOTTLING PLANTS :**

1. Uluberia Industrial Growth Centre,  
Uluberia, Howrah, West Bengal, Pin-711315.
2. Village: Kisnapur, Near Urdana Check Post  
Raigarh- 496001, Chhattisgarh.

**REGISTRARS & TRANSFER AGENTS:**

Niche Technologies Pvt. Ltd.  
D-511, Bagree Market, 5th Floor,  
71, B.R.B.B. Road, Kolkata-700 001  
Ph.No. 91-033-2235 7270-71 Telefax: 91-033-2215 6823  
E-mail: nichetechpl@nichetechpl

**ASHIRWAD STEELS & INDUSTRIES LTD.**

6, Waterloo Street, 5th Floor, Suite No.506, Kolkata - 700 069, West Bengal  
CIN : L51909WB1986PLCO40201

**NOTICE**

Notice is hereby given that the 32nd Annual General Meeting of the Company will be held at the Registered Office of the Company at 6, Waterloo Street, 5th Floor, Suite No.506, Kolkata-700 069 on Monday, the 24th September, 2018, at 11.00 A.M. for the following purposes :-

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Directors' Report and the Audited financial statements of the company for the financial year ended 31.03.2018 along with Auditor's Report thereon and accordingly to consider adoption of the following Resolution as an Ordinary Resolution:

"Resolved that the audited financial statements of the company for the year ended 31st March, 2018, including Balance Sheet as at 31st March 2018, the Profit & Loss Account and Cash Flow Statement for the financial year ended 31st March, 2018 together with the Reports of the Directors and the Auditors of the Company thereon, be and the same are hereby approved and adopted."

2. To appoint Director in place of Mr. Vishesh Chhibbar (DIN:03553892), who retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment and accordingly to consider adoption of the following resolution, as an Ordinary Resolution:-

"Resolved that Mr. Vishesh Chhibbar (DIN: 03553892) who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a director of the company."

3. To appoint Director in place of Mr. Puranmal Agarwal (DIN:00587723) who retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment and accordingly to consider adoption of the following resolution, as an Ordinary Resolution:-

"Resolved that Mr. Puranmal Agarwal (DIN: 00587723) who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a director of the company."

4. To appoint Statutory Auditors and to fix their remuneration.

And accordingly to pass the following resolution as an ordinary resolution :-

"RESOLVED THAT M/s. M.R.Singhwi & Company, Chartered Accountants ( Bearing firm Registration No 31212E) be and are hereby appointed as Statutory Auditors of the Company, for financial year 2018-19 to hold office from the conclusion of 32nd Annual General Meeting and until the conclusion of the 33rd AGM of the Company and that for the financial year 2018-19 their remuneration shall be Rs.75,000/- plus reimbursement of out of pocket expenses, if any."

Place: Kolkata  
Dated: 29th May, 2018  
Regd. Office: 6, Waterloo Street,  
5th floor, Suite No.506,  
Kolkata- 700 069.

**By Order of the Board  
Ashirwad Steels & Industries Ltd.**

**Shweta Mishra  
Company Secretary  
(Membership No.A47396)**

**NOTES :** (Forming part of Notice convening the said 32nd Annual General Meeting)

1. A member entitled to attend and vote at the meeting, is entitled to appoint a proxy/proxies to attend and vote, instead of himself/herself and such proxy need not be a member of the Company. The instrument of proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. A proxy so appointed shall not have any right to speak at the meeting. The member can act as a proxy on behalf of members not exceeding (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. However, a member holding more than 10% of the share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other persons or shareholders. The appointment of proxy shall be in the form No.MGT.11 pursuant to Section 105(6) and Rule 19(3) of the Company's (Management and Administrative) Rules 2014.

2. The Register of Members of the Company and Share Transfer Books shall remain closed from Tuesday, 18th September, 2018 to Monday, the 24th September, 2018 (both days inclusive) for the purpose of ascertaining the eligibility of members to cast votes on the resolutions and to attend the Annual General Meeting.
3. Shareholders/Proxies are requested to produce at the entrance of AGM venue the attached admission slip in Form No. MGT. 11 duly completed and signed, for admission to the meeting place.
4. Members/Proxies are requested to bring their copy of the Attendance Slip to the Annual General Meeting.
5. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts, Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/RTA namely M/s. Niche Technologies Pvt. Ltd., Kolkata. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
6. Members are requested to send in their queries at least ten days in advance to the Company at the Registered Office of the Company to facilitate clarifications during the meeting.
7. Since the securities of the Company are compulsorily tradable in electronic form, to ensure better investor service and elimination of risk of holding securities in physical form, it is requested that the members holding shares in physical form to get their shares dematerialized at the earliest.
8. The notice of the 32nd Annual General Meeting(AGM) along with the attendance slip and proxy form along with a copy of the Annual report is being sent by electronic mode to all members whose email address is registered with the company/ Depository participant(s) (DP)/RTA unless a member requests for a hard copy of the same. For members who have not registered their email address; physical copies of the aforesaid documents and reports are being sent by the permitted mode.
9. Members may also note that the Notice of 32nd Annual General Meeting (AGM) and annual report for the financial year ended 31st March, 2018 will be available at company's website, [www.ashirwadsteels.com](http://www.ashirwadsteels.com)
10. **VOTING THROUGH ELECTRONIC MEANS:**
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system ("remote e-voting") from a place other than venue of the AGM will be provided by Central Depository Services (India) Limited (CDSL).
  - II. The facility for voting through ballot papers on Ordinary Resolutions shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper/process. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again at AGM.
  - III. The process and manner for remote e-voting are as under:
    - (i) The remote e-voting period commences on Friday, the 21st September, 2018 at 09:00 A.M. and ends on Sunday, the 23rd September, 2018 at 5:00 p.m. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the voting eligibility cut-off date of 17.09.2018, may cast their vote by remote e- voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
    - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
    - (iii) Click on "Shareholders" tab.
    - (iv) Now Enter your User ID
      - a. For CDSL: 16 digits beneficiary ID
      - b. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
    - (v) Next enter the Image Verification as displayed and Click on Login.

- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

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**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 8 digits of the sequence number in the PAN field.
- In case the sequence 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. e.g. if your name is Ramesh Kumar with sequence number 1 then enter RA0000001 in the PAN field.

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**DOB** Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format

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**Bank Account Number** Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.

- Please Enter the DOB or Bank Account Number in order to Login.
- If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).

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- (viii) After entering these details appropriately click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach 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.
- (x) For Members holding shares in physical form, the details can be used only for e voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. ASHIRWAD STEELS & INDUSTRIES LIMITED on which you choose to vote.
- (xii) 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 you assent to the Resolution and Option NO implies you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution, which you have decided to vote on; then click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "O.K." else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click hereto print" option on the Voting Page.
- (xvii) If Demat account holder has forgotten the existing password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app :- "CDSL m-voting" available for android based mobiles. The m-voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and Windows Phone Store respectively, the new facility shall be available on or after Friday, the 21st September, 2018. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Institutional Shareholders & Custodians:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://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 e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The compliance users would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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 Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 22 5533.
11. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [ca.aksaraf@yahoo.co.in](mailto:ca.aksaraf@yahoo.co.in) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before Sunday, the 23rd September, 2018 by 5 P.M without which the vote may not be treated as valid. Those Body Corporates/Custodians shareholders/members who have submitted this Board Resolution in the previous year(s) are not required to resubmit the same unless there is change in authorized signatory(ies).
  12. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the voting eligibility cut-off date of 17.09.2018. A person who is not a member as on cut-off date should treat this notice for information purpose only.
  13. The notice of Annual General Meeting and Annual report will be sent to those members whose names appear in the register of members / depositories as at closing hours of business on 20th July, 2018 being the cut-off date for this purpose.
  14. The shareholders shall have one vote per equity share held by them as on the voting eligibility cut-off date of 17.09.2018. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
  15. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the voting eligibility cut-off date of 17.09.2018 for this purpose and not casting their vote electronically, may only cast their vote at the Annual General Meeting through Ballot Paper/Process.
  16. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose E-mail address is registered with RTA/ Company and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
  17. Investors who become members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the voting eligibility cut-off date i.e. 17.09.2018 are requested to send the written / email communication to the Company at [ashirwadsteels@gmail.com](mailto:ashirwadsteels@gmail.com) by mentioning their Folio No. / DPID and Client ID to obtain the Login-ID and Password for e-voting. The Management/RTA will do their best to accommodate and execute such requests so that the Shareholder can participate in the e-voting which commences on Friday, the 21st September, 2018 and ends on Sunday, the 23rd September, 2018. Mr. Arvind Saraf, (Chartered Accountant having Certificate of Practice Number 056138; E-Mail : [ca.aksaraf@yahoo.co.in](mailto:ca.aksaraf@yahoo.co.in)) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and also Postal Ballots and voting/polling at the AGM in a fair and transparent manner. The Scrutinizer will submit his consolidated Report after the conclusion of AGM of the total votes cast in favour or against the resolutions, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting on the day of AGM or the next day of the AGM after it is concluded or within the such time as specified under the Companies Act, 2013 after taking into account the physicals votes cast by the members through Ballot Papers/Process attending the AGM and casting votes on ordinary resolutions as set out in this Notice during the AGM period.
  18. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.ashirwadsteels.com](http://www.ashirwadsteels.com). The result will also be communicated to the listed stock exchanges viz. BSE Ltd within 48 hours of the conclusion of the AGM or such time as it is permitted under the law.

**ASHIRWAD STEELS & INDUSTRIES LTD.**

19. Annexure to Item No. 2 & 3 forming part of notice calling with 32nd AGM.

A brief resume of the Directors retiring by rotation and seeking re-appointment at the forthcoming Annual General Meeting are as under :-

<b>Name of the Director</b>	<b>Mr. Vishesh Chhibbar</b>	<b>Mr. Puranmal Agarwal</b>
Date of Birth	31.03.1990	06.08.1951
Nationality	Indian	Indian
Date of last Appointment on board by members in AGM	29.08.2016	29.08.2016
Qualification	B. Com (Hons)	B. Com
Experience/Expertise in financial areas	Over six years of experience in handling Finance, Accounts, Company Law matters and general Administration	Over 45 years of experience in running various businesses and industries with exposure to Finance, Planning, Execution of Projects, Overall Management.
Shareholding in the Company (No. of Equity Shares held)	50100	4,750
List of Directorship held in other companies	Doyang Wood Products Ltd. MKC Engineers Pvt. Ltd. Chhibbar Business & Fiscals Pvt. Ltd. Meghdoot Vyapaar Pvt. Ltd. Punarvasu Vyapaar Pvt. Ltd. (All unlisted Companies)	MSP Ferro And Power Ltd. MSP Cement Ltd. MSP Energy Ltd. MSP Power Ltd. MSP Cokes Pvt.Ltd. Prateek Mines & Minerals Pvt.Ltd. Sanee Capital And Leasing Pvt. Ltd. MSP Steels Ltd. MSP Metallics Ltd. Viconic Merchants Pvt.Ltd. Raj Securities Ltd. Rama Alloys Pvt. Ltd. Adhunik Gases Ltd. Ilex Pvt. Ltd. (All unlisted Companies)
Relationship with other Directors	Mr. Vishesh Chhibbar is the son of Mr. Dalbir Chhibbar, the Managing Director of the Company and Mrs. Sushma Chhibbar a non-executive Director of the Company. He is also nephew of another Director – namely Mr. Yudhbir Chhibbar.	Mr. Puranmal Agarwal is the elder brother of Mr. Suresh Kumar Agarwal, the Director of the Company. Except this he is not related to any other Directors.

20. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 12.00 p.m. to 3.00 p.m. on any working day before the date of Annual General Meeting.

Place: Kolkata  
Dated: 29th May, 2018  
Regd. Office: 6, Waterloo Street,  
5th floor, Suite No.506,  
Kolkata- 700 069.

**By Order of the Board**  
**Ashirwad Steels & Industries Ltd.**

**Shweta Mishra**  
**Company Secretary**  
**(Membership No.A47396)**

## BOARD OF DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors present their 32nd Annual Report on the business and operations of the Company and its Audited Statements of Accounts together with Auditors' Report for the financial year ended 31st March, 2018.

	Current year (31.03.2018)	Previous year (31.03.2017)
	Rupees in Lakhs	Rupees in Lakhs
<b>1. SUMMARY OF FINANCIAL RESULTS AND PERFORMANCE OF THE COMPANY:</b>		
Income from Operations (Including other Income)	2482.97	406.18
Profit before and also after exceptional and Extra-ordinary items and taxes	38.61	81.82
Less: Tax Expenses for the year	21.58	20.26
Add: Deferred Income Tax (Assets)	34.77	14.40
<b>Net Profit for the year after tax</b>	<b>51.79</b>	<b>75.96</b>
Add: Other Comprehensive income	-4.80	-5.75
Total Comprehensive income (including net Post Tax Profit for the year)	46.99	70.21

### 2. DIVIDEND:

Your Directors do not recommend any dividend for the year under review.

### 3. RESERVES

No amount has been transferred to the reserve by the Board during the year under review.

### 4. THE COMPANY'S WORKING/STATE OF AFFAIRS DURING THE FINANCIAL YEAR UNDER REVIEW

The Company's overall working during the Financial Year under review has not been satisfactory. Due to unremunerative and financially unviable operations caused by high/unaffordable prices of iron ore/pellets together with expensive logistics cost for transporting the same from Bellary/Hospet based iron ore mines and pellet plants (Karnataka) to Company's Sponge Iron Plant at Dist. Nalgonda; the management had no option but to keep the said Sponge-Iron plant inoperative for the entire year. The said unit is lying inoperative for the past few years and difficult for it to become economically viable unless the prices of iron ore/pellets fall through competition amongst the suppliers without corresponding fall in the selling prices of Sponge Iron on a sustainable basis. The said plant has been incurring losses since its shut-down as the Company has to bear and pay for its fixed overheads and expenses and hence your board feels and considers that it will be prudent to sell /dispose off the same to any prospective buyer to cut down the continuing losses though it is difficult to get a buyer considering the overall prevailing economic conditions particularly as substantial number of medium sized industrial units of delinquent borrowers having been put on sale by lending banks with a weak response. However, if conditions become favourable; the management will strive to restart the manufacturing operations at this plant.

The Company's Raigarh, chhatisgarh, based gas bottling plant also remained inoperative due to uneconomic operations, limited market and as the same cannot compete with the highly resourceful Government owned oil companies. This plant has also been lying inoperative for several years and incurring losses due to fixed overheads and other expenses and your board considers it prudent to sell/dispose off the same as there is little scope of its turning viable or to give it on lease/rent to any willing party.

In the case of LPG Bottling Plant at Uluberia, Howrah, given on lease; the Lessee has conveyed unwillingness in continuing with the existing lease arrangement. However, the said lessee has shown interest in outright purchase of company's said plant and is in contact with the management and your board will take a decision in the matter upon receipt of any formal and binding offer/proposal from the said lessee.

Your Board's prudent opinion and advisory as above with respect to the said units of the company; can fructify only upon identifying/finding prospective serious/genuine buyers for them under the current difficult economic atmosphere

and receiving definite, formal and binding offers/proposals for the said units and subject to receipt of consent and approval from you as required under the applicable provisions of the companies act,2013 and other laws/regulations, if any. It is pertinent to mention here that the board had taken your approval/consent to sell /dispose off the said units through a special resolution passed and adopted by you through postal ballot process during August 2016 but in absence of any serious and definite formal proposals from any intending buyer(s) ; your board could not do anything in this respect. Your board is considering taking fresh consent and approval from you in this respect through postal ballot procedure.

However, the Company's Sponge Iron Plant at Jamshedpur commenced commercial production from middle of April, 2017 and barring for few interruptions it continued to operate till the year end. The said plant has also been shut down temporarily from April, 2018 onwards to carry out major augmentation of Pollution Control Equipments at a substantial capital cost. The said Sponge Iron Plant is expected to commence production after the end of rainy season of the calendar year 2018.

The Company's income from operations (net of excise, VAT and GST) for the year ended 31.03.2018 stood at Rs.2304.54 lacs (previous year Rs.185.13 lacs). The Company has also earned other income of Rs.178.42 lacs (previous year Rs.215.30 lacs). The Company's Sponge-Iron Plant at Jamshedpur produced a total of 13477 MT of Sponge Iron (previous year nil). After taking into account of the incomes and related expenses including Income Tax; the Company earned a net profit of Rs.51.79 lacs (previous year Rs.75.96 lacs). The other comprehensive income/(loss) pursuant to adoption of new Indian Accounting Standards (IND AS) w.e.f. 1.4.2017 amounted to Rs. (4.80) lacs and consequently the total comprehensive income including profit after tax stood at Rs.46.99 lacs. Your directors are continuing their best efforts to improve the overall working and financial performance of the Company.

**5. CHANGE IN NATURE OF BUSINESS OF THE COMPANY:**

None during the year

**6. MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR 31.03.2018 TILL THE DATE OF THIS BOARD REPORT:**

The Company's Sponge Iron Plant at Jamshedpur has been temporarily shut down from April, 2018 onwards for augmentation of Pollution Control Equipments as stated in Para 4 above. Barring this; there are no other material changes.

**7. SIGNIFICANT MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS AGAINST THE COMPANY:**

None.

**8. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO COMPANY'S FINANCIAL STATEMENTS:**

In the opinion of the Board, the Company has adequate Financial Controls in place with respect to Company's Financial Statements and Operations. Kindly refer to Annexure 'B' of the Statutory Auditors report dated 29th May, 2018.

**9. DETAILS OF NAMES OF COMPANIES WHICH HAVE BECOME OR CEASE TO BE THE COMPANY'S SUBSIDIARY COMPANIES/ JOINT VENTURE/ ASSOCIATE COMPANIES DURING THE YEAR UNDER REVIEW AND THEIR FINANCIAL PERFORMANCE:**

The Company neither has nor had in the past any subsidiary, associate or joint venture Company.

**10. FIXED DEPOSIT :**

The Company has not accepted any deposits during the year from the Public under section 73 or 74 (Chapter V) of the Companies Act, 2013 nor did it receive the same in any of the previous years and hence there are no overdue/ outstanding Deposits or any interest payable thereon and therefore the prescribed details under the Companies Act, 2013 are not required to be furnished.

**11. STATUTORY AUDITORS :**

The Board of Directors recommend re-appointment of M/s. M.R. Singhwi & Company (bearing firm Registration no. 312121E) as the statutory auditors of the company for the financial year 2018-19 beginning from the conclusion of 32nd AGM and upto the conclusion of 33rd AGM. The declaration to the effect that their appointment, if made, would be within the prescribed limits and they are eligible for appointment as such and do not suffer from any disqualifications as specified in section 141 of the Companies Act, 2013 and the relevant rules made thereunder has been received from them and accordingly the members are requested to consider adoption of the respective ordinary resolution as set out in the notice convening the next 32nd AGM.

**12. AUDITOR'S REPORT :**

The observations made in the Auditor's Report are self-explanatory and do not call for any further comments u/s 134(3) (f) of the Companies Act, 2013. The Auditors have not made any materially significant qualifications in their Report.

**13. EXTRACT OF THE ANNUAL RETURN OF FINANCIAL YEAR ENDED 31.03.2018:**

The same is annexed with this Report in the prescribed FORM NO. MGT-9.

**14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, EXPORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGOINGS.**

The information's required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014, are as under:-

**(A) CONSERVATION OF ENERGY :**

The Power requirement at Company's Gas Bottling Plant is negligible as only bottling of gases is being done. For Sponge Iron Plants, the Capacitor Panels of adequate size and number have been installed and are maintained to save and economise on power consumption. The Company has not made any fresh investments on this account nor was there any need to take any fresh initiatives on this account.

