



NOVA

IRON & STEEL LTD.


CIN : L02710CT1989PLC010052

4th Floor, Tolstoy House, 15-17 Tolstoy Marg, Connaught Place,

New Delhi-110 001 INDIA Tel. : +91-11-30451000

Fax : +91-11-23712737, www.novaironsteel.com

FORM A

1.	Name of the Company	Nova Iron and Steel Limited
2.	Annual Financial Statements for the year ended	31.03.2014
3.	Type of Audit Observation	No observation
4.	Frequency of observation	Nil
5.	To be Signed by: Audit Committee Chairman	

Regd. Office : Village Dagori, Tehsil-Belha, Bilaspur (Chhattisgarh).
Tel. : +91-077-52285217 Fax : +91-077-52285213

NOVA IRON AND STEEL LTD.



Certificate True Copy
For Nova Iron & Steel Ltd.

Aceeray
Company Secretary

22nd ANNUAL REPORT
2013-2014



NOVA IRON AND STEEL LTD.

22nd ANNUAL REPORT 2013-14
Year ended 31st March 2014

BOARD OF DIRECTORS

CHAIRMAN

Sh. Sanjay Singal

WHOLE TIME DIRECTOR

Mr. Hardev Chand Verma

DIRECTORS

Mr. Aniket Singal

Mr. R.P. Goyal

Mr. Narsingh Awatar

Mr. M.Ramachadran

Mr. Arvind Gupta

CHIEF FINANCIAL OFFICER

Mr. Ajoy Shah

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Dheeraj Kumar

AUDITORS

M/s Antima & Goel

Chartered Accountants

A-6, Lower Ground Floor, Defence Colony,

New Delhi-110024

COST AUDITOR

J.K Kabra & Company

Cost Accountants

552/1B, Arjun Street, Main Vishwas Road,

Vishwas Nagar, Delhi - 32

BANKERS

Punjab National Bank

Axis Bank Ltd.

REGISTERED OFFICE

Village - Dagori, Tehsil - Belha, Dist - Bilaspur

Chhattisgarh - 495224

CORPORATE OFFICE

4th floor, Tolstoy House,

15-17 Tolstoy Marg, Connaught Palace,

New Delhi- 110001

PLANT

Village - Dagori, Tehsil - Belha, Dist - Bilaspur

Chhattisgarh - 495224

REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Private Limited

D-153A, 1st Floor, Okhla Industrial Area,

Phase- 1, New Delhi - 110020

Tel: +91 11 30857575, Fax +91 1130857562

Contact Person- Mr. Virender Rana

Email: viren@skylinerta.com

EMAIL & WEBSITE

raj.nisl2007@yahoo.com

www.novaironsteel.com

CIN No.:

L2710CT1989PLC010052

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NOVA IRON AND STEEL LTD.

NOVA IRON AND STEEL LIMITED

Registered Office: Village-Dagori, Tehsil-Belha, District-Bilaspur Chhattisgarh - 495224
Email: rai_nisl2007@yahoo.com, website: www.novaironsteel.com
(CIN: L02710CT1989PLC010052) Phone:011-30451000, Fax:011-23712737

NOTICE

Notice is hereby given that the 22nd Annual General Meeting of Nova Iron and Steel Limited will be held on Saturday, the 27th day of September, 2014 at 11.30 A.M. at its Regd. Office at Village Dagori, Tehsil Belha, District Bilaspur, Chhattisgarh to transact the following Business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March 2014 i.e. Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit & Loss and Cash Flow Statement for the year as on that date together with Auditors' Report and Directors' Report thereon.
2. To appoint a Director in place of Mr. Aniket Singal, (DIN 03478511), who retires by rotation and being eligible, has offered himself for re-appointment.
3. To appoint a Director in place of Mr. R.P. Goyal (DIN 00006595), who retires by rotation and being eligible, has offered himself for re-appointment.
4. To Appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that M/s Antima & Goel, Chartered Accountants, New Delhi (Registration No. 009062N) be and is hereby appointed as Statutory Auditor of the Company to hold office for a period of three years i.e. from the conclusion of the this Annual General Meeting until the conclusion of the 25th Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors of the Company thereof."