**(B) TECHNOLOGY ABSORPTION :**

The Company is using in-house technology and expertise for its Hydrocarbon Gas Bottling Plants. The technology to manufacture Sponge Iron was provided by an outside agency long ago. The said technology is fully indigenous, is now well established, and has been fully absorbed by the Company. The Company has not so far made use of any imported technology for its products/plants. The Company has not made nor felt necessary to absorb any fresh technology and the Company has not incurred any expenditure on Research and Development.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO :**

Earnings: Nil (Previous Year : Nil)

Outgo : Nil (Previous Year : Nil)

**D) Annual Evaluation:**

Pursuant to the provisions of the Sec 134 (3) (p) of the Companies Act, 2013 and clause 2 (f) (9) of chapter II of SEBI (Listing Obligations and disclosure requirements) regulations, 2015 ( hereinafter in this board report called and referred to as "SEBI LODR REGULATIONS "); your Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees as per a suitably conceived manner. During the year under review, the Independent Directors met on 28th March, 2018 inter alia, to discuss the Performance evaluation of Non Independent Directors and Board of Directors as a whole and of the Chairman & Managing Director and Evaluation of the quality of flow of information between the Management and Board for effective performance by the Board and were satisfied overall. The Board has carried out the performance evaluation of all Independent Directors of the Company and is satisfied with their performance.

**15. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:**

As per criteria prescribed under section 135 of the Companies Act, 2013; the CSR is not applicable to the Company in respect of the financial year 2016-17 covered under this Report. The Company will, however, formulate and implement CSR Policy as and when it gets applicable to the Company.

**16. DIRECTORS :****A) Changes in Directors and Key Managerial Personnel:**

Mr. Suresh Kumar Agarwal and Mrs. Sushma Chhibbar were re-appointed as Directors of the Company by the members in the last Annual General Meeting held on 18th September, 2017. Mr. Vishesh Chhibbar and Mr. Puranmal Agarwal, the Directors, retire by rotation and are eligible for re-appointment in the ensuing 32nd AGM. The brief resume about the Directors seeking re-appointment is enclosed with the notice of AGM. Mr. Nikhil Deora, Company Secretary had resigned during the year due to personal reasons. Miss Shweta Mishra has been appointed as the new Company Secretary by the Board with effect from 29.05.2018, being the date of this Board Report.

**B) Declaration by an Independent Director(s) and Re-appointment, if Any:**

Declaration given by Independent Directors meeting the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 has been received and taken on record. The Independent Directors are serving the Company for the past few years and over the period they have been well familiarized with every functional, operational and

financial aspects of the Company. During the year no new Independent Director was appointed and no existing Independent Director had resigned.

**17. BOARD MEETINGS HELD DURING THE YEAR :**

During the year the Board of Director's Meetings were held on four occasions e.g. on 19.05.2017, 09.08.2017, 24.10.2017 and 02.02.2018. The Independent Directors held their separate annual meeting on 28.03.2018.

**18. AUDIT COMMITTEE, NOMINATION & REMUNERATION COMMITTEE, STAKEHOLDERS RELATIONSHIP COMMITTEE & VIGIL MECHANISM :**

As stated in the Corporate Governance Report annexed hereto.

**19. LOANS, GUARANTEES AND INVESTMENTS:**

Refer Note:11 in the Financial Statements of Accounts.

**20. PARTY TRANSACTIONS AS REQUIRED UNDER SECTION 188(1) COMPANIES ACT, 2013:**

The company has paid office rent of Rs.1.5 lacs to a related party as rent and has also paid Rs.8.4 lacs as remuneration to the Managing Director. There are no other related party transactions. Please refer to Form AOC-2 annexed with this Board Report and forms part of it.

**21. MANAGERIAL/DIRECTOR'S REMUNERATION:**

The particulars of the same are as mentioned in the Corporate Governance Report annexed to this Board Report.

**22. STATEMENT OF COMPLIANCE WITH NEW SECRETARIAL STANDARDS AS NOTIFIED AND EFFECTIVE FROM 01.10.2017.**

The Company has adopted and complied with the new secretarial standards for general meetings (SS-2) and with regard to meetings of the Board of Directors (SS-1) w.e.f. 01.10.2017 as issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 (10) of the Companies Act, 2013.

**23. SECRETARIAL AUDIT REPORT:**

A Secretarial Audit Report given by J. Patnaik & Associates, a Company Secretary in Practice, is annexed hereto in the prescribed Form No. MR-3 of Companies Act, 2013 and forms part of this Board Report.

**24. CORPORATE GOVERNANCE :**

The Company files quarterly Corporate Governance Report with BSE Ltd. as required under SEBI LODR REGULATION-24. Corporate Governance Report along with the Certificate of the Secretarial Auditors confirming compliance of conditions of Corporate Governance as required under the relevant Regulations of SEBI LODR Regulations - 2015 is annexed to and forms part of this Board Report.

**25. RISK MANAGEMENT POLICY:**

The Company's biggest risk is with regard to procurement of critical raw materials namely Iron-Ore and Coal at reasonable/affordable rates but it has virtually no control on the same as several of the Iron-Ore Mines in the Country still remain closed and no significant new commercial iron ore and/or coal mines have come up in the last several years and Coal has to be sourced mainly from Government-Owned Companies who decide and fix the prices arbitrarily. The other risks are the wide fluctuations in the selling price of Sponge-Iron which again depend on Demand and Supply and your Company being a nominal player has no control or influence on the same. The Company has, however, laid down procedures to inform the Board of Directors about Risk Assessments and it's minimization procedures. The Board has also framed and implemented the Risk Management Plan for the Company to the extent it was possible, feasible and practical. The formation of Risk Management Committee is not applicable to the Company as the requirement is applicable to only top 100 listed entities on BSE Ltd. as per Regulation 21 of SEBI LODR REGULATIONS, 2015.

**26. DISCLOSURES ABOUT REMUNERATION TO DIRECTORS VIS-À-VIS EMPLOYEES AND OTHER PARTICULARS AS REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT 2013 READ WITH RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

A. During the year a remuneration of Rs 8,40,000/- was paid to Managing Director and sitting fees of Rs 33,000/- was paid to the Independent Directors for attending the Board Meetings and none of the other directors received any remuneration and therefore, the computation of ratio of remuneration of each Director to the median remuneration of the employees of the Company are not furnished.

The remuneration paid and/or payable to the Key Managerial Personnel's are very reasonable and is commensurate with their performances. The remuneration paid to the employees is as per the remuneration policy of the Company, which is dynamic in nature and changes as per the financial performance of the Company and of an individual employee including their work experience, competency, job profile, skill and seniority.

- B. No employee of the Company during the financial year was in receipt of remuneration aggregating to Rs.60 lacs or more if employed for the whole year and Rs.5 lacs per month if employed for a part of the financial year. No employee of the Company is holding 2% or more of the Equity Shares of the Company. The number of permanent employees as at year end were twenty and the ratio of remuneration paid to Managing Director to median remuneration of the employees was 4.32 :1.

**27. DISCLOSURE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The Board of Directors and/or the Management of the Company has not received any complaint on this account from any of the employees of the Company or from any other person.

**28. DIRECTORS' RESPONSIBILITY STATEMENT:**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, states:-

- (i) That in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the year under review.
- (iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March, 2018 on a going concern basis.
- (v) That the Directors had laid down internal financial controls, which are to be followed by the Company, and that such internal financial controls are adequate and were operating effectively.
- (vi) That the Directors had devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

**29. ADOPTION OF NEW ACCOUNTING STANDARDS – IND-AS :**

The Company has adopted the new accounting standards being called as IND-AS w.e.f. 01.04.2017 (with transition period being 01.04.2016) in compliance with the requirement of Section 133 of the Companies Act, 2013 and Companies (Indian accounting Standards) Rules 2015 vide notification dated 16.02.2015 and accordingly the current year's financial figures and audit thereof are as per requirements of new IND-AS to the extent the same were applicable to the Company's financial transactions and found practical to adopt with use of optional exemptions. The comparatives of the previous financial year 2016-17 and as on 01.04.2016 have also been furnished.

**30. ACKNOWLEDGEMENT:**

Your Directors would like to convey their sincere appreciation for the assistance and co-operation received from all Stakeholders during the year under review. Your Directors also wish to place on record their appreciation for the contribution of the employees at all levels.

**For and on behalf of the Board  
Ashirwad Steels & Industries Limited**

**Dalbir Chhibbar  
Chairman & Managing Director  
(DIN : 00550703)**

**Place: Kolkata  
Dated: 29th May, 2018**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Part of Board/Annual Report)

As per SEBI disclosure regulation 34(3) and schedule V (clause-B)

(For the Financial Year ended 31st March, 2018)

### (a) Industry Structure and Developments:

The principal product of the Company is manufacturing of Sponge Iron at its Plants located at Jamshedpur and at District Nalgonda, Telengana. Sponge Iron is used by secondary steel melting shops (induction furnaces) for making steel billets/ingots which in turn are used by the re-rollers for making long products (TMT BARS) used in the house building and in the infra-structure development. The selling prices of Sponge Iron are market driven and the Company has no control over it. The principal components of cost of Sponge Iron are coal, iron ore and freight and the Company has virtually no control on their availability and cost. The sponge iron industry in the country has been suffering for last several years and many plants are still lying closed or operating at lower capacity. However beginning from January,2017; the overall conditions started improving and as a result the company had commenced commercial production at its sponge iron plant at Jamshedpur.

### (b) Opportunities and Threats :

The consumption of Sponge Iron is mainly linked with the consumption of TMT Bars used in house building and infra-structure sectors and both these sectors had witnessed slowdown during the past several years and which trend has now started reversing with the increased thrust by the central government mainly on affordable housing and subsidized construction of toilets on mass scale and which is resulting in increased domestic consumption of TMT bars and consequential uptick in demand for sponge iron.

The availability of iron ore and coal in adequate quantity and at affordable prices are the major threats to the Sponge Iron Industry. The government needs to put in to place a suitable mechanism to ensure availability of iron ore and coal to the sponge iron industry in adequate quantity and at affordable rates by stopping/restricting the high profit taking attitude and mentality of the iron ore and coal miners which include government owned coal India limited. The government also needs to reopen the closed iron ore mines and opening of new mines on war footing to safeguard the steel/sponge iron industry and to accelerate higher steel production in the country.

### (c) Segment-wise Product-wise performance:

Your Company has only two segments namely Sponge Iron and gas taking into account the nature of the product, uses and production system. However, your Company mainly operates under the "Iron & Steel" Segment (the gas bottling plant at Raigarh being closed) and hence segment-wise result has not been given.

### (d) Outlook :

In view of what has been stated in foregoing paragraphs; your Management perceives that the outlook of the Sponge iron Industry in the current financial year may remain positive subject to the Central Government continue taking effective and positive steps to increase expenditure on low cost house building and infrastructures to boost the demand for TMT bars which in turn can boost the Sponge Iron selling prices to reasonable and remunerative levels.

### (e) Risks & Concerns :

Risk is inherent in every business activity and Sponge Iron Industry is no exception. The steel industry displays strong commodity characteristics and is subject to cyclical price movements in business cycles. The Company is exposed to risks from overall market fluctuations, cheaper import of steel, changes in government policy, laws of the land, taxation, man-made disaster, political risks and increase in cost of inputs like Iron ore, coal, power, diesel, freight, etc. which affect the financial performance of the Company.

### (f) Internal Control System and its Adequacy :

The Company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and applicable statutes are duly complied with. The Company has constituted an Audit Committee to monitor

the adequacy and efficacy of internal control systems.

The adequacy of these compliances and their effectiveness is subject to statutory audit and the same has been adequately reported by the Auditors in their report as required under the relevant provisions of the Companies Act, 2013. The Company also has an Internal Audit System.

**(g) Discussions on financial performance with reference to operational Performance:**

During the year, the Company's income from operations/sales turnover including lease rent and excise but excluding GST stood at Rs.2304.54 lacs as compared to Rs.190.88 lacs in the previous year. The operating profit before interest, depreciation and taxation stood at Rs.111.92 lacs compared to Rs.147.08 lacs in the previous year. The Company has earned a post-tax net profit of Rs.51.79 lacs as compared to a net profit of Rs. 75.96 lacs in the previous year. During the year the Company produced 13477 MT of Sponge-Iron. Your Directors are continuing their efforts for improving the operational and financial performance of your Company.

**(h) Material Developments in HRD and industrial Relations Front:**

Your Directors recognize the value of employees as valuable assets. Developing, motivating, rewarding and retaining talented employees at all levels is a priority and a key responsibility and policy of your Company's management. The total no. of people employed by the company were twenty as on year end.

**i) Cautionary Statements:**

Statements in this management discussion and analysis report describing the Company's objectives, projections, estimates and expectations may be termed as forward looking statements within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied. The readers of this report are, therefore, advised to read the same with this caution.

**For and on behalf of the Board  
Ashirwad Steels & Industries Limited**

**Dalbir Chhibbar  
Chairman & Managing Director  
(DIN : 00550703)**

**Place: Kolkata  
Dated: 29th May, 2018**

**REPORT ON CORPORATE GOVERNANCE (Part of Board Report)**

As per SEBI disclosure regulations 34(3) and 53 and as per Schedule V- Clause – C to F of the said regulations  
(For the Financial year ended 31st March, 2018)

The Report on compliance of the conditions of corporate governance in accordance with the aforesaid Regulations of SEBI by your Company is given below:

**1. Company's Philosophy and Code of Governance**

We believe that good Corporate Governance is a key driver of sustainable corporate growth and long term value creation of our stakeholders. Corporate Governance involves being responsive to aspirations of our stakeholders besides ensuring compliance with regulatory requirements. The company has always the spirit of various legislations as guiding principles and proposes to go well beyond statutory compliance by establishing such systems and procedures as are required to make the management completely transparent and institutionally sound. We are committed to conduct the business upholding the core values like transparency, integrity, honesty, accountability and compliance of all the statues. We recognize that this is a conscious and continuous process across the organization, which enables the company to adopt best practices as we incorporate improvements based on the past experience.

**2. Board of Directors:****(a) Composition:**

As at 31st March, 2018 the Board of Directors consisted of a Chairman & Managing Director, four non-executive Directors, one non-executive woman Director and three non-executive independent Directors.

**(b) Category, their Directorship and Committee Membership in other Companies as on 31.03.2018:**

The Board of your Company is comprised of the following Directors:

Name of Directors	Category	Member of Board of other Companies	Member of Committees of Other companies	No. of equity shares held in Ashirwad Steels & Industries Ltd.
Dalbir Chhibbar	Chairman & Managing Dir.	7	-	108725
Puranmal Agarwal	Non executive Director	14	-	3250
Suresh Kr. Agarwal	Non executive Director	14	-	2500
Yudhbir Chhibbar	Non Executive Director	1	-	3000
Sushma Chhibbar	Non executive Director	7	-	53000
Vishesh Chhibbar	Non executive Director	6	-	50100
Pravin Kumar Chhabra	Non executive Independent Director	Nil	-	400
Lalit Kishore Choudhury	Non executive Independent Director	5	-	Nil
Tapas Datta	Non Executive Independent Director	1	-	Nil

Note : No convertible instruments are held by any of the Directors including non-executive Directors.

**(c) Relationship of Directors with one another:**

Dalbir Chhibbar and Yudhbir Chhibbar are brothers. Sushma Chhibbar is the wife of Dalbir Chhibbar and Vishesh Chhibbar is the son of Dalbir and Sushma Chhibbar. Puranmal Agarwal and Suresh Kr. Agarwal are brothers. Independent directors have no relationship with one another or with other Directors.

**(d) Board Meetings held during the year :**

During the year the Board of Director's Meetings were held on four occasions, 19.05.2017, 09.08.2017, 24.10.2017 and 02.02.2018.

**(e) Meeting of the Independent Directors and their evaluation of Board**

The Independent Directors met on 28th March, 2018 and without the presence of non-Independent Directors of the Company. The Independent Directors inter alia evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the CMD, Members of the Board and

discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

**(f) Attendance of Directors at the Board Meetings held during the Financial Year 2017-2018 and at the last Annual General Meeting (AGM)**

Name of Directors		No. of Board Meetings Held	No. of meetings attended	Date of meeting(s) not attended	Attended last AGM on 18.09.2017
1.	Puranmal Agarwal	4	3	19.05.2017	Yes
2.	Dalbir Chhibbar	4	4	None	Yes
3.	Yudhbir Chhibbar	4	3	09.08.2017	Yes
4.	Suresh Kr. Agarwal	4	4	None	Yes
5.	Vishesh Chhibbar	4	4	None	Yes
6.	Sushma Chhibbar	4	3	09.08.2017	Yes
7.	Pravin Kumar Chhabra	4	4	None	Yes
8.	Lalit Kishore Choudhury	4	3	24.10.2017	Yes
9.	Tapas Datta	4	4	None	Yes

**(g) Information about Directors seeking re-appointment:-** It is mentioned in the Main part of the Board's Report under Para- 16.

**(h) Change in Directors and Key Managerial Personnels:**

This has been covered in the Main part of the Board's Report under Para- 16.

**3. Code of Conduct:**

**(A)** The Company has laid down a Code of Conduct as specified under Regulation 17(5) of the SEBI LODR REGULATIONS-2015 for all its Board Members including Independent Directors and Senior Management Personnel for avoidance of conflicts of interest. The code of conduct has suitably incorporated the duties of Independent Directors as laid down in the Companies Act, 2013. The declarations with regard to compliance of Code of Conduct have been received for the year 2018 from all Board Members and Senior Management Personnel.

The Board periodically reviews all compliance reports as are prepared and applicable to the company and also ensures rectification of non-compliances, if any. The minimum and necessary informations as required under SEBI LODR Regulation 17(7)[Part A of Schedule II] was placed before the Board of Directors. The members of Board and the Senior Managerial Personnel of the company have affirmed compliance with this code of conduct within prescribed days from the close of Financial Year ended March, 2018. There were no material, financial and commercial transactions, in which Board Members and Senior Management Personnel had personal interest, which could lead to potential conflict of interest with the Company during the year except related party transactions as disclosed in this Board Report.

**(B) CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT**

(Pursuant to Regulation – 17(5) and Regulation 34(3) read with Claus-D of schedule – V of SEBI LODR Regulations - 2015)

A declaration signed by the Chairman & Managing Director (CMD) on behalf of the Board of Directors is given below:-

“I, Dalbir Chhibbar, the CMD, as provided under the SEBI (LODR) Regulations, 2015, declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the company for the year ended 31st March, 2018 and the copy of such code of conduct is available on the website of the company at [www.ashirwadsteels.com](http://www.ashirwadsteels.com)”

Kolkata

Dated: 18.05.2018

**Dalbir Chhibbar**

*Chairman & Managing Director*

**(DIN: 00550703)**

**(C) CMD AND CFO CERTIFICATION**

The CMD and the CFO of the Company have given the necessary Compliance certificate dated 10.05.2018 as required under Regulation 17(8)[under Part B of Schedule II] of the SEBI LODR regulations which is reproduced as under-

**SUB: COMPLIANCE CERTIFICATE (FOR THE FINANCIAL YEAR 2017-2018)  
(PURSUANT TO 17(8) AND PART B OF SCHEDULE II OF THE SEBI LODR REGULATIONS – 2015)**

To,  
The Board of Directors  
Ashirwad Steels & Industries Ltd.  
6, Waterloo Street,  
Kolkata 700069.

Dear Sirs,

I, Dalbir Chhibbar, the Managing Director of the company, and Mr. Sangala Venugopal, the CFO of the Company submit hereunder the compliance certificate as above for your information, perusal and for doing the needful.

- A. We have reviewed financial statements and the cash flow statement of Ashirwad Steels & Industries Ltd. for the financial year ended 31.03.2018 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing applicable accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Ashirwad Steels & Industries Ltd. during the year that are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting of the company and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee:-
- (1) Significant changes, if any, in the internal control over financial reporting during the year;
  - (2) Significant changes in accounting policies during the year pursuant to adoption of new Indian Accounting standards (being IND-AS) w.e.f. 01.04.2017 and that the same have been disclosed in the board report and in the notes to the financial statements; and
  - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control over financial reporting.

Thanking you.