SPECIAL BUSINESS

- 5.. To note Sh. Narsingh Awatar (DIN 00376193) Independent Director continued to be an Independent Director under Companies Act, 2013 and in this regard to consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Sh. Narsingh Awatar (DIN 00376193), presently Independent Director of the Company whose period of office is liable to retirement by rotation under the provisions of Companies Act, 1956 will continue to be an Independent Director whose term of office will not be liable to retirement by rotation under the provisions of Companies Act, 2013 and who has submitted a declaration of Independence under Section 149(6) of the Companies Act, 2013 and who is eligible to continue as Independent Director, be and is hereby continue and considered to be an Independent Director of the Company, to hold office for three consecutive years from the date of Annual General Meeting.

6. To note Sh. Manickam Ramchandran (DIN 00204342) Independent Director continued to be an Independent Director under Companies Act, 2013 and in this regard to consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution: -

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Shri Manickam Ramchandran (DIN 00204342), presently Independent Director of the Company whose period of office is liable to retirement by rotation under the provisions of Companies Act, 1956 will continue to be an Independent Director whose term of office will not be liable to retirement by rotation under the provisions of Companies Act, 2013 and who has submitted a declaration of Independence under Section 149(6) of the Companies Act, 2013 and who is eligible to continue as an Independent Director, be and is hereby continue and considered to be an Independent Director of the Company, to hold office for three consecutive years from the date of Annual General Meeting.



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7. To note Sh. Arvind Gupta (DIN 03423291) Independent Director continued to be an Independent Director under Companies Act, 2013 and in this regard to consider and if thought fit to pass with or without modification(s) the following resolution as Ordinary Resolution :-
- "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Sh. Arvind Gupta (DIN 03423291), presently Independent Director of the Company whose period of office is liable to retirement by rotation under the provisions of Companies Act, 1956 will continue to be an Independent Director whose term of office will not be liable to retirement by rotation under the provisions of Companies Act, 2013 and who has submitted a declaration of Independence under Section 149(6) of the Companies Act, 2013 and who is eligible to continue as an Independent Director, be and is hereby continue and considered to be an Independent Director of the Company, to hold office for three consecutive years from the date of Annual General Meeting.
8. To consider and approve the Appointment and remuneration to be paid to Sh. Hardev Chand Verma as Whole Time Director and if thought fit to pass with or without modification (s) the following Resolution as a Special Resolution:-
- "RESOLVED AS A SPECIAL RESOLUTION THAT the Company hereby accords its approval and consent under provisions of Section 196, 197 and 203 of the Companies Act, 2013 and the Companies (Appointment of Managerial Personnel) Rules 2014 (including any amendment and/or re-enactment thereof) and with Schedule V to the Companies Act, 2013 and subject to the approval of Central Government or other Government authority/agency/board, if any, the consent of the shareholders of the Company be and is hereby accorded , to the appointment of Sh. Hardev Chand Verma (DIN 00007681), Director of the Company as Whole Time Director of the Company for the period of five years on the terms and conditions stated in the Board Resolution dated 30.05.2014.
- RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof be and is hereby authorised to take such steps and do all such acts, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution."
9. To consider and adoption of new set of Articles of Association of the Company containing regulations in line with the Companies Act, 2013, and in this regard to consider if thought fit, to pass with or without modification, the following resolution as Special Resolution:
- "RESOLVED AS A SPECIAL RESOLUTION THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 (statutory modification (s) or re-enactment thereof, for the time being in force), the new set of Articles of Association submitted before this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company".
- 10 Ratification of Remuneration of Cost Auditors for the Financial Year ended 31st March 2015 and to ratify and approve the remuneration of the Cost Auditors for the financial year ending March 31, 2015 and in this regard to consider and if thought fit, to pass with or without modification(s) , the following resolution as an Ordinary Resolution:
- "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby given for payment of Remuneration of Rs. 25000/- to M/s J. K. Kabra & Company, New Delhi, Cost Auditors (Firm Registration No. 2890) appointed by the Board of Directors of the Company, to conduct cost audit of the Company for the financial year ending March 31, 2015."
- 11 Authority to Board of Directors to Borrow and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
- "RESOLVED AS A SPECIAL RESOLUTION THAT in supercession of all earlier resolutions for authority to Board of Directors to Borrow and pursuant to section 180 (1)(c) and other applicable provisions, if any, of the Companies Act, 2013, and applicable rules of the Companies (Meetings of Board and its Powers) Rules, 2014, (including any statutory amendments/ modification or re-enactment thereof for the time being in force) and consent of the shareholders be and is hereby accorded to the Board of the Company for borrowing for and on behalf of the Company from time to time any sum or sums of money on such terms and conditions as the Board may deem fit notwithstanding that the money to be borrowed together with money already borrowed, apart from temporary loans obtained from the Company's bankers in the ordinary course of business. will or may exceed in the aggregate for the time being of the paid up capital of the company and its free reserves, provided that the total amount upto which money may be borrowed together with the money already borrowed under section 180 (1)(c) of the Companies Act, 2013, shall not at any time exceed Rs.10000 crore" (Rupees Ten thousand Crore only).