**Kolkata**  
**Dated: 18.05.2018**

**Dalbir Chhibbar**  
*Chairman & Managing Director*  
**(DIN: 00550703)**

**Sangala Venu Gopal**  
*Chief Financial Officer*

**(D) Secretarial Auditor's Certificate on Corporate Governance**

(Pursuant to SEBI Regulation 34(3) and Clause – D of schedule – V of SEBI LODR Regulations -2015)

To  
The Members  
Ashirwad Steels & Industries Ltd  
Kolkata – 700 069

We have examined the compliance of the conditions of Corporate Governance by Ashirwad Steels & Industries Ltd for the year ended March 31, 2018 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Governance. It is neither an audit nor an expression of an opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations. We further state that during the Financial Year 2017-18; the company did not receive any complaint from the investors and that as per records maintained by the company and presented to the Stakeholders Relationship Committee; no complaints from any investor was pending as on 31st March, 2018.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with the Management has conducted the affairs of the company.

For **J.Patnaik & Associates**

*Company Secretaries*

**J. Patnaik**

C.P. No. 3102

FCS : 5045

**Place: Kolkata**

**Dated: 10.05.2018**

#### **4. AUDIT COMMITTEE**

In terms of Section 177 of the Companies Act, 2013 and SEBI LODR Regulation – 18; the company has formed an Audit Committee with members as under:

- |                                |                                    |
|--------------------------------|------------------------------------|
| 1. Mr. Tapas Datta             | Independent Director (Chairperson) |
| 2. Mr. Pravin Kumar Chhabra    | Independent Director               |
| 3. Mr. Lalit Kishore Choudhury | Independent Director               |

The Audit Committee at its discretion invite the CFO, the Internal Auditors and representative of the Statutory Auditor at the meetings as and when required.

##### **Brief Description of Terms of Reference:**

The terms of reference of the Audit Committee are as contained under the SEBI LODR REGULATION- 18, SCHEDULE-V (Part-C) and Schedule-II (Part-C) and as stipulated under Section 177 of the Companies Act, 2013.

The Audit Committee met 4 times during the year on 19.05.2017, 09.08.2017, 24.10.2017 and 02.02.2018 in compliance of the terms of duties, functions and authorities as specified in the Companies Act, 2013 and as per terms of their appointment. The Company Secretary acted as the Secretary to the aforesaid Audit committee till he resigned. All members of the Audit Committee have attended every meeting of the Audit Committee except Shri Lalit Kishore Choudhury who did not attend the meeting held on 24.10.2017.

##### **The Audit Committee has the following terms of reference and powers:**

- To investigate any activity within its terms of reference,
- To seek information from any employee,
- To obtain outside legal or other professional advice,
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

##### **Role of the Audit Committee includes following:**

- Oversight of the company's financial reporting process and the disclosure of its financial informations to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of statutory auditor and the fixation of audit fee and also approval for payment for any other services,
- Reviewing with Management, the annual financial statements before submission to the Board for approval.
- Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
- Reviewing with the Management, the performance and Report of that statutory and internal Auditors and adequacy of internal control systems.
- Discussion with statutory Auditors before the audit commences, about the nature and scope of audit as well as to have a post-audit discussion to ascertain any area of concern.
- To investigate any activity within its terms of reference, seek any information from any employee of the Company, to obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise if it is considered necessary.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee including scrutiny of Inter Corporate Loans and investments and dealings in Derivatives of Listed equity Shares under future and options segment of National Stock Exchange and Bombay Stock Exchange.
- The Audit Committee also reviews the following informations:
  - Management discussion and analysis on financial condition and results of operations;
  - Statement of significant related party transactions;
  - Management letters / letters of internal control weaknesses issued by the Internal and statutory Auditors, if any; and
  - The appointment, removal and terms of remuneration of the Statutory and Internal Auditors.

The Board has not disagreed with any major/material recommendations of the Audit Committee.

**5. NOMINATION & REMUNERATION COMMITTEE:**

In terms of Section 178 of the Companies Act, 2013 and SEBI LODR regulations no. 19 and Schedule V (Part-C) and Schedule II (Part-D) ; the Board has constituted the "Nomination & Remuneration Committee" with following members:

1. Mr. Tapas Datta Independent Director (Chairperson)
2. Mr. Pravin Kumar Chhabra Independent Director
3. Mr. Lalit Kishore Choudhury Independent Director

which formulates criteria for determining the qualification, experience, background, exposure, positive attributes and independence for the appointment and/or removal of Directors, Key Managerial Personnel and Senior Managerial Persons ascertaining their reasonable remuneration commensurate with their qualification, job requirements meeting the appropriate performance benchmark to run the company successfully utilizing the existing resources to its optimum and evaluates their performance from time to time and report their suggestion to the Board.

The Nomination & Remuneration Committee met twice during the year on 19.05.2017 and on 02.02.2018 and all three members of the Committee attended both the meetings.

**6. STAKEHOLDERS RELATIONSHIP (GREIVANCE) COMMITTEE:**

In terms of Section 178(5) of the Companies Act, 2013, and SEBI disclosure regulation no. 20 and Schedule V (Part-C) and Schedule II ( Part D ); the Board has constituted Stakeholders Relationship Committee by appointing Mr. Lalit Kishore Choudhury, an independent Director of the Company, as its Chairman and Mr. Vishesh Chhibbar, a non-executive director of the Company as it's other member who also acted as the Compliance Officer till 29.05.2018. Effective from 29.05.2018 Shweta Mishra, the Company Secretary, has been nominated as an additional member of this committee and effective from that date she shall also act as the Compliance Officer of the Company. Both shall consider and resolve the grievances of shareholders of the Company as and when the same are received by the company from shareholders and maintain proper records for the same and present the same to the Board and attend the Annual General Meetings of the Company. Mr. Lalit Kishore Choudhury can be reached and communicated through his E-mail ID lkchoudhury@gmail.com and Shweta Mishra can be reached at the E-mail ID : ashirwadsteels@gmail.com. This Committee performs the role as specified in the aforesaid SEBI (LODR) regulation no -20 and read with Clause B of Part D of schedule II and also Clause – 6 of Schedule V.

The Details of shareholder complaints/ grievances during the year were as under :-

1. No. of Complains Received – NIL
2. No. of complains Solved - NIL
3. No. of complains pending as on close of financial year - NIL

**7. THE VIGIL MECHANISM & WHISTLE BLOWER POLICY:**

The Board has formed a Vigil Mechanism and Whistle Blower Policy Committee with Mr. Pravin Kumar Chhabra, the Independent Director acting as a Chairman and Mr. Lalit Kishore Choudhury as its other member and this Committee has been entrusted with the job of taking care and implementation of the Vigil Mechanism and Whistle Blower Policy of the Company. The Vigil Mechanism provides for adequate safeguards against victimization of Directors or employees or any other person who avail this mechanism and provides direct access to the Chairman of the Audit Committee under appropriate cases. The Company believes in the conduct of its affairs in a fair and transparent manner to foster professionalism, honesty, integrity and ethical behavior in all its business activities.

**8. REMUNERATION OF DIRECTORS**

- (a) Remuneration is paid to the Managing Director as per package approved by the Board and the members in the Annual General Meeting.

The Managing Director's remuneration package is briefly as under Subject to his wish to take all in full or in part or to forego the same.

- (i) Salary Rs.100,000/- per month
- (ii) House Rent Allowance or free furnished accommodation
- (iii) Medical and Hospital expense for self and family
- (iv) Leave travel allowance, Club Fees, Provident Fund, Gratuity, Gas, Water, Telephone at home, Two Motor Cars with Driver, etc.

NOTE: The Managing Director's package is within the prescribed limits of relevant provisions of Companies Act, 2013.

- (b) Details of remuneration paid to the Directors for the year ended 31st March, 2018 are as under:-
- Remuneration paid to Managing Director for the financial year 2017-18 was Rs.8,40,000/-.
  - Sitting fees paid to independent directors of the company aggregating to Rs 33,000/- for the full year.
  - No remuneration has been paid to any of the non-executive Directors.

**9. Shareholders/Investors Grievances and Redressal:**

- The Company has appointed M/s Niche Technologies Pvt. Ltd., a SEBI registered Registrar as its Share Transfer Agent for both physical as well as electronic modes. The shares of the Company are traded on Bombay Stock Exchange (BSE Ltd.) and as the complaints from the Shareholders are negligible; the stakeholders committee also oversee the shareholders complaints/ grievances.
- Mr. Vishesh Chhibbar, non-executive Director acted as the Compliance Officer of the Company till 29.05.2018. With effect from 29.05.2018 Shweta Mishra the newly appointed Company Secretary in the Board Meeting held on that day has been appointed as the new Compliance Office in place of Mr. Vishesh Chhibbar.
- No complaints from shareholders were pending as on 31.03.2018.

**10. Details of General Body Meetings as specified under SEBI disclosure regulation 34(3) read with Schedule V – Para – 7 :**

- (a) Location, date and time, where last three AGMs held :

AGM	Financial Year	Date	Time	Place of AGM
29th	2014-2015	21.09.15	10.30 AM	6, Waterloo Street, 5th floor, Suite No.506, Kolkata- 700 069. (Registered Office)
30th	2015-2016	29.08.16	10.30AM	6, Waterloo Street, 5th floor, Suite No.506, Kolkata-700069. (Registered Office)
31st	2016-2017	18.09.17	11.00AM	6, Waterloo Street, 5th floor, Suite No.506, Kolkata-700069. (Registered Office)

- Special Resolutions regarding appointment of Managing Director, Authority to Board directors to sell/dispose off, Demerge etc. Company's Hydrocarbon Gas Bottling Plants and Sponge Iron Plants, Borrowing Powers to Board upto Rs. 150 Crores, Powers to the Board to make loans and investments upto Rs. 50 Crores as per provisions of section 186 of the company's Act, 2013, adoption of New Articles of Association have been passed in the last four Annual General Meetings.
- No Special resolution through Ballot or E- Voting was passed in the last AGM held on 18.09.2017.

**11. Means of communication**

(Pursuant to Regulation 34 (3) read with Clause-8 of Schedule V of SEBI LODR Regulations – 2015) :

- The quarterly results of the Company are communicated to the Stock Exchange (BSE Ltd.) on time and are also uploaded on Companies Website and are regularly published in the following newspapers:
  - Financial Express / Business Standard (English)
  - Kalantar (Bengali)
- The Company's Website is [www.ashirwadsteels.com](http://www.ashirwadsteels.com) .

**12. General Shareholders' information**

(As per regulation 34(3) and 53 read with clause 9 to 13 of Part-C of Schedule- V)

- (a) **AGM : Date, time and venue :**

The forthcoming 32nd Annual General Meeting of your Company will be held on Monday, the 24th September, 2018, at its Registered Office at 6, Waterloo Street, 5th floor, Suite No.506, Kolkata-700 069 at 11:00 a.m. The Notice for holding the said Annual General Meeting along with Annual Report etc. along with notice of AGM shall be posted/emailed to members. Members are requested to use the option of e-voting on proposed resolutions through facilities provided by Central Depository of Securities Ltd.(CDSL) with procedure as detailed in the Notice

convening the Annual General Meeting. Those who do not use E-Voting facility can cast their Votes through Ballot Papers at the time and Venue of AGM.

- (b) Financial Year of the Company:- 1st April to 31st March each year.
- (c) No dividend has been declared by the board for the financial year 2017-2018.
- (d) The Company's shares are listed on the Bombay Stock Exchange (BSE Ltd.) and the Annual Listing fees for the Financial year ended March 2108 has been paid.
- (e) The Stock Code of the company is 526847. The International Security Identification Number (ISIN) of the Company's Equity Shares is INE 338C01012. The Company's Corporate Identification Number (CIN) is L51909WB1986PLC040201 allotted by R.O.C., West Bengal.
- (f) **Market Price Data & performance of share price compared to BSE sensdex:**

The monthly High and Low Equity Share prices of the Company as traded at The Bombay Stock Exchange (BSE Ltd.) from 1st April, 2017 to 31st March, 2018 are given below :

Month	High Price Per share ( Rs.)	Low Price Per share (Rs.)
April, 2017	15.02	10.23
May, 2017	16.00	13.64
June, 2017	14.75	9.85
July, 2017	14.81	10.30
August, 2017	13.40	10.85
September, 2017	13.40	10.64
October, 2017	13.82	11.00
November, 2017	20.71	14.50
December, 2017	18.20	12.35
January, 2018	20.94	12.60
February, 2018	17.90	15.50
March, 2018	15.20	11.35

- (g) The performance of Company's market share price with comparison to BSE Sensex on year to year basis :  
The Company's market price has gone up by 8.61% from market price of Rs.10.45 per share as on 31.3.2017 to Rs.11.35 per share as on 31.3.2018; whereas BSE sensdex has gone up by 11.30% (Sensex being 29620 on 1.4.2017 and 32968 on 31.3.2018).
- (h) The securities of the Company have never been suspended from trading by the Stock Exchange.
- (i) **Registrar and Share Transfer Agents**

The details of the Registrar and Share Transfer Agent (RTA) of the Company are as follows:

M/s. Niche Technologies Private Limited  
D-511, Bagree Market, 71, B.R.B.B.Road, Kolkata-700 001 (West Bengal)  
Phone No. (033) 2235 7270/71 Fax: (033) 2215 6823  
E-mail nichetechpl@nichetechpl

Accordingly, all communications on matters relating to share transfer, non-receipt of share certificate, etc. be sent to Niche Technologies Private Limited. Correspondence on these matters may also be sent to the Company at it's Registered Office at 6, Waterloo Street, 5th floor, Suite No.506, Kolkata-700 069.

- (j) **Share Transfer System :**

After the request for transfer/transmission of shares is approved by the authorised officials of the Company, the same is sent to the Registrar and Share Transfer Agents for completing the necessary procedural formalities and despatch to the shareholders. Transfer of shares, if found to be in order in all respects, are normally effected within a period of 15 days from the date of receipt of shares. The transfer of shares is registered and effected on 7th, 14th, 21st and 28th of each month of the year and for the month of February the same could be 28th or 29th whichever is applicable.

(k) **Distribution of Shareholding as at 31st March, 2018**

Category of share holder	No. of Equity Shares held	% of Shares held
<b>(A) Promoter's Holding</b>	7379461	59.04
<b>(B) Non Promoter's Holding</b>		
Institutional Investors	8700	0.07
Private Corporate Bodies	3050284	24.40
Indian Public	1909544	15.27
NRIs/OCBs	148689	1.19
Others	3322	0.03
<b>Total</b>	<b>12500000</b>	<b>100</b>

Note: Promoters have not pledged any of their shares with any Agency/Bank and/or Financial Institutions.

**Distribution of Shareholding as on 31st March, 2018:-**

Share Class/No. of Shares	No. of Shareholders	% of total Shareholder	No. Total Shares	% of total Share Capital Amount
1 - 500	2800	87.9673	3,59,793	2.8783
501 - 1000	133	4.1784	1,07,711	0.8617
1001 – 5000	153	4.8068	3,40,906	2.7272
5001 – 10000	23	0.7226	1,80,772	1.4462
10001 – 50000	44	1.3823	12,44,660	9.9573
50001 – 100000	10	0.3142	6,61,373	5.2190
100000 and above	20	0.6283	96,04,785	76.8383
<b>TOTAL</b>	<b>3145</b>	<b>100%</b>	<b>1,25,00,000</b>	<b>100%</b>

(l) **Dematerialisation of shares and liquidity:**

The Company had signed tripartite agreements with NSDL, CDSL, Registrar, and Share Transfer Agents in November, 2000. Dematerialization facility is available for shareholders. Out of the total number of shares; 11240962 number of shares (89.93%) have been dematerialized as on 31.03.2018.

(m) The Company has not till date issued any GDRs/ADRs/warrants or any convertible Instruments pending for conversion and thus none was outstanding as on 31.03.2018.

(n) Commodity price risk or Foreign Exchange Risk and hedging activities : NIL

(o) **Plant Locations:**

**Sponge Iron Plants**

- 1) Plot No.A1, A3, A5, A7, Phase-V, Adityapur Industrial Area, Ghamaria, Jamshedpur- 832 108, (Jharkhand).
- 2) Peetam Palli Approach Road, Vill. & P.O. Veliminedu, Mandal- Chityal, Dist. Nalgonda, Telengana – 508 114.

**Hydrocarbon/LPG Gas Bottling Plants**

- 1) Uluberia Industrial Growth Centre, Uluberia, Howrah, West Bengal, Pin – 711 315 (Leased out)
- 2) Village: Kisnapur, Near Urdana Check Post, Raigarh-496001 (Chhattisgarh).

**(p) Address for correspondence:**

The Shareholders may address their communications, suggestions, grievances and queries to:

1. Shweta Mishra (Company Secretary-cum-Compliance Officer)
2. Mr. Lalit Kishore Choudhury (Chairman of Stakeholders Relationship Committee)  
C/o. Ashirwad Steels & Industries Limited  
6, Waterloo Street, 5th floor, Suite No.506,  
Kolkata-700 069, West Bengal.  
Phone No. 91-033-22430372  
Telefax : 91-033-22430376  
E-mail :ashirwadsteels@gmail.com/lkchoudhury@gmail.com  
Website : www.ashirwadsteels.com

**13. OTHER DISCLOSURES AND STATEMENTS (Pursuant to Schedule – V of SEBI's LODR Regulations 2015, to the extent applicable) and other matters**

- (a) Related Party Transactions – The Company has paid Rs.1,50,000/- as office rent to a Related Party & has also paid Rs. 8.40 Lacs as remuneration to Dalbir Chhibbar, the Managing Director.
- (b) There are no non-compliance by the Company in respect of matters related to Capital Market during the last three years.
- (c) The company has established a Vigil Mechanism and Whistle Blower policy and it affirms that no person was denied access to the Audit Committee.
- (d) The Company has not yet adopted discretionary requirements as specified in SEBI (LODR) Regulation 34(3) read with Part – E of Schedule II.
- (e) The Practicing Company Secretary Mr. Jitendra Patnaik has given a certificate regarding compliance of conditions of corporate governance and the same is annexed to this Board report and forms part of the Board Report.
- (f) The Managing Director of the Company has given a declaration and certificate that Members of board of Directors and Senior Management employees have affirmed compliance with the prescribed Code of conduct for them.
- (g) The extract of the Annual Return pursuant to Section 92(3) of the Companies Act 2013 read with Rule – 12 of the Cos.(Management & Administration) Rules 2014 in the prescribed Form : MGT 9 is annexed to and forms part of this Board Report. The Annual Return of the previous financial year ended 31.03.2017 in the prescribed form MGT – 7 was duly certified by M/s. J. Patnaik & Associates, Company Secretaries, in the prescribed Form : MGT – 8 on 03.10.2017.
- (h) Half-yearly declaration of results of financial performances including summary of the significant events are not sent to the shareholders of the Company as quarterly results are regularly published in newspapers.
- (i) To the best of knowledge of your Board; there are no shares lying in the demat suspense account or unclaimed suspense account
- (j) The Company maintains a Website under the name www.ashirwadsteels.com
- (k) The Company does not have any stock options scheme at present for employees or any other directors. The Company has also put in place a framework to avoid insider trading and abusive self-dealing and for equitable treatment of all shareholders. The Company has a policy, as approved by the Board, for preservation of documents specifying therein documents which shall be preserved permanently and other documents which shall be preserved for not less than 8 years with option to preserve in electronic mode.
- (l) This Board/Annual Report has been prepared and presented in accordance with applicable provisions, rules and requirements of Companies Act 2013, Companies (Accounts) Rules 2014, Companies (Indian Accounting Standards) Rules 2015 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

**For and on behalf of the Board**

Place: Kolkata

Dated: 29.05.2018.

Regd. Office: 6, Waterloo Street,  
Room No. 506, 5th floor,  
Kolkata – 700 069

**Dalbir Chhibbar**  
**Chairman & Managing Director**  
**(DIN :00550703)**

## **INDEPENDENT AUDITOR'S REPORT**

To

**The Members of**

**Ashirwad Steels & Industries Limited**

### **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of Ashirwad Steels & Industries Limited ("the Company"), which comprises of the Balance Sheet as at 31st March, 2018, and the statement of Profit and Loss (including other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statements").