12. Authority to Invest/Give Loan/Give Guarantee/Provide Security and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-

"RESOLVED AS A SPECIAL RESOLUTION THAT and in supercession of all earlier resolutions for authority to Invest/Give Loan/Give Guarantee/Provide Security and pursuant to section 186 and other applicable provisions, if any, of the Companies Act, 2013 and applicable rules of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory amendments/modification or re-enactment thereof for the time being in force) and consent of the shareholders be and is hereby accorded to the Board, to directly or indirectly invest funds of the company and/or give loans and/or give guarantee and/or provide security in connection with a loan together with existing investment of funds of the Company/ Loan given / Guarantee given/ Securities provided, exceeding sixty percent of its paid up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more, including the funds of the company already invested and/or given loans and/or given guarantee and/or provided security but not exceeding Rs.1000 crore (Rupees One thousand Crore only).

"RESOLVED FURTHER THAT Board is authorized to decide the amount within the upper limit as specified above, to be invested / loans to be given /guarantees to be given /securities to be provided in one or more trenches as they deem fit and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient for giving effect to this resolution".

13. Authority to create charge on immovable and movable assets of the Company and in this regard to consider and if thought fit to pass with or without modification(s) the following Resolution as a Special Resolution: -

"RESOLVED AS A SPECIAL RESOLUTION THAT in supercession of all earlier resolutions for authority to create charge and the consent of the Company be and is hereby accorded to the Board of Directors in terms of Section 180 (1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and rules made their under (including any amendment or enactment) to mortgage/hypothecate or/and to create of all the immovable and movable assets of the Company, through deposits of title deeds or any other manner, wheresoever situate, present and future with power to take over the management of the business and concern of the Company in certain events, to or in favour of all or any Bank(s)/Financial Institution both domestic and foreign whether in public sector or private sector or joint venture to secure the loans/working capital of the company together with the interest at the respective agreed rates, compound/additional interest, commitment charge, premium on prepayment or on redemption, costs, charges, expenses and all other moneys payable to any Bank(s)/Financial Institution(s), both domestic and foreign whether in Public Sector or Private Sector or Joint Sector, in terms of their respective Loan Agreements/Heads of Agreement/Letters of Sanction/ Memorandum of terms and conditions, entered into/to be entered into by the Transferor Companies/by the Company, in respect of the term loans/working capital facility(ies) etc."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to negotiate and finalise with Bank(s)/Financial Institution(s), whether in public sector or private sector or joint sector both domestic and foreign, the documents for creating/modifying/amending aforesaid mortgage and/or charge either by way of first charge or by way of second charge or by way of pari-passu charge and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient for giving effect to this Resolution."

**By order of the Board
For Nova Iron And Steel Limited**

Sd/-
Dheeraj Kumar
Company Secretary

Place : New Delhi
Date: 11.08.2014



NOTES FOR MEMBERS ATTENTION:

1. A member entitled to attend and vote at the meeting is entitled to appoint Proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty(50) and holding in aggregate not more than ten(10) percent of the total share capital of the Company. The proxy, in order to be effective, must be deposited with the Company at its Registered Office duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
2. Members are informed that as per SEBI directive the Company has entered into an agreement with M/s Skyline Financial Services Pvt. Ltd, to act as Share Transfer Agents of the Company for all matters connected with Transfers and Transmission of shares and also dematerialization of Shares and other related functions etc.
3. Any correspondence relating to shares can be made to the company's registrar at:
M/s Skyline Financial Services Private Limited,
D-153A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi-110020,
Ph. Nos. 011-30857575 (10 Lines), Fax-011-30857562,
Email: rta.nova.rg@gmail.com
4. In case of joint holders of shares attending the meeting, only such joint holders who is higher in the order of names will be entitled to vote.
5. The Register of Members and the Share Transfer Books shall remain closed from 21st September 2014 to 27th September 2014(both days inclusive)
6. Members seeking information about the accounts are requested to write at least 10 days before the date of the meeting to the Company so that it may be convenient to keep the information ready for the meeting.
7. All the documents referred to accompanying Notice are open for inspection at the corporate office of the Company on all working days except Sunday between 11.00 AM to 1.00 PM upto the date of Annual General Meeting.
8. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
9. Members are requested to bring their copy of Annual Report at the Meeting and proxies should bring attendance slips duly filled in for attending the Meeting.
10. Members are requested to notify immediately any change in their addresses quoting their folio numbers to Registrar and Transfer Agent of the Company.
11. Non Resident members are requested to inform immediately to RTA (a) change in residential status on relating to India for permanent settlement (b) particulars of bank account maintained in India with complete name of bank, branch address, account type, account number, if not furnished earlier.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository.

Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s Skyline Financial Services Private Limited. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form; upon request.



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14. Notice of Annual General Meeting will be sent to those shareholders/beneficial owners whose name will appear in the register of the members/list of beneficiaries received from the depositories as on 15th day of August, 2014.
15. As per the requirement of Clause 49 of the Listing Agreement with Stock Exchanges, the details of Directors proposed to be re-appointed, appointed & designated as Whole Time Director and Continued to be Independent Director under provision of Companies Act, 2013 at the Annual General Meeting is annexed hereto.

Particulars		Name of Directors to be re-appointed			
Name	Date of Birth	Expertise/Experience in Area	Qualification	Directorship in other Companies	Shareholding in the Company as on 31.03.2014
Mr. Aniket Singal	26.08.1992	Steel Sector-Marketing and administration	Undergoing Management Course	NIL	NIL
Mr. R.P. Goyal	09.09.1951	Rich experience of about 34 years in commercial, legal and administration	Graduate Commerce	Marble Finvest Limited Bhushan Power and Steel Limited Atma Ram House Investment Private Limited Rohne Coal Company Private Limited Avantika Real Estate Private Limited	NIL
Particulars		Name of Directors to be appointed & designated as Whole Time Director			
Mr. Hardev Chand Verma	15.11.1952	Experience of about 34 years in steel sector, specialized field Marketing both domestic and exports		Bhushan Power & Steel Limited	NIL
Particulars		Name of Directors Continued to be Independent Director under provision of Companies Act, 2013			
Mr. Narsingh Awatar	26.02.1937	Chartered accountant by profession 54 year experience of profession	FCA	Shubh Labh Leasing Ltd NTR Estates Pvt .Ltd Excel Portfolios Pvt. Ltd	NIL
Mr. M. Ramchandran	13.02.1947	Technocrat by profession 36 years experience in setting up Management and Consultancy of sponge iron and special projects	M. Tech	Prikar Steel Private Limited RLS alloys private limited IPS Engineering consultancy private limited Randal equipment private limited Anuradha Steels private limited Ramkar Engineers Private limited Indusves engineering works private limited	NIL
Mr. Arvind Gupta	22.12.1957	40 year experience in Legal	L.L.B	Askindianlaw.com Private limited	NIL