### **Management's Responsibility for the Standalone 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 (hereinafter referred to as the "ACT") with respect to the preparation of these standalone IND AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive Income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone 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 standalone Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our informations and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view

in the conformity with the accounting principles generally accepted in India, including the Ind AS of the financial position of the Company as at 31st, March, 2018 and its financial performance including other comprehensive Income, it's cash flows and the changes in equity for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of the changes in equity dealt with by the Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder;
  - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 B"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 31(1)(B), 31(1)(C) and 31(2) of the standalone Ind AS financial statements;
    - (ii) The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There has been no delay in transferring amounts, required to be transferred and if any, to the Investor Education and Protection Fund by the Company.

**FOR M. R. SINGHWI & CO**

**Chartered Accountants**

Firm Registration No: 312121E

**CA M.R. Singhwi**

**Partner**

Membership No: 050650

Place: Kolkata,

Date: 29th May 2018

**Annexure 'A'**

To the Independent Auditors' Report of even date on the Standalone IND AS Financial Statement of ASHIRWAD STEELS & INDUSTRIES LIMITED.

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

We report that:

- 1) In respect of its Property, Plant and Equipments:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipments.
  - b) The company has physically verified all the major Property, Plant and Equipments as per a phased program of verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies reported on such verification were not material and have been properly dealt with in the books of accounts.
  - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title deeds of all the immovable properties other than self constructed immovable Properties (Building and Factory Sheds etc.) are held in the name of Ashirwad Steels & Industries Ltd.
- 2) As per the information furnished to us the management has conducted physical verification of inventory at reasonable intervals during the year wherever possible and required, and the discrepancies noticed have been properly dealt with in the books of accounts.
- 3) The requirement of clause (iii) a, (iii)b and (iii)c of the order are not applicable since no loans have been given during the year to companies, firms, limited liability partnerships or other parties covered under Section 189 of the Companies Act, 2013.
- 4) In respect of loans given and long term investments made in shares (quoted and un-quoted) of companies; the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. No loan has been given to any director of the company.
- 5) In our opinion and according to the informations and explanations given to us; the Company has not accepted any deposit from public within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder and hence no reporting on this account is required.
- 6) Since the net worth of the Company is less than Rupees one hundred and fifty crores and the turnover in respect of sponge iron is less than Rupees thirty five crores, the requirement of maintenance of cost records is not necessary as per relevant provisions of the companies Act 2013.
- 7) (a) The company is generally regular in depositing undisputed statutory dues including Staff Provident Fund, Employees' State Insurance, Income Tax, VAT, CST, Service Tax, Excise Duty, Cess, Goods and service tax, duty of customs and other material statutory dues as applicable to it.  
 (b) According to the informations and explanations given to us the following taxes were not deposited as the same are disputed and under adjudication of Hon'ble High Court at Hyderabad

<b>Particulars</b>	<b>Disputed/ demanded Amount (Rs.)</b>	<b>Forum where dispute is pending in appeal As on 31.03.2018</b>
i) CENVAT on Capital Goods (Net of payment)	12,14,662	The Central Excise and Service Tax Appellate Tribunal, Bangalore (CESTAT) decided this matter in favour of the company, but the Excise Department has preferred an appeal with the Hon'ble High Court of Hyderabad and the matter is subjudice.

- (c) In our opinion there is no amount required to be transferred to Investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules framed thereunder.

- 8) According to the informations and explanations given to us and the records examined by us, the Company has not defaulted in repayment of dues to banks, any financial institutions, government or dues to debenture holders . The company has not accepted any fund on account of issue of debentures.
- 9) During the year no amount was raised by way of initial public offer or further public offer (including debt instruments) and term loans.
- 10) According to the informations and explanations given to us no fraud on or by the Company or by its officers or employees has been noticed or reported during the year.
- 11) The managerial remuneration paid during the year to the Managing Director of the company is in accordance with the requisite approval mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013 and applicable rules.
- 12) The company is not a Nidhi Company and therefore clause (xii) of the order is not applicable to the company.
- 13) There were some transactions with the related parties during the year which are in compliance with sections 177 and 188 of the Companies Act, 2013 and disclosure of the same has been made in the financial statements etc as required by the applicable accounting standards.
- 14) During the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence no reporting on this account is required.
- 15) During the year company has not entered into any non-cash transaction with directors or person connected with them.
- 16) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**FOR M. R. SINGHWI & CO**  
**Chartered Accountants**  
Firm Registration No: 312121E

**CA M.R. Singhwi**  
Partner  
Membership No: 050650

Place: Kolkata,  
Date: 29th May, 2018

## **“Annexure B”**

### **To the Independent Auditor’s Report of even date on the Financial Statements of Ashirwad Steels & Industries Limited**

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

We have audited the internal financial controls over financial reporting of Ashirwad Steels & Industries Limited as of March 31, 2018 in conjunction with our audit of the 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”. 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.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**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 March 31, 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 M. R. SINGHWI & CO**

*Chartered Accountants*

Firm Registration No: 312121E

**CA M.R. Singhwi**

Partner

Membership No: 050650

Place: Kolkata,

Date: 29th May, 2018

**ASHIRWAD STEELS & INDUSTRIES LIMITED**

Balance Sheet as at 31st March, 2018

(Rupees in Lacs)

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>I. ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment	4	<b>739.96</b>	823.72	876.52
(b) Financial assets				
(i) Investments	5	<b>886.90</b>	781.22	308.33
(ii) Other financial assets	6	<b>2,042.71</b>	2,123.36	1,996.81
(c) Other non-current assets	7	<b>261.82</b>	226.30	255.21
<b>Total Non-current assets</b>		<b>3,931.38</b>	3,954.60	3,436.87
<b>(2) Current assets</b>				
(a) Inventories	8	<b>546.42</b>	225.67	312.76
(b) Financial assets				
(i) Trade and other receivables	9	<b>184.72</b>	-	-
(ii) Cash and cash equivalents	10	<b>346.92</b>	428.30	27.00
(iii) Loans	11	<b>425.00</b>	475.00	1,400.00
(iv) Other financial assets	12	<b>73.72</b>	25.91	106.50
(c) Other current assets	13	<b>51.50</b>	266.77	17.14
<b>Total Current Assets</b>		<b>1,628.29</b>	1,421.65	1,863.41
<b>Total Assets(1+2)</b>		<b>5,559.67</b>	5,376.25	5,300.28
<b>II. EQUITY AND LIABILITES</b>				
<b>(1) Equity</b>				
(a) Share Capital	14	<b>1,250.00</b>	1,250.00	1,250.00
(b) Other Equity	15	<b>4,018.14</b>	3,971.15	3,883.28
<b>Total Equity</b>		<b>5,268.14</b>	5,221.15	5,133.28
<b>(2) Non-current liabilities</b>				
(a) Financial liabilities				
(i) Other financial liabilities	16	<b>6.35</b>	5.00	-
(b) Provisions	17	-	-	16.96
(c) Deferred Tax liabilities ( net)	18	<b>87.12</b>	123.95	140.91
<b>Total Non-current liabilities</b>		<b>93.47</b>	128.95	157.86
(3) Current liabilities				
(a) Other current liabilities	19	<b>184.66</b>	13.92	7.87
(b) Current tax liabilities (Net)	20	<b>13.39</b>	12.23	1.27
<b>Total Current liabilities</b>		<b>198.05</b>	26.16	9.14
<b>Total Equity and Liabilities(1+2+3)</b>		<b>5,559.67</b>	5,376.25	5,300.28
<b>Corporate Informations</b>	1			
<b>Significant accounting policies and estimates</b>	2 & 3			
<b>Other disclosures</b>	31			
<b>(The accompanying notes 1 to 31 are an integral part of the Individual financial statements)</b>				

As per our report of even date attached For and on behalf of the Board of Directors

For **M R Singhwi & CO.**  
Chartered Accountants  
Firm Registration No: 312121E

**Dalbir Chhibbar** : *Managing Director*  
DIN:00550703

**Vishesh Chhibbar** : *Director*  
DIN: 03553892

Place of Signature : Kolkata  
Date : 29.05.2018

**CA. Mahesh Raj Singhwi**  
*Partner*  
Membership No- 050650

**S. Venu Gopal** : *Chief Financial Officer*

**ASHIRWAD STEELS & INDUSTRIES LIMITED**

Profit and Loss Statement for the year ended 31st March 2017

(Rupees in Lacs)

Particulars	Note No	Year ended 31st March 2018	Year ended 31st March 2017
<b>I Revenue from operations</b>	21	<b>2,304.54</b>	190.88
<b>II Other Income</b>	22	<b>178.43</b>	215.31
<b>III Total Income(I+II)</b>		<b>2,482.97</b>	406.18
<b>IV Expenses:</b>			
Cost of Materials consumed	23	<b>2,106.55</b>	111.61
Excise Duty on sale of goods	21	<b>77.83</b>	5.74
Changes in inventories of finished goods	24	<b>(116.18)</b>	-
Employee benefits expense	25	<b>53.32</b>	58.82
Finance costs	26	<b>11.15</b>	2.37
Depreciation and amortization expense	27	<b>62.16</b>	62.89
Other expenses	28	<b>249.51</b>	82.93
<b>Total Expenses (IV)</b>		<b>2,444.36</b>	324.36
<b>V Profit before exceptional items and tax (III - IV)</b>		<b>38.61</b>	81.82
<b>VI Exceptional Items</b>	-	-	-
<b>VII Profit before tax (V - VI)</b>		<b>38.61</b>	81.82
<b>VIII Tax expense :</b>	29		
(1) Current tax		<b>21.58</b>	20.26
(2) Deferred tax		<b>(34.77)</b>	(14.40)
Total tax expense		<b>(13.19)</b>	5.86
<b>IX Profit for the year (VII - VIII)</b>		<b>51.79</b>	75.96
<b>X Other Comprehensive Income / Loss</b>	30		
(A) (i) Items that will not be reclassified to profit or loss			-
(a) Fair value changes of Investments in equity shares		<b>(6.86)</b>	(8.31)
(ii) Income tax relating to items that will not be recycled to profit or loss		<b>(2.05)</b>	(2.56)
<b>Total other Comprehensive Income / Loss</b>		<b>(4.80)</b>	(5.75)
<b>XI Total Comprehensive Income for the year (IX + X)</b>		<b>46.99</b>	70.21
(Comprising of profit and other comprehensive income for the year)			
<b>XII Earnings per equity share ( Nominal value per share Rs 10 /-)</b>			
Basic and diluted (Refer Note no 31 (4))		<b>0.41</b>	0.61
<b>Number of shares used in computing earnings per share</b>			
Basic and diluted (Refer Note no 31 (4) )		<b>12,500,000</b>	12,500,000
<b>Corporate Information</b>	1		
<b>Significant accounting policies and estimates</b>	2 & 3		
<b>Other disclosures</b>	31		
<b>The accompanying notes 1 to 31 are an integral part of the Individual financial statements</b>			

As per our report of even date attached

For **M R Singhwani & CO.**  
Chartered Accountants  
Firm Registration No: 312121E

**CA. Mahesh Raj Singhwani**  
Partner

Place of Signature : Kolkata

Date : 29.05.2018

Membership No- 050650

For and on behalf of the Board of Directors

**Dalbir Chhibbar** : Managing Director  
DIN:00550703

**Vishesh Chhibbar** : Director  
DIN: 03553892

**S. Venu Gopal** : Chief Financial Officer

**ASHIRWAD STEELS & INDUSTRIES LIMITED**

Cash Flow Statement For The Year Ended 31st March, 2018

(Rupees in Lacs)

Particulars	Year ended 31st March 2018		Year ended 31st March 2017	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before exceptional items and tax		<b>38.61</b>		81.82
Adjustments to reconcile profit before exceptional items and tax to net cash flow provided by operating activities				
Depreciation and amortisation expense	<b>62.16</b>		62.89	
Finance costs	<b>11.15</b>		2.37	
Interest income	<b>(191.30)</b>		(213.77)	
Income from Dividend	<b>(0.53)</b>		(0.01)	
Income from derivatives transactions	<b>(2.40)</b>		(0.85)	
Fair value loss on financial Instruments at FVTPL	<b>1.35</b>		-	
Income from sale of Non-current Investments	<b>(6.50)</b>		(0.68)	
Income from lease rentals	<b>(1.56)</b>		(1.64)	
Loss on sale/discard of property, plant & equipment	-		0.05	
Sundry debit balances / advances written off	-		2.14	
		<b>(127.63)</b>		(149.50)
Operating profit/loss before working capital changes		<b>(89.02)</b>		(67.68)
Adjustments to reconcile operating profit to cash flow provided by changes in working capital				
Decrease/(increase) in trade and other receivables	<b>(184.72)</b>		-	
Increase/Decrease in Inventories	<b>(320.75)</b>		87.09	
Increase in Non-current & other financial liabilities	-		5.00	
Increase /Decrease in other financial Assets	<b>(47.81)</b>		80.59	
Decrease/ Increase in other current liabilities	<b>172.09</b>		6.05	
Decrease / Increase in other current assets	<b>155.77</b>		(249.63)	
		<b>(225.42)</b>		(70.90)
Cash generated from operations		<b>(314.44)</b>		(138.58)
Tax Expense		<b>(5.00)</b>		(7.50)
<b>Net cash generated from operating activities A</b>		<b>(319.44)</b>		(146.08)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Additions to property, plant & equipment	<b>(1.04)</b>		(10.13)	
Sale of property, plant & equipment	<b>22.64</b>		-	
Sale of Investments	<b>39.13</b>		305.97	
Interest received inter corporate deposits/fixed deposits	<b>152.68</b>		192.54	
Purchase of equity instruments	<b>(151.66)</b>		(786.50)	
Long term loans & advances	<b>(227.61)</b>		(427.13)	
Short term loans ( other financial assets)	<b>50.00</b>		925.00	
Income from Dividend	<b>0.53</b>		0.01	
Income from sale of Non-current Investments	<b>6.50</b>		0.68	
Income from derivatives transactions	<b>2.40</b>		0.85	
<b>Net cash used in investing activities B</b>		<b>(106.43)</b>		201.29
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest Expense	<b>(11.15)</b>		(2.37)	
<b>Net cash (used in) financing activities C</b>		<b>(11.15)</b>		(2.37)
<b>Net decrease/ Increase in cash and cash equivalents (A+B+C)</b>		<b>(437.02)</b>		52.84
<b>Opening cash and cash equivalents</b>		<b>2,049.55</b>		1,996.70
<b>Closing cash and cash equivalents for the purpose of Cash Flow Statement (Refer Note No. 10)</b>		<b>1,612.53</b>		2,049.54

**ASHIRWAD STEELS & INDUSTRIES LIMITED**  
Cash Flow Statement For The Year Ended 31st March, 2018 (Contd.)

(Rupees in Lacs)

**Notes:**

- 1) The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in the Indian Accounting Standard (Ind AS)-7 on Statement of Cash Flows
- 2) Cash and cash equivalents do not include any amount which is not available to the Company for its use
- 3) Cash and cash equivalents as at the Balance Sheet date consists of:

Particulars	As at 31st March 2018	(Rs In Lacs) As at 31st March 2017
Balances with banks		
On current accounts	56.25	417.86
Cheques on hand	276.02	-
Cash on hand	14.65	10.44
Closing cash and cash equivalents (Refer Note No 10)	346.92	428.30
Add : Fixed deposits with banks (with more than 12 months maturity)	1,265.60	1,621.25
Closing cash and cash equivalents for the purpose of cash flow statement	1,612.53	2,049.54

As per our report of even date attached

For **M R Singhwi & CO.**  
*Chartered Accountants*  
Firm Registration No: 312121E

**CA. Mahesh Raj Singhwi**  
*Partner*

Place of Signature : Kolkata

Date : 29.05.2018

Membership No- 050650

For and on behalf of the Board of Directors

**Dalbir Chhibbar** : *Managing Director*  
DIN:00550703

**Vishesh Chhibbar** : *Director*  
DIN: 03553892

**S. Venu Gopal** : *Chief Financial Officer*

## Notes forming part of the Individual Financial Statements

### Note No : 1 Corporate Informations

Corporate informations ASHIRWAD STEELS & INDUSTRIES LIMITED ( "the Company") is a public limited company incorporated and domiciled in India. The registered office of the Company is situated at 6, Waterloo Street, 5th Floor, Room No. 506, Kolkata- 700 069, West Bengal, India. The Company's shares are listed on the BSE Ltd., ( Bombay Stock Exchange). The Company is managed by the Board of Directors consisting of nine Directors including one wholetime Chairman and Managing Director and three Independent Directors. The Company's main business is to produce Sponge Iron and has two Sponge Iron Plants with one at Jamshedpur and the other one in the District of Nalgonda (Telengana). Besides the Company has two Bottling Plants with one located at Uluberia, Howrah, West Bengal (given on lease) and the second one is at Raigarh in the State of Chhattisgarh.

The financial statements for the year ended 31st March, 2018 were approved for issue by the Board of Directors of the Company in their meeting held on 29th May, 2018 and is subject to the adoption by the shareholders in the ensuing 32nd Annual General Meeting.

### Note No. : 2 Significant accounting policies

#### 2.1 Statement of Compliance with Ind AS

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1st April, 2017 with restatement of previous year figures presented in this financial statements. Accordingly, the financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The Company has adopted all the applicable Ind AS and the adoption was carried out in accordance with Ind AS-101 First time adoption of Indian Accounting Standards.

The transition was carried out from Generally Accepted Accounting Principles in India which comprised of applicable Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India (ICAI), relevant applicable provisions of the Companies Act, 1956, and the Companies Act, 2013 to the extent applicable and the applicable guidelines issued by the Securities and Exchange Board of India (SEBI) ("Previous GAAP").

These financial statements for the year ended 31st March, 2018 are the first financial statements of the Company prepared in accordance with Ind AS. The date of transition to Ind AS is 1st April, 2016. Reconciliations and descriptions of the effect of the transition have been summarized in Note No. 31

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

#### 2.2 Basis of preparation

These financial statements have been prepared in accordance with Ind AS under the historical cost basis except for the following:

- i) Certain financial assets and financial liabilities (including derivative instruments) - measured at fair value.

Historical cost is generally based on the fair value of the consideration in exchange for goods and services.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The financial statements including notes thereon are presented in Indian Rupees ("Rupees" or "Rs."), which is the Company's functional and presentation currency. All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest lacs as per the requirement of Schedule III to the Act, unless stated otherwise.

### 2.3 Revenue recognition

Revenue is recognised to the extent it is probable that economic benefits would flow to the Company and the revenue can be reliably measured, regardless of when the revenue proceeds is received from customers.

Revenue is measured at the fair value of the consideration received/receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The specific recognition criteria for revenue recognition are as follows:

**a) Sale of goods**

Sale of goods is recognised at the time of transfer of substantial risk and rewards of ownership to the buyer for a consideration. It includes excise duty and cess and excludes sales tax/VAT, GST ( Goods & Services Tax) trade discounts and rebates.

**b) Interest income**

Interest income is included in "Other Income" in the Statement of Profit and Loss.

**c) Dividend Income**

Dividend income is recognised when the Company's right to receive the dividend is established i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

**d)** All other income are accounted for on accrual basis.

### 2.4 Expenses

All expenses are accounted for on accrual basis.

### 2.5 Property, plant and equipment (PPE)

**a) Transition to Ind AS**

**The Company has elected to continue with carrying value of all Property, plant and equipment under the previous GAAP as deemed cost as at the transition date i.e. 1st April, 2016**

Under the previous GAAP, Property, plant and equipment were stated at their original cost (net of accumulated depreciation and impairment) adjusted by revaluation of certain assets.

**b) All Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.**

The cost of an asset includes the purchase cost of materials, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

During the year, in terms of Ind AS 36 Impairment of Assets, the company has determined impairment loss ( if any) in respect of its Assets wherever considered necessary.