16 Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, under clause 35 of visiting agreement and the Company is pleased to provide members facility to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for e-voting are as under:

- (i) The voting period begins on 19.09.2014 at 10:00 am and ends on 20.09.2014 at 05:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 15.08.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (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 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	
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 Folio number / Client ID 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. Eg. If your name is Ramesh Kumar with Folio/ Client ID 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. * Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the Number of Shares in the Dividend Bank details field as mentioned in instruction (v).

- (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 Nova Iron & Steel 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 that you assent to the Resolution and option NO implies that 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 you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (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 here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non-Individual Shareholders & Custodians:
- * Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
 - * A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - * After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - * 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.
- (xix) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.



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EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 5, 6 & 7

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors which came into effect from April 1, 2014, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation. The Term shall be effective prospectively. The Board of Directors of the Company have decided to adopt the provisions for tenure of present Independent Directors which is consistent with the Companies Act, 2013 and the amended Listing Agreement. Mr. Narsingh Awatar (DIN 00376193), Mr. Manickam Ramchandran (DIN 00204342) and Mr. Arvind Gupta (DIN 03423291) Directors continued and considered as Non-Executive Independent Directors of the Company. The period of office of these Directors are not liable to determination by retirement by rotation under the applicable provisions of the Companies Act, 2013 henceforth. Company has received the declaration of Independence under Section 149(6) of the Companies Act, 2013. from the aforesaid directors.

In the opinion of the Board, each of these Directors fulfil the conditions specified in the Companies Act, 2013 and Rules made thereunder and under the listing agreement to be continued as an Independent Directors of the Company and they are independent of the management. These Directors are not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and they have given their consent to act as Director.

The Board recommends the resolution as set out in Item No. 5 to 7 of the Notice for the approval by the shareholders.

Except Mr. Narsingh Awatar, Mr. Manickam Ramchandran and Mr. Arvind Gupta Directors, or their relatives, and Key Managerial Personnel of the Company and their relatives none of the Directors are concerned or interested, financially or otherwise, in the resolutions set out at item Nos. 5 to 7.

ITEM NO. 8

Mr. Hardev Chand Verma, (DIN00007681) Director of the Company appointed as a Whole Time Director of the Company in terms of the provisions of the Companies Act, 2013 the Board of Directors have, in meeting held on May 30, 2014, appointed Mr Hardev Chand Verma as a Whole Time Director of the Company for a period of five years with effect from May 30, 2014 on the terms & conditions as approved by the Board in its meeting held on 30.05.2014 and is reproduced below:

Terms & Conditions:

Remuneration, Perquisites and Allowances

- (a) Salary: In the pay scale of Rs. 1,25,000-25,000-2,25,000/- p.m.
- (b) Housing: Accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and /or allowances for utilisation of gas, electricity, water, furnishing and repairs and leave travel concession for self and family including dependents. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of such rules, perquisites and allowances shall be evaluated at actual cost.
- (c) Contribution towards Provident Fund, superannuation fund or annuity fund to be the extent these either singly or put together are not taxable under the Income Tax Act, 1961
- (d) Gratuity payable at the rate not exceeding half a Month's salary for each completed year of Service.
- (e) Encashment of leave at the end of the tenure as per the rules of the Company,
- (f) Children Education allowance: In case children studying in or outside India, an allowance limited to maximum of Rs 12,000/- per month per child or actual expenses incurred, whichever is less. Such allowance is admissible up to a maximum of two children.
- (g) Leave Travel Concession will be as per the rules specified by the Company.
- (h) Club Fees subject to a maximum of two clubs excluding admission and life membership fee.
- (i) Personal Accident Insurance Premium not exceeding Rs. 10,000 per annum.