**c) Depreciation methods, estimated useful lives and residual value**

Freehold land is not depreciated.

Lease-hold land are amortised over the lease term.

Depreciation on other items of PPE is provided on a straight-line basis to allocate their cost, net of their residual value

over the estimated useful life of the respective asset as specified in Schedule II to the Companies Act, 2013, except for Power transmission lines and Mobile phones which are depreciated over a period of five years and three years respectively.

The estimated useful lives are determined based on assessment made by technical experts, in order to reflect the actual usage of the assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

**The estimated useful lives considered are as follows:**

<b>Category</b>	<b>Useful life</b>
Buildings (other than factory building)	60 years
Factory Building	30 years
Plant & Machinery	25 years
Electrical Installation & Equipment (for double shift)	20 years
Generator Set ( for Double Shift)	20 years
Laboratory Equipment	10 years
Weighing Machines, Tools & Implements, Pollution Equipments & Fire fighting equipments	25 years
Computer & Accessories	3 years
Office Equipments including Air Conditioners	5 years
Furniture & Fixtures	10 years
Motor Cars	8 years
Motor Cycles & Scooters	10 years

There exists no restrictions or any encumbrances on title by way of any security/pledge of any property or plant & Equipment against any liability of the company.

Each item of PPE individually costing Rs. 5,000/- or less is depreciated over a period of one year from the date the said assets is available for use.

The residual value of an item of PPE is not more than 5% of the original cost of the respective asset.

The estimated useful lives, residual values and depreciation method are reviewed at-least at the end of each financial year and are adjusted, wherever appropriate.

## **2.6 Inventories**

- a) Inventories (other than By-products and scraps) are valued at lower of cost and net realisable value after providing for obsolescence, if any.

Cost of inventory comprises of purchase price, cost of conversion and other directly attributable costs that have been incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories.

The cost of inventories is computed on FIFO ( First in First Out) basis.

Net realisable value (NRV) is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

- b) By-products and scraps are valued at net realisable value ( if any)

## **2.7 Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to the transition date, i.e. 1st April, 2016, the Company has determined whether the arrangements contain lease on the basis of facts and circumstances existing on the date of transition.

**a) When the Company is a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which substantially all the risks and rewards of ownership are transferred to the Company are classified as finance leases.

Payment made under operating leases are recognized as expense in the Statement of Profit and Loss on a straight line basis over the lease term, unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

**b) When the Company is a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the escalation of lease rentals is in line with the expected general inflation so as to compensate the lessor for expected inflationary cost, the increases in the rentals is not straight lined.

The company has leased its RLHG/LPG Bottling Plant located at Ulberia, Howrah (West Bengal) along with all existing building, structures and equipment, storage bullets, pipings etc situated on the same land and the plant and equipment and other immovable assets with effect from 21-03-2000. The lease Period has been renewed for a further period upto 31-03-2020.

**2.8 Provisions, contingent liabilities and contingent assets**

- a) A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the passage of time is recognized as finance costs.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to provision is presented in the Statement of Profit and Loss, net of any reimbursement.

- b) A contingent liability is not recognised in the financial statements, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognized in the financial statements of the period (except in the extremely rare circumstances where no reliable estimate can be made).
- c) A contingent asset is not recognised in the financial statements, however, is disclosed, where an inflow of economic benefits is probable.

When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

- d) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

**2.9 Employee benefits**

**a) Short-term employee benefits**

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

**b) Defined contribution plans**

The Company pays provident and other fund contributions to publicly administered fund as per local regulations.

The Company has no further obligation, other than the contributions payable to the respective funds. The Company recognizes contribution payable to such funds as an expense, when an employee renders the related service.

**c) Defined benefit plans**

The Company doesn't operates a defined benefit gratuity plan, which requires contributions to be made to the recognised fund Company doesn't Carry out the Acturial valuation of the Defined benefit plan ( Gratuity) hence doesn't recognise in the Balance sheet in respect of Gratuity in terms of present value of the Defined benefit obligation as the Balance Sheet date less fair value of plan assets.

**2.10 Financial instruments**

Financial assets and financial liabilities are recognised in the Balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

**a) Financial assets**

**i) Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

The financial assets include equity, trade and other receivables, loans and advances, cash and bank balances and derivative financial instruments

**ii) Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- 1) At amortised cost,
- 2) At fair value through other comprehensive income (FVTOCI), and
- 3) At fair value through profit or loss (FVTPL).

**Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- 1) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and
- 2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR

**Equity investments**

All equity investments in the scope of Ind AS 109 are measured at fair value.

Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in profit or loss. The Company may make an irrevocable election to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment.

However, the Company may transfer the cumulative gain or loss within equity.

**iii) De-recognition**

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

**b) Financial liabilities****(i) Initial recognition and measurement**

All financial liabilities are recognised initially at fair value

The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, derivative financial instruments etc.

**(ii) Subsequent measurement**

For the purpose of subsequent measurement, Financial liabilities are classified in two categories:

- 1) Financial liabilities at amortised cost, and
- 2) Derivative instruments at fair value through profit or loss (FVTPL)

**c) Derivative financial instruments**

Initial recognition and subsequent measurement

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

**d) Offsetting of financial instruments**

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

**e) Fair value measurement**

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement."

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

Three widely used valuation techniques specified in the said Ind AS are the market approach, the cost approach and the income approach which have been dealt with separately in the said Ind AS.

Each of the valuation techniques stated as above proceeds on different fundamental assumptions, which have greater or lesser relevance, and at times there is no relevance of a particular methodology to a given situation. Thus, the methods to be adopted for a particular purpose must be judiciously chosen. The application of any particular method of valuation depends on the company being evaluated, the nature of industry in which it operates, the company's intrinsic strengths and the purpose for which the valuation is made.

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

**f) Share capital**

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

**2.11 Impairment of Assets**

**a) Non-financial assets**

Property, plant and equipment and intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

**b) Financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

ECL impairment loss allowance is measured at an amount equal to lifetime ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income or expense in the Statement of Profit and Loss. This amount is reflected under the head "Other expenses" in the profit or loss. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the Balance sheet. The allowance reduces the net carrying amount.

Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

**2.12 Taxes**

Income tax expense comprises current tax and deferred tax and is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in Equity or in OCI.

**a) Current income tax**

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the balance sheet date and applicable for the period.

Current tax items in correlation to the underlying transaction relating to OCI and Equity are recognized in OCI and in Equity respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously

**b) Deferred income tax**

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off deferred tax assets against deferred tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**2.13 Earnings per Share**

- a) Basic earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.
- b) Diluted earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

**2.14 Segment Reporting**

Company is into a single line of business and doesn't have any Reportable Segment, hence Reporting requirements as per Ind AS 108 is not applicable

**2.15 Cash and cash equivalents**

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management

**2.16 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated

**2.17 Recent Accounting Pronouncements**

During March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7 - Statement of cash flows.

These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7 - Statement of cash flows respectively. The amendments are applicable to the Company from 1st April, 2017

**Amendment to Ind AS 7 - Statement of cash flows**

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate

changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement

### **Note No. : 3 Use of critical estimates, judgements and assumptions**

The preparation of the financial statements requires the use of accounting estimates, which, by definition would seldom equal the actual results. Management also needs to exercise judgement and make certain assumptions in applying the Company's accounting policies and preparation of financial statements.

The use of such estimates, judgements and assumptions affect the reported amounts of revenue, expenses, assets and liabilities including the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods.

Estimates and judgements are continuously evaluated. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances

#### **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

In the process of applying the Company's accounting policies, management has made the following judgements, which have most significant effect on the amounts recognised in the financial statements

#### **i) Estimated useful life of Property, plant and equipment**

PPE represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual value of the asset are determined by the management when the asset is acquired and reviewed periodically including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their lives, such as change in technology.

#### **ii) Recognition of deferred tax assets for carried forward tax losses and unused tax credit**

Deferred tax assets are recognised for unused losses (carry forward of prior years' losses) and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

#### **iii) Estimated fair value of unlisted securities**

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets is determined using valuation techniques including Net Asset Value method, discounted cash flow (DCF) model.

The Group uses its judgement to select a variety of method/methods and make assumptions that are mainly based on market conditions existing at the end of each financial year.

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Changes in assumptions about these factors could effect the reported fair value of financial instruments.

**NOTE NO : 4 PROPERTY, PLANT AND EQUIPMENT**

(Amounts in Rupees)

Particulars	Property, Plant and Equipment										Total	
	Land (Free hold)	Land (Lease hold)	Buildings	Plant and Equipment	Office Equipment	Furniture and fixtures	Motor Vehicles					
<b>Gross block</b>												
<b>Gross carrying amount as at 1 April 2017</b>	1,328,675	5,253,804	18,731,740	186,925,330	1,548,653	348,740	6,838,567					220,975,509
Additions during the year	-	-	-	-	103,906	-	-	-	-	-	-	103,906
Disposals /Deductions during the year	-	2,263,500	-	-	-	-	-	-	-	-	-	2,263,500
<b>Gross carrying amount as at 31 March 2018</b>	1,328,675	2,990,304	18,731,740	186,925,330	1,652,559	348,740	6,838,567					218,815,915
<b>Depreciation /amortisation/ impairment</b>												
<b>Accumulated depreciation/ amortisation as at 1 April 2017</b>	-	744,319	9,459,628	121,382,132	1,467,386	311,691	5,238,847					138,604,003
Depreciation/ amortisation for the year	-	49,953	600,261	5,165,814	26,085	6,577	367,631					6,216,321
Disposals /Deductions during the year	-	-	-	-	-	-	-					-
<b>Accumulated depreciation/ amortisation as at 31st March 2018</b>	-	794,272	10,059,889	126,547,946	1,493,471	318,268	5,606,478					144,820,324
<b>Net carrying amount as at 31 March 2018</b>	1,328,675	2,196,032	8,671,851	60,377,384	159,088	30,472	1,232,089					73,995,591
<b>Net carrying amount as at 1st April 2017</b>	1,328,675	4,509,485	9,272,112	65,543,198	81,267	37,049	1,599,720					82,371,505
<b>Gross block</b>												
<b>Gross carrying amount as at 1st April 2016</b>	1,328,675	5,253,804	18,731,740	186,340,320	1,914,366	362,170	7,906,539					221,837,614
Additions during the year	-	-	-	992,358	20,895	-	-					1,013,253
Disposals /Deductions during the year	-	-	-	407,348	386,608	13,430	1,067,972					1,875,358
<b>Gross carrying amount as at 31 March 2017</b>	1,328,675	5,253,804	18,731,740	186,925,330	1,548,653	348,740	6,838,567					220,975,509
<b>Depreciation/amortisation/ impairment</b>												
<b>Accumulated depreciation/ amortisation as at 1 April 2016</b>	-	694,366	8,859,368	116,621,231	1,827,166	306,968	5,876,472					134,185,571
Depreciation/amortisation for the year	-	49,953	600,261	5,165,876	26,827	18,134	427,723					6,288,774
Disposals/Deductions during the year	-	-	-	404,975	386,608	13,411	1,065,347					1,870,341
<b>Accumulated depreciation/amortisation as at 31st March 2017</b>	-	744,319	9,459,629	121,382,132	1,467,385	311,691	5,238,848					138,604,004
<b>Net carrying amount as at 31 March 2017</b>	1,328,675	4,509,485	9,272,111	65,543,198	81,268	37,049	1,599,719					82,371,505
<b>Net carrying amount as at 1st April 2016</b>	1,328,675	4,559,438	9,872,372	69,719,089	87,200	55,202	2,030,067					87,652,043

Note : Lease Rent of Rs 18,630/- upto 31-03-2017 payable for lease hold land of plasto steel Park, Borjora (West Bengal) allotted by WBIDC and Gram Panchayat Tax of Rs 90,000/- upto 31-03-2017 on the same is accounted for in current F.Y. 2017-18 as the WBIDC has repossessed the said land as per order of Hon'ble Calcutta High Court.

**ASHIRWAD STEELS & INDUSTRIES LIMITED****Note No. : 5 Investments (Non - Current Assets)**

Particulars	Face Value	Number of Shares	As at 31st March 2018 (Rs in lacs)	Number of Shares	As at 31st March 2017 (Rs in lacs)	Number of Shares	As at 1st April 2016 (Rs in lacs)
<b>(i) Equity instruments</b>							
<b>(1) Designated at fair value through other comprehensive income Fully paid up (Quoted)</b>							
Navketan Merchants Ltd.	10	3,500	0.03	3,500	0.16	3,500	0.42
Goutam Resources Ltd.	10	20,000	8.10	20,000	1.96	20,000	8.10
Herald Commerce Ltd.	10	20,000	0.38	20,000	0.38	20,000	0.38
Electro Steel Castings Ltd.	10	50,000	1.20	100,000	4.43	100,000	3.35
Monnet Ispat Ltd.	10	100	0.02	100	0.03	100	0.02
Tata Sponge Iron Ltd.	10	10	0.09	10	0.07	10	0.05
Tata Steels Ltd.	10	100	0.57	100	0.48	100	0.32
Divis Laboratories Ltd.	2	5,000	-	5,000	31.15	-	-
IDEA Cellular Ltd.	10	2,500	1.90	5,000	4.26	-	-
Sun Pharmaceutical Industries Ltd.	1	2,000	9.90	2,000	13.74	-	-
Bank of India Ltd..	10	10,000	10.36	-	-	-	-
Oriental Bank of Commerce Ltd.	10	15,000	13.74	-	-	-	-
Punjab National Bank Ltd.	2	50,000	47.65	-	-	-	-
Union Bank of India Ltd.	10	50,000	47.00	-	-	-	-
Power Finance Corporation Ltd.	10	25,000	21.41	-	-	-	-
<b>TOTAL (A)</b>			<b>162.34</b>		<b>56.67</b>		<b>12.64</b>
<b>(2) Designated at Cost As Fair value Fully paid up (Unquoted)</b>							
Emami Cements Ltd		-	-	-	-	1875000	295.69
Chhibbar Business & Fiscal Pvt Ltd		1,850,000	352.06	1,850,000	352.06	-	-
<b>TOTAL (B)</b>			<b>352.06</b>		<b>352.06</b>		<b>295.69</b>
<b>(ii) Preference Shares ( Unquoted) Fully paid up</b>							
7.5% Non cumulative convertible Preference Shares of Mastermind Commodeal Pvt Ltd		4,000	20.00	4,000	20.00	-	-
7.5% Non cumulative convertible Preference Shares of Regal Trading (P) Ltd		33,500	167.50	33,500	167.50	-	-
7.5% Non cumulative convertible Preference Shares of Sati Mansion (P) Ltd		30,000	150.00	30,000	150.00	-	-
7.5% Non cumulative convertible Preference Shares of Vinay Holding Pvt Ltd		7,000	35.00	7,000	35.00	-	-
<b>TOTAL (C)</b>			<b>372.50</b>		<b>372.50</b>		<b>-</b>
<b>TOTAL (D) ( A+B+C)</b>			<b>886.90</b>		<b>781.22</b>		<b>308.33</b>
Aggregate amount of Quoted Investments			162.34		56.67		12.64
Aggregate investment carried at cost as fair value			724.56		724.56		295.69
Aggregate investment designated at fair value through other comprehensive income			162.34		56.67		12.64

**ASHIRWAD STEELS & INDUSTRIES LIMITED**

(Rs In Lacs)

**Note No. : 6 Other financial assets****Non-current (Unsecured, considered good)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Carried at cost</b>			
Security deposits (note a)	777.11	502.11	27.11
<b>Fixed deposits with banks</b>			
Bank deposits with more than 12 months maturity ( see note (b) & ©)	1,265.60	1,621.25	1,969.70
	<b>2,042.71</b>	2,123.36	1,996.81

**Note (a)**

Security deposits are payable on demand hence carried at cost without discounting

**Note (b)**

Balances with banks includes Fixed deposits under lien for Bank Guarantees of Rs 46.00 lacs issued to Central Coalfields Ltd ( Rs 46.00 lacs as on 31-03-2017 and Rs 46.00 lacs as on 1st April 2016)

**Note ©**

Balances with banks in deposits accounts include deposits under lien of Rs 1250.00 lacs

(Rs.880.00 lacs on 31.03.2018, Rs 1250.00 lacs on 31-03-2017 & Rs 1250.00 lacs on 1st April 2016)

**Note No. : 7 Other Non - Current Assets****Non-current (Unsecured, considered good)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Capital Advances</b>			
Advance against land	49.50	-	-
Advance for capital goods	10.00	-	-
<b>Other deposits &amp; advances</b>			
Security deposits with Govt. Departments	22.79	26.82	44.33
Advance to suppliers	114.30	114.30	114.30
Income tax deducted at source	30.17	58.54	67.80
Income tax refundable	35.06	26.64	28.79
	<b>261.82</b>	<b>226.30</b>	<b>255.21</b>

**Note No. : 8 Inventories (Valued at lower of cost and net realisable value, unless stated otherwise)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Raw materials	406.50	206.39	293.48
Stores & spares	18.10	19.28	19.28
Finished goods : Sponge Iron	116.18	-	-
Goods in transit:			
Coal	3.92	-	-
Others			
Fuel (Diesel oil)	1.73	-	-
	<b>546.42</b>	225.67	312.76

**ASHIRWAD STEELS & INDUSTRIES LIMITED**

(Rs In Lacs)

**Note No. : 9 Trade and other receivables (carried at cost)****Current (Unsecured, considered good)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Trade Receivables ( see note)	<b>184.72</b>	-	-
	<b>184.72</b>	-	-

**Note :**

Allowances for doubtful debt is not considered necessary hence no allowances are made since trade receivables are outstanding for a period less than six months from the due date for payment and is payable on demand hence it is carried at cost instead of amortized cost

**Note No. : 10 Cash and cash equivalents**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balances with banks			
On current accounts	<b>56.25</b>	417.86	19.81
Cheques on hand	<b>276.02</b>	-	-
Cash on hand	<b>14.65</b>	10.44	7.19
	<b>346.92</b>	428.30	27.00

**Note No. : 11 Loans (carried at Cost)****Current (Unsecured, considered good)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Other loans			
Inter-corporate deposits	<b>275.00</b>	475.00	1,400.00
Other	<b>150.00</b>	-	-
	<b>425.00</b>	475.00	1,400.00

**Note :**

Inter-corporate deposits are unsecured and receivable on demand. The purpose of utilisation of loan by the loanee company is for general business purposes.

**Note No. : 12 Other financial assets****Current (Unsecured, considered good)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Interest accrued on Bank Fixed Deposits	<b>59.04</b>	11.26	91.51
Interest accrued on Security Deposit for Electricity	<b>2.53</b>	2.50	2.84
Interest Receivable on Loan Given	<b>12.15</b>	12.15	12.15
	<b>73.72</b>	25.91	106.50

**Note No. : 13 Other current assets (Unsecured, considered good)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Advance to suppliers	<b>33.71</b>	252.57	-
Advance for Expenses	<b>5.28</b>	2.47	1.27
Balances with Central Excise & Vat Authorities	<b>12.52</b>	11.73	15.87
	<b>51.50</b>	266.77	17.14

## ASHIRWAD STEELS &amp; INDUSTRIES LIMITED

(Rs In Lacs)

## Note No. : 14 Share Capital

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No of Shares	Rs in Lacs	No of Shares	Rs in Lacs	No of Shares	Rs in Lacs
<b>(a) Authorised</b>						
Equity shares of par value Rs. 10/- each	12,500,000	1,250.00	12,500,000	1,250.00	12,500,000	1,250.00
<b>(b) Issued, subscribed and fully paid up</b>	12,500,000	1,250.00	12,500,000	1,250.00	12,500,000	1,250.00
Equity shares of par value Rs. 10 /- each						
		<u>1,250.00</u>		<u>1,250.00</u>		<u>1,250.00</u>

**(c) Reconciliation of number and amount of equity shares outstanding**

Particulars	As at 31st March 2018		As at 31st March 2017	
	No of Shares	Rs in Lacs	No of Shares	Rs in Lacs
At the beginning of the year	12,500,000	1,250.00	12,500,000	1,250.00
At the end of the year	12,500,000	1,250.00	12,500,000	1,250.00

**(d) The Company has only one class of equity shares. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share**

**(e) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.**

**(f) The company is neither a holding company nor a subsidiary company**

**(g) Shareholders holding more than 5 % of the equity shares in the Company**

Name of the Shareholder	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No of Shares	% of holding	No of Shares	% of holding	No of Shares	% of holding
Meghdoot Vyapar (P) Ltd	-	-	-	-	1350000	10.80
Chhibbar Business & Fiscals Pvt Ltd	2267633	18.14	2267633	18.14	2267633	18.14
Doyang Wood Products Ltd	931476	7.45	931476	7.45	931476	7.45
Sohini Suppliers Pvt Ltd	1233972	9.87	1233972	9.87	-	-
Purnavasuv Vyapaar Pvt Ltd	881900	7.06	881900	7.06	-	-

**(h) There are no shares reserved for issue under options and contracts / commitments for the sale of shares/ disinvestments**

**(i) For the period of 5 years immediately preceding the date as at which the Balance Sheet is prepared**

Name of the Shareholder	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No of Shares		No of Shares		No of Shares	
(a) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	NIL		NIL		NIL	
(b) Aggregate number and class of shares allotted as fully paid by way of bonus shares	NIL		NIL		NIL	
© Aggregate number and class of shares bought back	NIL		NIL		NIL	

**(j) There were no securities issued having a term for conversion into equity / preference shares.**

**(k) There are no calls unpaid in respect of Equity Shares issued by the Company**

**(l) There are no forfeited shares by the Company**

## ASHIRWAD STEELS &amp; INDUSTRIES LIMITED

(Rs In Lacs)

## Note No. : 15 Other Equity

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(a) Securities Premium Reserve			
Balance as per last account	2923.44	2923.44	2923.44
(b) General Reserve			
Balance as per last account	750.00	750.00	750.00
(c) Retained Earnings			
Balance as per last account	297.71	209.84	209.84
Add : Net Profit for the Year	51.79	75.96	
Add : Adjustment for provision of gratuity	-	16.96	
Add : Excess provision for Income Tax	-	0.71	
Add : Transfer from Other Comprehensive Income	(4.80)	(5.75)	297.71
(d) Other Comprehensive Income			
Balance as per last account	-	-	-
Add : Other Comprehensive Income for the Year	(4.80)	(5.75)	
Less : Transfer to retained earnings	4.80	5.75	
	4018.14	3971.15	3883.28

## Note :

- (i) General reserve is primarily created to comply with the requirements of section 123(1) of the Companies Act, 2013. This is a free reserve and can be utilised for any general purpose like issue of bonus shares, payment of dividend, buy back of shares etc.

## Note No. : 16 Other financial liabilities

## (i) Non - Current

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Carried at Cost			
Security deposit	5.00	5.00	-
	5.00	5.00	-
(ii) Current			
Carried at fair value through profit or loss			
Derivative Contract Put Options	1.35	-	-
	6.35	5.00	-

## Note :

- (i) Security deposit is payable at demand hence carried at cost
- (ii) Derivative contract is with respect to options (put) written and will be settled within next trade cycle and are carried at fair value through profit or loss ( FVTPL)

**ASHIRWAD STEELS & INDUSTRIES LIMITED**

(Rs In Lacs)

**Note No. : 17 Provisions****Non-Current(Rs In Lacs)**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Provision for employee benefits - Gratuity	-	-	16.96
	-	-	16.96

**Note :**

Since company has settled off the present obligation arising from the Defined benefit plan (Gratuity) during the F.Y 2016-17; therefore it has not carried out any actuarial valuation by external actuaries using the projected unit credit method and therefore remeasurements, comprising of actuarial gain or loss has not been carried out and to that extent effects of any gain or losses are not carried out through Other Comprehensive Income (OCI) in the period in which they occur.

**Note No. : 18 Deferred tax liabilities (net)****As at 31st March 2018**

Particulars	Opening Balance	Recognised in Profit or loss	Reclassified from equity to profit or loss	Recognised in Other Comprehensive Income	Closing Balance
<b>Tax effect of items constituting deferred tax liabilities</b>					
Depreciation	149.93	(34.77)	-	-	115.16
Investment	(0.66)	-	-	(2.05)	(2.71)
	<b>149.27</b>			<b>(2.05)</b>	<b>112.45</b>
<b>Tax effect of items constituting deferred tax assets</b>					
Carried forward tax losses / unabsorbed depreciation	25.32	-	-	-	25.32
	25.32	-	-	-	25.32
<b>Net deferred tax liabilities / expense</b>	123.95	(34.77)		(2.05)	87.12

**As at 31st March 2017****Tax effect of items constituting deferred tax liabilities**

Depreciation	166.63	(16.70)	-	-	149.93
Investment	1.90	-	-	(2.56)	(0.66)
	168.53	(16.70)	-	(2.56)	149.27

**Tax effect of items constituting deferred tax assets**

Carried forward tax losses / unabsorbed depreciation	27.62	(2.30)	-	-	25.32
	27.62	(2.30)	-	-	25.32
<b>Net deferred tax liabilities / expense</b>	140.91	(14.40)	-	(2.56)	123.95

**Note:**

In assessing the realisability of the deferred tax assets, management considers whether some portion or all of the deferred tax assets will not be realized.

The ultimate realisation of the deferred tax assets, carried forward losses and unused tax credits is dependent upon the generation of future taxable income during the periods in which the temporary difference become deductible. Management considers the scheduled reversals of deferred tax liabilities, projected future taxable income and the planning strategies in making this assessment. Based on the historical taxable income and projection of future taxable income over the periods in which the deferred tax assets are deductible, management believes that the Company will realise the benefits of those recognised deductible differences, carried forward losses and portion of unused tax credits.

## ASHIRWAD STEELS &amp; INDUSTRIES LIMITED

(Rs In Lacs)

## Note No. : 19 Other Current liabilities

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
ESI Employer's contribution	0.07	0.02	0.08
ESI Employees contribution	0.03	0.01	0.03
Providend fund, admin charges etc	0.35	0.14	0.20
Creditors for Expenses	103.73	13.71	6.26
Statutory liabilities *	25.31	0.05	1.31
Advance from customers	55.17	-	-
	<b>184.66</b>	13.92	7.87

## Note :

(i) *Includes GST ( Goods & Services Tax ) Rs In Lacs	25.13	-	-
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## Note No. : 20 Current tax liabilities (net)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Provision for taxation	18.39	19.73	1.27
Less: Advance tax	5.00	7.50	-
	<b>13.39</b>	12.23	1.27

## Note No. : 21 Revenue from operations

(i) Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
(a) Sale of goods *	2,499.01	-
(b) Other operating revenue		
Sale of Coal*	-	112.88
Sale of Char coal & Killin dust	4.24	-
Lease Rental Income	78.00	78.00
	<u>2,581.24</u>	<u>190.88</u>
Less : GST	276.70	-
<b>Revenue from operations</b>	<b>2,304.54</b>	<b>190.88</b>

(ii)\* Recovery of excise duty flows to the entity on its own account because it is a liability of the Manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the entity on its own account therefore Revenue includes Excise Duty and hence Excise duty of Rs. 77.83 lacs is included in the Revenue from Sale of Goods for the year 2017-18 and Excise Duty of Rs. 5.74 lacs is included in the Revenue from sale of Goods for the year 2016-17

## (iii) Sale of Goods post Introduction of GST

The incidence of GST is on supply of goods or Services and it is recovered from the customer.

As in paragraph 8 of Ind AS 18, revenue includes only the gross inflows of economic benefits received or receivable by the entity on its own Account. Amounts collected on behalf of third parties, i.e., Sales Tax, Goods and Services Tax and Value added taxes are not economic benefits which flow to the entity and do not result in increases in equity. Therefore they are excluded from Revenue.

**Note No. : 22 Other income**

(Rs In Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
<b>Interest income on financial assets carried at cost</b>		
<b>Current Assets</b>		
Interest on Loans given	59.22	68.03
<b>Interest income on other financial assets</b>		
<b>Non current</b>		
Interest on Bank Fixed Deposits	102.32	141.53
Interest on Security Deposits	2.99	2.95
Interest income on Income Tax Refund	4.47	1.26
Income from Dividend	0.53	0.01
<b>Other non-operating income (net of expenses directly attributable to such income)</b>		
Income from Derivative transactions ( F&O)	2.40	0.85
Income from sale of Investments	6.50	0.68
	<u>178.43</u>	<u>215.31</u>

**Note No. : 23 Cost of materials consumed**

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Raw Material consumed	2,106.55	-
Coal	-	111.61
	<u>2,106.55</u>	<u>111.61</u>

**Note No. : 24 Changes in inventories of finished goods.**

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Opening Stock		
Finished Goods(Sponge Iron)	-	-
Less : Closing Stock		
Finished Goods(Sponge Iron)	116.18	-
	<u>(116.18)</u>	<u>-</u>

**Note No. : 25 Employee benefits expense**

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Salaries and wages, including bonus	47.23	18.82
Contribution to Provident fund, ESI , etc	3.04	1.55
Staff welfare Expenses	2.52	21.47
Gratuity	0.53	16.99
	<u>53.32</u>	<u>58.82</u>

**Note No. : 26 Finance costs**

(Rs In Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Interest expense		
Bank Overdraft	<u>11.15</u>	<u>2.37</u>
	<u>11.15</u>	<u>2.37</u>

**Note No. : 27 Depreciation and amortisation expense**

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Depreciation and amortisation of property, plant and equipment (Refer Note no 4)	<u>62.16</u>	<u>62.89</u>
	<u>62.16</u>	<u>62.89</u>

**Note No. : 28 Other expenses**

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Consumption of stores and spare parts	23.59	2.00
Power and fuel	124.48	14.67
Rent	8.24	2.36
<b>Repairs</b>		
Plant and Equipment	38.11	-
Building	-	2.86
Others	0.97	0.01
Insurance	0.19	0.27
<b>Rates &amp; Taxes (excluding Income Tax)</b>		
Other Rates & Taxes	8.22	1.43
Sales Tax ( CST & VAT Demand)	0.03	0.94
Payments to auditor		
As auditor for statutory audit	0.45	0.45
For taxation matters	0.15	0.15
Internal Audit Fees	0.24	0.16
Secretarial Audit Fees	<u>0.07</u>	<u>0.07</u>
Loss in Derivative , F&O transactions	-	23.36
Loss on sale/ discard of property, plant & equipments	-	0.05
Lease cancellation charges (WBIIDC)	5.71	-
Fair value loss on financial instruments at fair value through profit or loss	1.35	-
Professional & legal fees	0.87	12.81
TDS written off	-	2.14
Business promotion Expenses	15.52	-
Director sitting fees	0.33	-
General Expenses	3.01	3.59
Listing Fees	2.50	2.33
Bank Guarantee charges	0.41	0.80
Custodial fees	0.90	1.40
Travelling & conveyances	2.89	1.77
Miscellaneous Expenses	<u>11.31</u>	<u>9.31</u>
	<u>249.51</u>	<u>82.93</u>

**Note No. : 29 Tax expense**

(Rs In Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Current tax	21.58	20.26
Deferred tax [Refer Note No. 18 ]	(34.77)	(14.40)
	<u>(13.19)</u>	<u>5.86</u>

**Note No. : 30 Other comprehensive income**

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Items that will not be reclassified to profit or loss		
Fair value changes of Investments in equity shares	(6.86)	(8.31)
Less: Income tax relating to items that will not be reclassified to profit or loss	<u>(2.05)</u>	<u>(2.56)</u>
Total other Comprehensive Income	<u>(4.80)</u>	<u>(5.75)</u>

**Note No. : 31 Other disclosures****1. Contingent liabilities and commitments (to the extent not provided for)****Contingent liabilities :**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
a) Bank Guarantee issued by the HDFC Bank in favour of Central Coal fields Ltd. Being Bank Guarantee No.014GT01133450003 dated 11.12.2013 for Rs.46,00,000/- and renewed on 05.03.2018 against which the company has pledged/created lien on it's fixed deposits with the HDFC Bank Ltd.	46.00	46.00	46.00
b) This demand was set aside by the Central Excise Service Tax Appellate Tribunal, Bangalore but the excise authorities have preferred an appeal in the Hon'ble High Court at Hyderabad against orders of the tribunal.	12.14	12.14	12.14
c) Compensation of Rs.1,15,48,530/- for Company's alleged non-lifting of coal has been wrongly and illegally claimed by M/s Central Coalfields Ltd., Ranchi, and the Company has refused and refuted such illegal and baseless claims and the entire matter is pending with the Hon'ble High Court at Ranchi for adjudication. The CCL has, however, most illegally adjusted company's Purchase advance of Rs.1,14,09,500/- against their aforesaid wrong/baseless/illegal compensation claim of Rs 1,15,48,530/-. The company has a good case against CCL and hence continues to treat it's Purchase Advance as a good recoverable asset along with interest. Similarly performance incentive claim of Rs.10,86,024/- by CCL is also not acknowledged and considered as payable or a debt being disputed and adjudicated.	115.48	115.48	115.48

- 2) Effective 2011; M/s. Central Coalfields Ltd., Ranchi, had increased the price of 'B' Grade coal by whopping approx. 130% overnight in one stroke resulting in the aforesaid coal becoming absolutely unviable and uneconomical for the production of Sponge Iron at Company's Sponge Iron Plant located at Jamshedpur. Accordingly, the Company had made several requests and representations, verbally and in writing to them with a request to supply Grade 'C' coal or lower grade of coal whose price increase was only 30% but Central Coalfields Ltd. most arbitrarily and illegally refused such valid requests of the company. Being highly aggrieved by this most illegal, unjustified, arbitrary and discriminatory act; the Company had taken legal action against Central Coalfields Ltd. (CCL) in the Hon'ble High Court at Ranchi

**Note No. : 31 Other disclosures (Contd.)**

and that matter is under adjudication. As the Company suffered heavy losses for non-supply of coal by CCL, despite having provided them with Bank Guarantees of Rs.46,00,000/- and Coal advance amount of Rs.1,14,30,107/-; it got entitled for compensation from Central Coalfields Ltd. as per Clause No. 4.5 to 4.8 of FSA dated 29.04.2008 entered with them and also based on Principles of natural law and justice and it accordingly raised on CCL a Compensation Bill of Rs.99.45,450/- for accounting year 2011-12 and Rs.99,45,450/- for accounting year 2012-13 along with an Interest amount of Rs.2,96,42,992/- receivable/claimed on the said compensation amount up to 31.03.2018 and an Interest amount of Rs.2,70,70,164/- as on 31.03.2018 on Company's purchase advance amount of Rs.1,14,30,107/- lying with them. Upon refusal by Central Coalfields Ltd. to pay the aforesaid compensation and interest amounts; the Company has filed legal suit against the Central Coalfields Ltd. at Hon'ble High Court at Ranchi and the said suit is pending for hearing and adjudication. Since, the matter is subjudice; the Company will account for the aforesaid compensation and interest amount being legitimately receivable/claimed from Central Coalfields Ltd; on actual receipt basis after the verdict is announced by the Hon'ble High Court at Ranchi and/or higher courts.

3) As per the requirements of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables, the Company has no outstanding towards it.

**4) Disclosures as required by Indian Accounting Standard (Ind AS) 37:- Provisions, Contingent liabilities and Contingent assets.**
**(i) Nature of provision**

Provision for contingencies

Provision for contingencies represent provision towards various claims made/anticipated in respect of duties and taxes and other litigation claims against the Company based on the Management's assessment.

**(ii) Movement in provision:-**

Particulars	Duties & Taxes	Other Litigation Claims	Total
<b>Balance as at 1st April, 2017</b>		NIL	
Provided during the year		NIL	
Used during the year			
Reversed during the year			
<b>Balance as at 31st March, 2018</b>		NIL	
Non-current		NIL	
Current			
<b>Balance as at 1st April, 2016</b>		NIL	
Provided during the year		NIL	
Used during the year			
Reversed during the year			
<b>Balance as at 31st March, 2017</b>		NIL	
Non-current		NIL	
Current			

**(5) Earnings per share - The numerators and denominators used to calculate Basic / Diluted earnings per share**

Particulars		For the year 2017-2018	For the year 2016-2017
<b>(a) Amount used as the numerator</b>			
Profit after Tax - (Rs in Lacs)	(A)	<b>51.79</b>	75.96
<b>(b) Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings Per Share</b>	(B)	<b>12500000</b>	12500000
<b>Add: Weighted average number of dilutive potential equity shares</b>		-	-
<b>(C) Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings Per Share</b>	(C)	<b>12500000</b>	12500000
<b>(d) Nominal value of equity shares</b>	(Rs)	<b>10.00</b>	10.00
Basic earnings per share	(A)/(B)	<b>0.41</b>	0.61
Diluted earnings per share	(A)/(C)	<b>0.41</b>	0.61

Note No. : 31 Other disclosures (Contd.)

(Rs In Lacs)

**6) Related party disclosures :**

The Company has entered into transaction with related parties, during the year with particulars as under :-

Name of the related party	Relationship	Nature of transaction	Amount (Rs.)	Balance Rs. as on 31.03.18
Dalbir Chhibbar	Key Management Personnel (Managing Director)	Remuneration Paid	8.40	Nil
Chhibbar Business & Fiscal Pvt. Ltd.	Related Party	Office Rent Paid	1.50	Nil

**7) Disclosures under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :**

The Company does not have any holding or subsidiary Company. The other necessary disclosures are furnished in the Report of the Board of Directors dated 29.05.2018 and annexed to the Annual Report for the financial year ended 31.03.2018. Please refer to the same.

**8) Financial instruments - Accounting, Classification and Fair value measurements****A) Financial instruments by category**

As at 31st March, 2018

Particulars	Refer Note No	Total Fair Value	Cost	Deemed Cost	Carrying Value			Total
					Amortized cost	FVTOCI	FVTPL	
<b>1) Financial assets</b>								
(i) Investments	5	886.90	-	-	724.56	162.34	-	886.90
(ii) Trade and other receivables	9	184.72	-	-	184.72	-	-	184.72
(iii) Cash and cash equivalents	10	346.92	-	-	346.92	-	-	346.92
(iv) Loans	11	425.00	-	-	425.00	-	-	425.00
(v) Other financial assets (Non-current)	6	2,042.71	-	-	2,042.71	-	-	2,042.71
(vi) Other financial assets (Current)	12	73.72	-	-	73.72	-	-	73.72
<b>TOTAL</b>		<b>3,959.97</b>	-	-	<b>3,797.63</b>	<b>162.34</b>	-	<b>3,959.97</b>
<b>2) Financial Liabilities</b>								
(i) Other financial liabilities	16	6.35	-	-	5.00	-	1.35	6.35
<b>TOTAL</b>		<b>6.35</b>	-	-	<b>5.00</b>	-	<b>1.35</b>	<b>6.35</b>

As at 31st March, 2017

Particulars	Refer Note No	Total Fair Value	Cost	Deemed Cost	Carrying Value			Total
					Amortized cost	FVTOCI	FVTPL	
<b>1) Financial assets</b>								
(i) Investments	5	781.22	-	-	724.56	56.67	-	781.23
(ii) Trade and other receivables	9	-	-	-	-	-	-	0.00
(iii) Cash and cash equivalents	10	428.30	-	-	428.30	-	-	428.30
(iv) Loans	11	475.00	-	-	475.00	-	-	475.00
(v) Other financial assets (Non-current)	6	2,123.36	-	-	2,123.36	-	-	2,123.36
(vi) Other financial assets (Current)	12	25.91	-	-	25.91	-	-	25.91
<b>TOTAL</b>		<b>3,833.79</b>	-	-	<b>3,777.13</b>	<b>56.67</b>	-	<b>3,833.80</b>
<b>2) Financial Liabilities</b>								
(i) Other financial liabilities	16	5.00	-	-	5.00	-	-	5.00
<b>TOTAL</b>		<b>5.00</b>	-	-	<b>5.00</b>	-	-	<b>5.00</b>

**Note No. : 31 Other disclosures (Contd.)**
**As at 1st April, 2016**

(Rs In Lacs)

Particulars	Refer Note No	Total Fair Value	Cost	Deemed Cost	Carrying Value			Total
					Amortized cost	FVTOCI	FVTPL	
<b>1) Financial assets</b>								
(i) Investments	5	308.33	-	-	295.69	12.64	-	308.33
(ii) Trade and other receivables	9	-	-	-	-	-	-	0.00
(iii) Cash and cash equivalents	10	27.00	-	-	27.00	-	-	27.00
(iv) Loans	11	1,400.00	-	-	1,400.00	-	-	1,400.00
(v) Other financial assets (Non-current)	6	1,996.81	-	-	1,996.81	-	-	1,996.81
(vi) Other financial assets (Current)	12	106.50	-	-	106.50	-	-	106.50
<b>TOTAL</b>		<b>3,838.64</b>	-	-	<b>3,826.00</b>	<b>12.64</b>	-	<b>3,838.64</b>
<b>2) Financial Liabilities</b>								
(i) Other financial liabilities	16	-	-	-	-	-	-	-
<b>TOTAL</b>		-	-	-	-	-	-	-

**B. Fair value hierarchy**

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values

(1) Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, loans and other current & Non-current financial assets, and other current financial liabilities approximate their carrying amounts due to the short term maturities of these instruments.