Reimbursement of Expenses

Expenses incurred for travelling, board and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance provided including or premium of any mediclaim policy for their respective family members; and provision of cars for use on the Company's business and mobile/telephone expenses at residence shall be reimbursed at actuals and not considered perquisites.

Termination:

The office of WTD may be terminated by the Company or the concerned Director by giving the other 1 (One) months prior notice in writing.

Loan :

Subject to the provisions of the Act, WTD shall be entitled to avail loan not exceeding Rs 25 lacs from the Company for the purpose of house construction, marriage of children, or any lawful purpose acceptable to the Company

Sitting Fee

WTD shall not be paid any sitting fee for attending meetings of the Board of Directors or Committee(s).

Shareholder may kindly take note that Mr. Aniket Singal, Director of the Company whose appointment as Managing Director of the Company was approved by shareholders in their meeting held on 28.09.2013 has refused to join as such and continue to be a director.

The Board recommends the Special Resolution set out at item No. 8 of the Notice for approval by the shareholders.

Except Mr. Hardev Chand Verma, None of Directors/ Key Managerial personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 8 of the Notice.

ITEM NO. 9

The Articles of Association of the Company as currently in force was originally adopted when the Company was incorporated under the Companies Act, 1956. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013.

It is proposed to change the existing Articles of Association to align it with the provisions of Companies Act, 2013 which has been notified including the Rules framed thereunder. New set of Articles of Association are available for inspection at the Registered Office of the Company between 2.00 pm and 5.00 pm on all working days (except Saturdays, Sundays and Public Holidays) up to the date of announcement of result.

The Board recommends the Special Resolution set out at item No. 9 of the Notice for approval by the shareholders.

None of Directors/ Key Managerial personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 9 of the Notice.

ITEM NO. 10

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s J. K. Kabra & Company. Cost Auditors in its meeting held on 22th April 2014 to conduct cost audit of the Company for financial year ending March 31, 2015, subject to the approval of the Central Government, the remuneration of the Cost Auditors has been approved and recommended at Rs.25000/-. The relevant Form regarding appointment and remuneration of the Cost Auditors approved by the Board has been filed with the Central Government as required under the Companies Act, 1956.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought as set out in the Resolution at item No.10 of the Notice for ratification of the remuneration payable to the Cost Auditor, subject to the approval of the Central Government for the financial year ending March 31, 2015 for conducting cost audit and giving their report thereon.

The Board recommends the Ordinary Resolution set out at item No. 10 of the Notice for approval by the shareholders.



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None of Directors/ Key Managerial personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 10 of the Notice.

ITEM NO. 11

Shareholders are informed that pursuant to section 180 (1) (c) of the Companies Act, 2013, a company is required to take approval from the shareholders before borrowing money, where the money to be borrowed, together with the money already borrowed by the company, will exceed the aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business. Hence, Board proposes the resolution at item no. 11 of the notice, for the consideration of shareholders and to give their consent and authority to the Board to borrow money including money already borrowed up to a limit of Rs. 10000 crore (Rupees Ten thousand Crore only).

The Board recommends the Special Resolution set out at item No. 11 of the Notice for approval by the shareholders.

None of Directors/ Key Managerial personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 11 of the Notice.