**(2) The Company uses the following fair value hierarchy for determining and disclosing the fair value of financial instruments:**

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

**(i) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2018:**

(Rs In Lacs)

Particulars	Refer Note No	Level 1	Level 2	Level 3	Total
<b>1) Financial assets</b>					
At FVTOCI					
(i) Investments in Equity Instruments	5	162.34	-	-	162.34
<b>TOTAL FINANCIAL ASSETS</b>		<b>162.34</b>	-	-	<b>162.34</b>
<b>2) Financial Liabilities</b>					
At FVTPL					
(i) Options	16	1.35	-	-	1.35
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>1.35</b>	-	-	<b>1.35</b>

**Note No. : 31 Other disclosures (Contd.)**

(Rs In Lacs)

**(ii) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2017:**

Particulars	Refer Note No	Level 1	Level 2	Level 3	Total
1) <u>Financial assets</u>					
At FVTOCI					
(i) <u>Investments in Equity Instruments</u>	5	56.67	-	-	56.67
<b>TOTAL FINANCIAL ASSETS</b>		<b>56.67</b>	<b>-</b>	<b>-</b>	<b>56.67</b>

**(iii) Financial assets and financial liabilities measured at fair value on a recurring basis as at 1st April, 2016:**

(Rs In Lacs)

Particulars	Refer Note No	Level 1	Level 2	Level 3	Total
1) <u>Financial assets</u>					
At FVTOCI					
(i) <u>Investments in Equity Instruments</u>	5	12.64	-	-	12.64
<b>TOTAL FINANCIAL ASSETS</b>		<b>12.64</b>	<b>-</b>	<b>-</b>	<b>12.64</b>

There have been no transfer between Level 1 and Level 2 either during the year ended 31st March 2018 or during the year ended 31st March 2017

**Description of significant unobservable inputs to valuation**

The following table shows the valuation technique and inputs for financial instruments

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Investments in unquoted equity shares	Adjusted net asset method		

Since there is no gain or loss in re-measurement of Investments in unquoted equity shares during the F.Y 2017-18 & F.Y 2016-2017 hence reconciliation is not considered necessary Fair value of Investments in unquoted equity shares is carried out by using level 3 basis and Fair value approximates the adjusted net asset method used to arrive at fair value. Investments in unquoted preference shares are taken at cost as fair value approximates the transaction price, i.e. cost.

**9) Financial risk management objectives and policies**

The Company's principal financial liabilities are Security deposit characterised with repayable in short period and beside that there exists no other financial liabilities. The Company's principal financial assets include Trade receivables, Cash and cash equivalents & other financial assets that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviewed policies for managing each of these risks, which are summarized below :

**(A) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk.

**(I) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's obligations towards Bank overdraft with floating interest rates.

**(II) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in Foreign exchange rates. Since Company doesn't have any exposure in Foreign currency therefore it doesn't effect the company's cash flow

**Note No. : 31 Other disclosures** (Contd.)

**(III) Regulatory risk**

Risk is inherent in every business activity and Sponge iron Industry is no exception. The Steel Industry displays strong commodity characteristics and is subject to cyclical price movements in business cycle. The company is exposed to risks from overall market, cheaper import of steel, changes in Government policies, law of the land, Taxation increases its cost of inputs like iron ore, coal, power, diesel, freight etc which effects the financial performance of the company.

**(IV) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The impairment for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date.

Financial assets are written off when there is no reasonable expectation of recovery, however, the Company continues to attempt to recover the receivables. Where recoveries are made, these are recognised in the Statement of Profit and Loss.

**(V) Trade receivables**

Trade receivables are non-interest bearing and are generally on credit terms of 3 to 60 days.

An impairment analysis is performed at each balance sheet date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively

**The ageing analysis of the receivables has been considered from the date the invoice falls due**

(Rs In Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Upto 6 months	<b>184.72</b>	-	-
6 to 12 months	-	-	-
More than 12 months	-	-	-
	<b>184.72</b>	-	-

**(10) Balances with banks**

Credit risk from balances with banks is managed in accordance with the Company's policy

**Liquidity risk**

**The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and short term loans from banks.**

**(11) Capital Management**

**(a) Risk management**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

**No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2018 and for the year ended 31st March 2017.**

**Note No. : 31 Other disclosures** (Contd.)**12) Explanation of transition to Ind AS**

- (A)** These financial statements, for the year ended 31st March, 2018, are the first financial statements, the Company has prepared in accordance with Ind AS.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ended 31st March, 2018, together with the comparative figures for the year ended 31st March, 2017, as described in the summary of significant accounting policies [Refer Note No.2].

In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2016, i.e. the date of transition to Ind AS.

This note explains the principal adjustments made by the Company and an explanation on how the transition from the previous GAAP to Ind AS has affected its financial statements, including the Balance Sheet as at 1st April, 2016 and the financial statements for the year ended 31st March, 2017.

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from the previous GAAP To Ind AS.

- (B)** The Company has elected to continue with carrying value of all Property, plant and equipment under the previous GAAP as deemed cost as at the transition date i.e. 1st April, 2016. Under the previous GAAP, Property, plant and equipment were stated at their original cost (net of accumulated depreciation, amortization and impairment), if any.
- (C)** Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements for embedded leases based on conditions in place as at the date of transition.
- (D)** Under Ind AS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognized financial assets, as 'FVTOCI' on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

Accordingly, the Company has designated its investments in certain equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed as at the date of transition to Ind AS.

- (E)** The estimates as at 1st April, 2015 and as at 31st March 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).
- (F)** Ind AS 101 requires the de-recognition requirements of Ind AS 109 to be applied prospectively to transactions occurring on or after the date of transition.

Therefore, the Company has not recognized financial assets and liabilities under Ind AS which were derecognized under the previous GAAP as a result of a transaction that occurred before the date of transition.

- (G)** The Company has applied the requirements in Ind AS 109 at the date of transition to Ind AS.

**Note No. : 31 Other disclosures** (Contd.)

**13. Disclosures as required by Ind AS - 101 - First Time Adoption of Indian Accounting Standards - Reconciliation between Previous GAAP and Ind AS**
**(a) Reconciliation of equity as at 1st April, 2016 (date of transition to Ind AS) :**

(Rs in Lacs)

Particulars	Foot note	Previous GAAP		Adjustments		Ind AS	
<b>I. ASSETS</b>							
<b>(1) Non-current assets</b>							
(a) Property, Plant and Equipment	A	876.52		-		876.52	
(b) Financial assets							
(i) Investments	B	302.16		6.17		308.33	
(ii) Other financial assets	G	1,996.81		-		1,996.81	
(c) Other non-current assets		255.21	3,430.70	-	6.17	255.21	3,436.87
<b>(2) Current assets</b>							
(a) Inventories		312.76		-		312.76	
(b) Financial assets							
(i) Cash and cash equivalents	G	2.70		-		27.00	
(ii) Loans		1,400.00				1,400.00	
(iii) Other financial assets		106.50		-		106.50	
(c) Other current assets		17.14	1,839.11	-	-	17.14	1,863.41
<b>Total Assets</b>			<b>5,269.81</b>		<b>6.17</b>		<b>5,300.28</b>
<b>II. EQUITY AND LIABILITIES</b>							
<b>(1) Equity</b>							
(a) Share Capital		1,250.00		-		1,250.00	
(b) Other Equity	H	3,821.44	5,071.44	61.84	61.84	3,883.28	5,133.28
<b>(2) Non-current liabilities</b>							
(b) Provisions		16.96		-		16.96	
(c) Deferred Tax liabilities ( net)	D	196.57	213.53	(55.67)	(55.67)	140.91	157.86
<b>(3) Current liabilities</b>							
(a) Other current liabilities		7.87		-		7.87	
(b) Current tax liabilities (Net)	C	1.27	9.14	-	-	1.27	9.14
<b>Total Equity and Liabilities</b>			<b>5,294.11</b>		<b>6.17</b>		<b>5,300.28</b>

Note No. : 31 Other disclosures (Contd.)

(b) Reconciliation of equity as at 31st March, 2017 (date of transition to Ind AS) :

(Rs in Lacs)

Particulars	Foot note	Previous GAAP		Adjustments		Ind AS	
<b>I. ASSETS</b>							
<b>(1) Non-current assets</b>							
(a) Property, Plant and Equipment	A	823.72		-		823.72	
(b) Financial assets							
(i) Investments	B	783.36		(2.13)		781.22	
(ii) Other financial assets	G	2,123.36		-		2,123.36	
(c) Other non-current assets		226.30	3,956.73	-	(2.13)	226.30	3,954.60
<b>(2) Current assets</b>							
(a) Inventories		225.67		-		225.67	
(b) Financial assets							
(i) Cash and cash equivalents	G	428.30		-		428.30	
(ii) Loans		475.00		-		475.00	
(iii) Other financial assets		25.91		-		25.91	
(c) Other current assets		266.77	1,421.65	-	-	266.77	1,421.65
<b>Total Assets</b>			<b>5,378.39</b>		<b>(2.13)</b>		<b>5,376.25</b>
<b>II. EQUITY AND LIABILITIES</b>							
<b>(1) Equity</b>							
(a) Share Capital		1,250.00		-		1,250.00	
(b) Other Equity	H	3,917.36	5,167.36	53.79	53.79	3,971.15	5,221.15
<b>(2) Non-current liabilities</b>							
(a) Financial liabilities							
(i) Other financial liabilities		5.00		-		5.00	
(b) Deferred Tax liabilities (net)	D	179.87	184.87	(55.93)	(55.93)	123.95	128.95
<b>(3) Current liabilities</b>							
(a) Other current liabilities		13.92		-		13.92	
(b) Current tax liabilities (Net)	C	12.23	26.16	-	-	12.23	26.16
<b>Total Equity and Liabilities</b>			<b>5,378.39</b>		<b>(2.13)</b>		<b>5,376.25</b>

**Note No. : 31 Other disclosures (Contd.)**
**(C) Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2016**

(Rs In Lacs)

Particulars		Foot note	Previous GAAP	Adjustments	Ind AS
<b>I</b>	<b>Revenue from operations</b>	E	185.14	5.74	190.88
II	Other Income	F	215.31	-	215.31
<b>III</b>	<b>III Total Income(I+II)</b>		<b>400.45</b>	<b>5.74</b>	<b>406.18</b>
<b>IV</b>	<b>IV Expenses:</b>				
	Cost of Materials consumed		111.61	-	111.61
	Excise Duty on sale of goods	E	-	5.74	5.74
	Employee benefits expense		58.82	-	58.82
	Finance costs	F	2.37	-	2.37
	Depreciation and amortization expense	A	62.89	-	62.89
	Other expenses		82.93	-	82.93
	<b>Total Expenses (IV)</b>		<b>318.63</b>	<b>5.74</b>	<b>324.37</b>
<b>V</b>	<b>Profit before exceptional items and tax (III - IV)</b>		<b>81.82</b>	-	<b>81.82</b>
VI	Exceptional Items		-	-	-
VII	Profit before tax (V - VI)		81.82		81.82
<b>VIII</b>	<b>Tax expense :</b>				
	(1) Current tax	C	20.26		20.26
	(2) Deferred tax	D	(16.70)	2.30	(14.40)
	<b>Total tax expense</b>		<b>3.56</b>	<b>2.30</b>	<b>5.86</b>
<b>IX</b>	<b>Profit for the year (VII - VIII)</b>		78.26	(2.30)	75.96
<b>X</b>	<b>Other Comprehensive Income / Loss</b>	I			
	(A) (i) Items that will not be reclassified to profit or loss				
	(a) Fair value changes of Investments in equity shares		-	(8.31)	(8.31)
	(ii) Income tax relating to items that will not be recycled to profit or loss		-	(2.56)	(2.56)
	<b>Total other Comprehensive Income / Loss</b>		-	(5.75)	(5.75)
<b>XI</b>	<b>Total Comprehensive Income for the year (IX + X)</b>		78.26	(5.75)	70.21
	<i>(Comprising of profit and other comprehensive income for the year)</i>				

**(D) Footnotes to the reconciliation of equity as at 1st April, 2016 and 31st March, 2017 and Statement of Profit and Loss for the year ended 31st March, 2017**
**(1) Property, plant and equipment**

Under Ind AS, the Company has elected to opt for cost model with respect to property, plant and equipments

**(2) Investments**
**Investments in equity instruments**

Under the previous GAAP, investment in equity instruments were classified as long term investments or current investment based on the intended holding period and realisability. The Company accounted for long term investments in equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments, if any.

Under Ind AS, the Company has the option to designate such investments either as FVTOCI or FVTPL investments. In case of other long term investments in unquoted equity shares, the Company has designated investments as FVTOCI investments as at the date of transition. Ind AS requires FVTOCI investments to be measured at fair value.

**Note No. : 31 Other disclosures (Contd.)****(3) Current tax**

Current tax liabilities have been accounted for on account of various transitional adjustments as stated above as at the date of transition with corresponding impact either to Retained earnings or Other Comprehensive Income in correlation to the underlying transaction

**(4) Deferred tax**

Previous GAAP required deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the year. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which were not required under the previous GAAP. Moreover, carryforward of unused tax credits are to be treated as deferred tax assets which was earlier considered as Other non-current non-financial assets.

In addition, the various transitional adjustments lead to temporary differences and consequently deferred tax adjustments have been recognized in correlation to the underlying transaction in retained earnings.

The net impact on deferred tax liabilities has increased by Rs -55.67 lacs and Rs -55.93 lacs as at the date of transition and for the year ended 31st March 2017.

**(E) Revenue from sale of goods****Excise duty**

Under the previous GAAP, revenue from sale of goods was presented as net of excise duty on sales. However, under Ind AS, revenue from sale of goods includes excise duty and such excise duty is separately presented as an expense on the face of the Statement of Profit and Loss. Thus, under Ind AS, sale of goods for the year ended 31st March, 2017 has increased by RS 5.74 lacs with a corresponding increase in "Total expense".

**(F) Interest Income/ Interest Expense**

The previous GAAP required the recognition of revenue from interest on time proportion basis. However, Ind AS requires interest on financial assets to be recognized using the effective interest rate method.

**(G) Cash flow statement**

Under Ind AS, bank overdrafts forms an integral part of the cash management process and are included in cash and cash equivalents for the purpose of presentation of Cash Flow Statement.

Bank deposits having maturity more than 12 months has been classified as Other Financial Assets under Non- Current Investments to the tune of Rs 1969.70 Lacs as on the date of transition that is April 1st 2016 and Rs 1621.25 Lacs as on 31st March 2017.

Apart from the above, the transition from the previous GAAP to Ind AS has not had a material impact on Cash Flow Statement.

**(H) Retained earnings**

Retained earnings as at the transition date has been adjusted consequent to the above Ind AS transitional adjustments

**(I) Total comprehensive income and other comprehensive income**

Under the previous GAAP, the Company did not present total comprehensive income and other comprehensive income. Hence, it has reconciled the previous GAAP profit to profit as per Ind AS. Further, the previous GAAP profit is reconciled to other comprehensive income and total comprehensive income as per Ind AS.

The previous year's including figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year

As per our report of even date attached

For **M R Singhwi & CO.**  
Chartered Accountants  
Firm Registration No: 312121E

**CA. Mahesh Raj Singhwi**  
Partner

Place of Signature : Kolkata  
Date : 29.05.2018

Membership No- 050650

For and on behalf of the Board of Directors

**Dalbir Chhibbar** : *Managing Director*  
DIN:00550703

**Vishesh Chhibbar** : *Director*  
DIN: 03553892

**S. Venu Gopal** : *Chief Financial Officer*

**ANNEXURE to Ashirwad Steels and Industries Ltd.'s Board of Director's Report  
for the financial year ended 31.03.2018**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
Ashirwad Steels & Industries Limited  
6, Waterloo Street  
Room No. 506, 5th Floor  
Kolkata – 700 069

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Ashirwad Steels & Industries Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by M/s. Ashirwad Steels & Industries Limited and also based on the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. However, as explained to me by the management, the Company inadvertently missed to file MGT-15 for the Annual General Meeting held on 18th September, 2017.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Ashirwad Steels & Industries Limited ("the Company") 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) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India 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 Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;(Not Applicable to the Company during the period under review)
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the Company during the period under review)
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the period under review)
  - f) 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;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the period under review);
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(Not Applicable to the Company during the period under review), and
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (vi) Other applicable laws generally applicable to the Industry/Company:
- a) Factories Act, 1948;
  - b) The Payment of Wages Act, 1936;
  - c) The Minimum Wages Act, 1948;
  - d) The Payment of Bonus Act;
  - e) The Payment of Gratuity Act, 1972;
  - f) Maternity Benefit Act, 1961;
  - g) The Child Labour ( Prohibition & Regulations) Act, 1986;
  - h) The Environment (Protection) Act, 1986, read with the Environment (Protection) Rules, 1986;
  - i) The Water (Prevention & Control of Pollution) Act, 1974, read with Water (Prevention & Control of Pollution) Rules, 1975;
  - j) The Air (Prevention & Control of Pollution) Act, 1981 read with Air (Prevention & Control of Pollution) Rules, 1982;
  - k) Employees Provident Funds & Misc. Provisions Act, 1952;
  - l) Employees State Insurance Act, 1948;
  - m) Industrial Disputes Act, 1947;
  - n) West Bengal Shops & Establishment Act, 1963;
  - o) Vat, Sales tax & Entry Tax laws applicable in States & Union Territories ;
  - p) The Central Sales Tax Act, 1956;
  - q) The Income Tax Act, 1961;
- (vii) Other applicable laws specifically applicable to the Industry/Company:
- a) Contract Labour (Regulation and Abolition) Act, 1970;
  - b) The Boiler Act, 1923;
  - c) The Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
  - d) The Central Excise, Customs & Service Tax Laws
  - e) Goods & Service Tax

In respect of other laws specifically applicable to the Company, I have relied on the information/statement provided by the Company during the course of my audit and the reporting is limited to that extent.

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

- (i) Secretarial Standard-I and II issued by the Institute of Company Secretaries of India as notified till 31.03.2018.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited;

I further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting, if required by any director.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

I further report that there are no events or actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

I further report that as explained to me by the management, two industrial units of the Company remained in-operative for the entire financial year 2017-18 for reasons and circumstances beyond the control of the management, which has a major bearing on the affairs of the company.

**For J. Patnaik & Associates  
Company Secretaries**

**J. Patnaik, Proprietor**  
FCS No.: 5045  
C.P. No.: 3102

**Place: Kolkata  
Date: 10th May, 2018**

**Annexure to the Ashirwad Steels and Industries Ltd.'s Board of Director's Report  
for the Financial Year ended 31.03.2018**

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2018**

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L51909WB1986PLC040201
2.	Registration Date	19.02.1986
3.	Name of the Company	ASHIRWAD STEELS & INDUSTRIES LIMITED
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
5.	Address of the Registered office & contact details	6, Waterloo Street, 5th Floor, Room No. 506, Kolkata-700 069, West Bengal, India.
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NICHE TECHNOLOGIES PRIVATE LIMITED D-511, Bagree Market, 5th Floor, 71, B.R.B.B. Road, Kolkata-700 001, West Bengal, India.

**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	SPONGE IRON	27120	96.6%

**III. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Not Applicable

**IV. SHARE HOLDING PATTERN**

(Equity Share Capital Break-up as percentage of Total Equity)

Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1st April-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	325675	131000	456675	3.653	<b>375775</b>	<b>80900</b>	<b>456675</b>	<b>3.653</b>	0.000
b) Central Govt	0	0	0	0	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	0.000
c) State Govt(s)	0	0	0	0	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	0.000
d) Bodies Corp.	6479886	442900	6922786	55.382	<b>6905786</b>	<b>17000</b>	<b>6922786</b>	<b>55.382</b>	0.000
e) Banks / FIs	0	0	0	0	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	0.000
f) Any other	0	0	0	0	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	0.000
<b>Total shareholding of Promoter (A)</b>	<b>6805561</b>	<b>573900</b>	<b>7379461</b>	<b>59.036</b>	<b>7281561</b>	<b>97900</b>	<b>7379461</b>	<b>59.036</b>	0.000

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1st April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	8700	8700	0.070	0	8700	8700	0.070	0.000
b) Banks / FIs	0	0	0	0.000	0	0	0	0.000	0.000
c) Central Govt	0	0	0	0.000	0	0	0	0.000	0.000
d) State Govt(s)	0	0	0	0.000	0	0	0	0.000	0.000
e) Venture Capital Funds	0	0	0	0.000	0	0	0	0.000	0.000
f) Insurance Companies	0	0	0	0.000	0	0	0	0.000	0.000
g) FIs	0	0	0	0.000	0	0	0	0.000	0.000
h) Foreign Venture Capital Funds	0	0	0	0.000	0	0	0	0.000	0.000
i) Others (specify)	0	0	0	0.000	0	0	0	0.000	0.000
<b>Sub-total (B)(1):-</b>	0	8700	8700	0.070	0	8700	8700	0.070	0.000
<b>2. Non-Institutions</b>									
a) Bodies Corp.	2552908	505100	3058008	24.464	2545184	505100	3050284	24.402	-0.062
i) Indian	0	0	0	0	0	0	0	0.000	0.000
ii) Overseas									
b) Individuals	548251	248738	796989	6.376	578506	244138	822644	6.581	0.205
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	796034	302700	1098734	8.790	784200	302700	1086900	8.695	-0.095
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0.000	0.000
c) Others (specify)									
1. Non Resident Indians	48039	99500	147539	1.180	48189	99500	147689	1.182	0.002
2. Overseas Corporate Bodies	0	1000	1000	0.008	0	1000	1000	0.008	0.000
3. Foreign Nationals	0	0	0	0	0	0	0	0.000	0.000
4. Clearing Members	9569	0	9569	0.077	3322	0	3322	0.027	-0.050
5. Trusts	0	0	0	0	0	0	0	0.000	0.000
6. Foreign Bodies - D R	0	0	0	0	0	0	0	0.000	0.000
<b>Sub-total (B)(2):-</b>	3954801	1157038	5111839	40.895	3959401	1152438	5111839	40.895	0.000
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	3954801	1165738	5120539	40.964	3959401	1161138	5120539	40.964	0.000
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Grand Total (A+B+C)</b>	<b>10760362</b>	<b>1739638</b>	<b>12500000</b>	<b>100.000</b>	<b>11240962</b>	<b>1259038</b>	<b>12500000</b>	<b>100.000</b>	<b>0.000</b>

**B) Shareholding of Promoter- (including Promoter Group)**

SN	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% change in shareholding during the year
		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	ADHUNIK GASES LTD.	30000	0.240	0.000	30000	0.240	0.000	0.000
2	ANIKA BURMAN	5000	0.040	0.000	5000	0.040	0.000	0.000
3	ANITA RANA	10000	0.080	0.000	10000	0.080	0.000	0.000
4	BINOD KUMAR AGARWAL	5000	0.040	0.000	5000	0.040	0.000	0.000
5	CHHIBBAR BUSINESS AND FISCALS PRIVATE LTD.	2267633	18.141	0.000	2267633	18.141	0.000	0.000
6	DALBIR CHHIBBAR	108725	0.870	0.000	108725	0.870	0.000	0.000
7	DILBAG RAI CHHIBBAR	2000	0.016	0.000	2000	0.016	0.000	0.000
8	DOYANG WOOD PRODUCTS LIMITED	931476	7.452	0.000	931476	7.452	0.000	0.000
9	GITA DEVI AGARWAL	7000	0.056	0.000	7000	0.056	0.000	0.000
10	HOWRAH GASES LTD	17000	0.136	0.000	17000	0.136	0.000	0.000
11	JAGRAN VYAPAAR PVT. LTD.	60000	0.480	0.000	60000	0.480	0.000	0.000
12	K C TEXOFINE (P) LTD	157500	1.260	0.000	157500	1.260	0.000	0.000
13	KARANBIR CHHIBBAR	4500	0.036	0.000	4500	0.036	0.000	0.000
14.	KISTURI DEVI AGARWAL	3500	0.028	0.000	3500	0.028	0.000	0.000
15.	LARIGO INVESTMENT (PRIVATE) LIMITED	32405	0.259	0.000	32405	0.259	0.000	0.000
16.	MADAN MOHAN CHHIBBAR	2500	0.020	0.000	2500	0.020	0.000	0.000
17.	MADHU CHHIBBAR	10000	0.080	0.000	10000	0.080	0.000	0.000
18.	MALA CHHIBBAR	7500	0.060	0.000	7500	0.060	0.000	0.000
19.	MANISH AGARWAL	20000	0.160	0.000	20000	0.160	0.000	0.000
20.	MEGHDOOT VYAPAAR PRIVATE LIMITED	610000	4.880	0.000	610000	4.880	0.000	0.000
21.	MSP PROPERTIES (INDIA) LIMITED	170000	1.360	0.000	170000	1.360	0.000	0.000
22.	NITU MITTAL	23500	0.188	0.000	23500	0.188	0.000	0.000
23.	PARAMJIT CHHIBBAR	15600	0.125	0.000	15600	0.125	0.000	0.000
24.	PREMA AGARWAL	10000	0.080	0.000	10000	0.080	0.000	0.000
25.	PUNARVASU VYAPAAR PRIVATE LIMITED	881900	7.055	0.000	881900	7.055	0.000	0.000
26.	PURANMAL AGRAWAL	3250	0.026	0.000	3250	0.026	0.000	0.000

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		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	
27.	PURANMAL AGRAWAL (HUF)	1500	0.012	0.000	1500	0.012	0.000	0.000
28.	RAMA ALLOYS PVT. LTD.	50000	0.400	0.000	50000	0.400	0.000	0.000
29.	RAMANAND AGARWAL	11500	0.092	0.000	11500	0.092	0.000	0.000
30.	RAMANAND PURANMAL (HUF)	5000	0.040	0.000	5000	0.040	0.000	0.000
31.	SAKET AGRAWAL	20000	0.160	0.000	20000	0.160	0.000	0.000
32.	SOHINI SUPPLIERS PRIVATE LIMITED	1233972	9.872	0.000	1233972	9.872	0.000	0.000
33.	SUBHASH CHANDRA RANA	10400	0.083	0.000	10400	0.083	0.000	0.000
34.	SULOCHNA DEVI AGARWAL	5000	0.040	0.000	5000	0.040	0.000	0.000
35.	SUMAN CHHIBBAR	50000	0.400	0.000	50000	0.400	0.000	0.000
36.	SURESH KUMAR AGRAWAL(HUF)	1500	0.012	0.000	1500	0.012	0.000	0.000
37.	SURESH KUMAR AGRAWAL	2500	0.020	0.000	2500	0.020	0.000	0.000
38.	SUSHMA CHHIBBAR	53000	0.424	0.000	53000	0.424	0.000	0.000
39.	SWAGAT TREXIM PVT. LTD.	55000	0.440	0.000	55000	0.440	0.000	0.000
40.	USHA AGARWAL	5100	0.041	0.000	5100	0.041	0.000	0.000
41.	VISHESH CHHIBBAR	50100	0.401	0.000	50100	0.401	0.000	0.000
42.	YOKOGAWA COMMOTRADE PVT. LTD.	425900	3.407	0.000	425900	3.407	0.000	0.000
43.	YUDHBIR CHHIBBAR	3000	0.024	0.000	3000	0.024	0.000	0.000
	<b>TOTAL</b>	<b>7379461</b>	<b>59.036</b>	<b>0.000</b>	<b>7379461</b>	<b>59.036</b>	<b>0.000</b>	<b>4.924</b>

**C) Change in Promoters' Shareholding (please specify, if there is no change)**

SI No.	Name	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year (01.04.17 to 31.03.18)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	a) At the Beginning of the Year	7379461	59.03	-	-
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year	-	-	7379461	59.03

**D) Shareholding pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs)**

SL NO.	NAME	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>DULCET ADVISORY PVT. LTD.</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date : Reason				
	05/01/2018 Transfer	500000	4.000	500000	4.000
	12/01/2018 Transfer	-5620	0.045	494380	3.955
	19/01/2018 Transfer	-546	0.004	493834	3.951
	26/01/2018 Transfer	-200	0.002	493634	3.949
	02/02/2018 Transfer	-1445	0.012	492189	3.938
	c) At the End of the Year			492189	3.938
<b>2</b>	<b>JIWANJYOTI TRADELINKS PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	350000	2.800		
	b) Changes during the year				<b>[NO CHANGES DURING THE YEAR]</b>
	c) At the End of the Year			350000	2.800
<b>3</b>	<b>KASTURI HOME PVT. LTD.</b>				
	a) At the Beginning of the Year	175000	1.400		
	b) Changes during the year				<b>[NO CHANGES DURING THE YEAR]</b>
	c) At the End of the Year			175000	1.400
<b>4</b>	<b>PADMAWATI CREDIT CAPITAL PVT LTD</b>				
	a) At the Beginning of the Year	260000	2.080		
	b) Changes during the year				<b>[NO CHANGES DURING THE YEAR]</b>
	c) At the End of the Year			260000	2.080
<b>5</b>	<b>PRISM IMPEX PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	500000	4.000		
	b) Changes during the year				
	Date : Reason				
	05/01/2018 Transfer	-500000	4.000	0	0.000
	c) At the End of the Year			0	0.000
<b>6</b>	<b>PROCTOR PRATHISTHAN AND TRADING PVT LTD</b>				
	a) At the Beginning of the Year	462500	3.700		
	b) Changes during the year				<b>[NO CHANGES DURING THE YEAR]</b>
	c) At the End of the Year			462500	3.700
<b>7</b>	<b>RAJLAKMI VANIJYA PVT. LTD.</b>				
	a) At the Beginning of the Year	160000	1.280		
	b) Changes during the year				<b>[NO CHANGES DURING THE YEAR]</b>
	c) At the End of the Year			160000	1.280

SL NO.	NAME	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>8</b>	<b>VARIETY COMMODITIES PVT. LTD.</b>				
	a) At the Beginning of the Year	168600	1.349		
	b) Changes during the year	<b>[NO CHANGES DURING THE YEAR]</b>			
	c) At the End of the Year			168600	1.349
<b>9</b>	<b>ACCURATE AGENCY PVT LTD</b>				
	a) At the Beginning of the Year	335000	2.680		
	b) Changes during the year				
	Date Reason				
	16/06/2017 Transfer	-1	0.000	334999	2.680
	23/06/2017 Transfer	-199	0.002	334800	2.678
	30/06/2017 Transfer	-2463	0.020	332337	2.659
	07/07/2017 Transfer	-425	0.003	331912	2.655
	15/12/2017 Transfer	-200	0.002	331712	2.654
	22/12/2017 Transfer	-4770	0.038	326942	2.616
	29/12/2017 Transfer	-400	0.003	326542	2.612
	23/03/2018 Transfer	-152	0.001	326390	2.611
	c) At the End of the Year			326390	2.611
<b>10</b>	<b>ARENA TEXTILES AND INDUSTRIES LTD.</b>				
	a) At the Beginning of the Year	150000	1.200		
	b) Changes during the year	<b>[NO CHANGES DURING THE YEAR]</b>			
	c) At the End of the Year			150000	1.200
<b>11.</b>	<b>GREENLINE COMMDEAL PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	148000	1.184		
	b) Changes during the year	<b>[NO CHANGES DURING THE YEAR]</b>			
	c) At the End of the Year			148000	1.184
	<b>TOTAL</b>	<b>2709100</b>	<b>21.673</b>	<b>2692679</b>	<b>21.541</b>

**E) Shareholding of Directors and Key Managerial Personnel:**

Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the year(31.03.2018)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1. DALBIR CHHIBBAR (MANAGING DIRECTOR)</b>				
At the beginning of the year	108725	0.87	108725	0.87
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
At the end of the year	108725	0.87	108725	0.87

**ASHIRWAD STEELS & INDUSTRIES LTD.**

Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>2. SUSHMA CHHIBBAR(DIRECTOR)</b>				
At the beginning of the year	53,000	0.04	53,000	0.04
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
At the end of the year	53,000	0.04	53,000	0.04
<b>3. PURANMAL AGRAWAL (DIRECTOR)</b>				
At the beginning of the year	3,250	0.026	3,250	0.026
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
At the end of the year	3,250	0.026	3,250	0.026
<b>4. SURESH KUMAR AGRWAL (DIRECTOR)</b>				
At the beginning of the year	2,500	0.02	2,500	0.02
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
At the end of the year	2,500	0.00	2,500	0.02
<b>5. YUDHBIR CHHIBBAR (DIRECTOR)</b>				
At the beginning of the year	3,000	0.02	3,000	0.02
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
At the end of the year	3,000	0.02	3,000	0.02
<b>6. VISHESH CHHIBBAR (DIRECTOR)</b>				
At the beginning of the year	50,100	0.401	50100	0.401
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
At the end of the year	50,100	0.401	50,100	0.401
<b>7. PRAVIN KUMAR CHHABRA (INDEPENDENT DIRECTOR)</b>				
At the beginning of the year	400	0.00	400	0.00
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
At the end of the year	400	0.00	400	0.00
<b>TOTAL</b>	<b>220975</b>	<b>1.768</b>	<b>220975</b>	<b>1.768</b>

**V) INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment: NIL

**VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (Rs.)
1	Gross salary	Mr. Dalbir Chhibbar (Managing Director)	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8,40,000	8,40,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961		
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission	Nil	Nil
	- as % of profit	Nil	Nil
	- others, specify...		
5	Others, please specify	Nil	Nil
	Total (A)	8,40,000	8,40,000
	Ceiling as per the Act	Within the Ceiling	

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Lalit Kishore Choudhury	Mr. Pravin Kumar Chhabra	Mr. Tapas Datta	
1	Independent Directors:				
	Fee for attending board committee meetings	9,000	12,000	12,000	33,000
	Commission	0.00	0.00	0.00	0.00
	Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	9,000	12,000	12,000	33,000
2	Other Non-Executive Directors:				
	Total (2)	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	9,000	12,000	12,000	33,000
	Total Managerial				
	Remuneration	9,000	12,000	12,000	33,000
	Overall Ceiling as per the Act	Within the ceiling	Within the ceiling	Within the ceiling	Within the ceiling

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	CS	Total
1	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,73,600	2,25,000	4,98,600
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961			
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	. Commission	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil
	- others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total	2,73,600	2,25,000	4,98,600

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

**For and on behalf of the Board**

**Dalbir Chhibbar**  
**Chairman & Managing Director**  
**(DIN :00550703)**

Place: Kolkata

Dated: 29.05.2018

**ANNEXURE to the Ashirwad Steels and Industries Ltd.'s Board of Director's Report for the financial year ended 31.03.2018**

**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: None
- (b) Nature of contracts/arrangements/transactions: None
- (c) Duration of the contracts / arrangements/transactions: None
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: None
- (e) Justification for entering into such contracts or arrangements or transactions: None
- (f) Date of approval by the Board: None
- (g) Amount paid as advances, if any: None
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: None

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a)	Name(s) of the related party and nature of relationship:	Dalbir Chhibbar, Managing Director	Chhibbar Business & Fiscals Pvt. Ltd, group company
(b)	Nature of contracts/arrangements/ transactions:	Payment of Remuneration	Payment of office Rent
(c)	Duration of the contracts / arrangements/ transactions:	5 years	Perpetual
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	As per package approved by BOD & Members in AGM. Remuneration paid Rs. 8,40,000/- p.a.	Rs. 1,50,000 p.a.
(e)	Date(s) of approval by the Board, if any:	Approved by the members in the AGM on 22/09/14.	----
(f)	Amount paid as advances, if any:	----	----

**For and on behalf of the Board**

Place: Kolkata  
Dated: 29.05.2018

**Dalbir Chhibbar  
Chairman & Managing Director  
(DIN :00550703)**



# Ashirwad Steels & Industries Limited

Regd. Office: 6, Waterloo Street, 5th Floor, Room NO.506, Kolkata – 700 069, West Bengal

CIN: L51909WB1986PLC040201

## Proxy Form

### [MGT-11]

[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 :  
Email Id :  
Folio No. /Client Id No. :  
DP ID :

I/We, members of Ashirwad Steels & Industries Limited holding .....equity shares of Rs. 10/- face value each hereby appoint:

1. Name: \_\_\_\_\_ Email Id: \_\_\_\_\_  
Registered Address: \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him
2. Name: \_\_\_\_\_ Email Id: \_\_\_\_\_  
Registered Address: \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him
3. Name: \_\_\_\_\_ Email Id: \_\_\_\_\_  
Registered Address: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd General Meeting of the Company to be held on Monday, the 24th September, 2018 at 11:00 a.m. at 6, Waterloo Street, 5th Floor, Suit No.-506, Kolkata-700069 and at any adjournment thereof in respect of such Resolutions as are indicated below:

#### As Ordinary Business:

- ✂
1. Adoption of Financial Statements for the year ended 31st March, 2018 together with the Directors' Report and Auditors' Report.
  2. Re-appointment of Mr. Puranmal Agarwal and Mr. Vishesh Chhibbar who retires by rotation.
  3. Re-appointment of new statutory Auditors and fixing their remuneration.

Signed this.....Day of ..... 2018

Signature of the Shareholder.

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

#### Notes:

1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at 6, Waterloo Street, 5th Floor, Suit No.-506, Kolkata-700069, not less than 48 hours before the commencement of the meeting.
2. Those Members who have multiple folios with different joint-holders may use copies of the Attendance Slip or the proxy form.



# Ashirwad Steels & Industries Limited

Regd. Office: 6, Waterloo Street, 5th Floor, Room NO.506, Kolkata – 700 069, West Bengal

CIN: L51909WB1986PLC040201

## Attendance Slip

[To be presented at the entrance duly signed]

The 32nd Annual General Meeting of the Company to be held on Monday, 24th September, 2018 at 11.00 A.M. at 6, Waterloo Street, 5th Floor, Suit No. 506, Kolkata-700069.

Folio No.....DP Id No..... Client ID .....

Name of the Member..... Signature.....

Name of Proxy Holder..... Signature .....

1. Only Member/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.

### Electronic Voting Particulars

Electronic Voting Event Number (EVSN)	User ID	Password

Note: Please refer to the instruction no. 10 printed under the Notes of the Notice of the 32nd Annual General Meeting. The e-voting period starts from Friday, the 21st September, 2018 at 09:00 A.M. and ends on Sunday, the 23rd September, 2018 at 5:00 p.m.(both days inclusive). The e-voting portal shall be disabled by CDSL for e-voting thereafter.