ITEM NO. 12

Shareholders are informed that pursuant to section 186 of the Companies Act, 2013, no company can invest funds and/or give loan and/or give guarantee and/or provide securities exceeding sixty percent of its paid up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account except with the approval of the shareholders in general meeting. Hence, Board proposes the resolution at item no. 12 of the notice, for the consideration of shareholders and to give their consent and authority to the Board to invest funds of the Company and/or give loans and/or give guarantee and/or provide securities in connection with a loan which may exceed the limit as given under section 186, but not exceeding Rs.1000 Crore (One thousand crore only).

The Board recommends the Special Resolution set out at item No. 12 of the Notice for approval by the shareholders.

None of Directors/ Key Managerial personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 12 of the Notice.

ITEM NO. 13

In the course of business activities, Bank(s)/Financial Institution(s) both domestic or foreign whether in public sector or private sector or joint venture are sanctioning various loans, limits, credit facilities to a Company from time to time and require the Company to mortgage/charge movable/immovable properties of the Company by way of First/Second/both present and future in order to provide pari-passu charge for their Loan(s) and working Capital Facility(ies).

Pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any amendment or enactment) approval of the Shareholders is required before mortgaging/charging movable/immovable properties of the Company in favour of Bank(s)/Financial Institution(s)/both domestic or foreign whether in public sector or private sector or joint venture for their respective Loan(s) and Working Capital Facility(ies). Board of Directors has recommended for approval of the Shareholders for authority to Board of Director in the Resolution as set out at item no. 13 of the Notice for consenting to mortgage/charge movable and/or immovable properties of the company by way of First/Second/pari-passu Charge to the Bank(s)/Financial Institution(s), whether in public sector or in private sector or in joint sector who have sanctioned various loans, limits, working capital facilities to the Company.

The Board recommends the Special Resolution set out at item No. 13 of the Notice for approval by the shareholders.

None of Directors/ Key Managerial personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 13 of the Notice.

By order of the Board
For Nova Iron and Steel Ltd.

Sd/-
Dheeraj Kumar
Company Secretary

Place : New Delhi
Date: 11/08/2014



NOVA IRON AND STEEL LTD.

DIRECTORS' REPORT

To Members, Nova Iron and Steel Limited

Your Directors have pleasure in presenting the 22nd Annual Report together with Audited Accounts for the year ended 31st March, 2014.

FINANCIAL HIGHLIGHTS

Particulars	(Rs. in Lacs)	
	2013-14	2012-13
Total Income	5325.71	12151.07
Profit/Loss before Interest, Depreciation and Tax	1865.50	554.40
Interest & Financial Cost	908.39	728.60
Depreciation & Amortisation	254.80	275.45
Profit/(Loss) before Tax	702.32	(449.66)
Deferred Tax	4.95	28.28
Profit/(Loss) after Tax	697.36	(477.94)
Net Profit/(Loss) transferred to Balance Sheet	697.36	(477.94)

PERFORMANCE REVIEW

During the year under review, the plant was shut down from June 2013 to March 2014 for undertaking expansion. Therefore the production of salable products was affecting and consequently sales reduced to Rs. 3076 lacs as compare to previous year. However, Company explored the other associated activities and earned income from such activities to the tune of Rs. 2544.75 lacs resulting into increase in profit from Rs. 477.94 lacs to Rs. 697.36 lacs.

OPERATION & FUTURE OUTLOOK

During the year under review, your company has undertaken installation of Induction Furnace & 12 MW waste heat recovery based (WHRB) captive power plant for continuous power to Induction Furnace, which is in progress. Power shall be generated from waste heats generated in the plant. This will not only save high power cost but also allow the company to sell the excess power through open access thereby generating extra revenues. Installation of furnace will produce cost effective Sponge Iron.

Your company has been sourcing coal through e-auction, rates which are higher to the normal market rates, if available. Thus increasing the cost of production. Fuel Supply Agreement with Southern Eastern Coalfield Ltd is in dispute and is pending before Hon'ble Supreme Court for adjudication. Non availability of higher grade of quality of iron ore at the competitive prices has affected profits. In the current market conditions, to compete in the market, captive mines and captive power plant is a necessity.

Your Company does not have its own captive iron ore mines. The Company has applied for grant of prospecting license for iron ore over an area of 11.47 sq kms in Village Madamnar, Dist Narayanpur, Chhattisgarh. which is yet to be recommended by the State to Central Government for approval.

The demand of Sponge Iron in the market also remained low because of higher cost of production resulting into lower sales.

DIVIDEND

To consolidate the future position of the Company and support the fund requirements to stimulate the growth. Board of Directors regret their inability to recommend any Dividend for the year.

LISTING

The Equity shares of the company are listed at Bombay Stock Exchange. The Company has paid listing fees to the Stock Exchange for the year 2014-15. Pursuant to approval of Board of Directors in its meeting held on 08.10.2010, Company has filed application for delisting of shares from National Stock Exchange vide letter dated 27.10.2010 and Ahmadabad, Calcutta, Delhi, Madras vide letter dated 02.06.2011.

DELISTING

Securities of the Company have been delisted from Madras Stock Exchange on 02.09.2013. Pursuant to Circular No. CIR/ MRD/DSA/18/2014 dated 22.05.2014 issued by SEBI, has been asked for stock exchanges voluntary surrender of recognition and exit if the Regional Stock Exchanges are not able to achieve the prescribed turnover of Rs. 1000 crores on continuous basis. Company has already applied to delist the securities from regional non-operational stock exchanges.

DIRECTORS

Since last Annual General Meeting the following changes has taken place in the Directorship of the Company.

Mr. Hardev Chand Verma, Director (DIN 00007681) of the Company has been appointed as Whole Time Director w.e.f. 30.05.2014.

In accordance with the provisions of Articles of Association of the Company and the relevant provision of Companies Act 2013, Mr. Aniket Singal (DIN 03478511) and Mr. R.P. Goyal (DIN 00006595) Directors retire by rotation and being eligible has offered themselves for re-appointment.

None of the Directors has incurred disqualification under section 274(1)(g) of the Companies Act, 1956 and corresponding provision of Companies Act 2013,



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DIRECTOR IDENTIFICATION NUMBER (DIN)

Present Directors on the Board have obtained Director Identification Number (DIN) and have complied with the Companies (Director Identification Number) Rules, 2006 as amended to date.

KEY MANAGERIAL PERSONAL

Mr. Hardev Chand Verma, Whole Time Director, Mr. Ajoy Shah, Manager (Finance) and Mr. Dheeraj Kumar, Company Secretary were designated as Key Managerial Personnel under the provisions of Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE COMPANIES ACT, 1956

Pursuant to Section 217(2AA) of Companies Act, 1956, with regard to Directors' Responsibility Statement, your Directors hereby confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year;
- (iii) the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual accounts on a going concern basis.

AUDIT COMMITTEE

In compliance with the provisions of Section 292A of Companies Act, 1956 and the relevant provision of Companies Act 2013 and Corporate Governance, Company has constituted Audit Committee. Presently Mr. N. Awatar and Mr. Arvind Gupta, Independent Director and Mr. R. P. Goyal non-executive Director are Members of the Committee. Mr. N. Awatar is Chairman of the company. Audit Committee shall act in accordance with the terms of reference specified by the Board of Directors.

AUDITORS

M/s Antima & Goel, Chartered Accountants, New Delhi (Regd. No. 009062N) hold office until the conclusion of Annual General Meeting and are eligible for re-appointment. M/s Antima & Goel, Chartered Accountants, New Delhi has confirmed their eligibility under Section 142 of the Companies Act, 2013. Pursuant to Section 139 of Companies Act, 2013, Auditors are required to be appointed for minimum of three years. Accordingly members approval is being sought for their re-appointment as Statutory Auditors of the Company for three years i.e. upto the conclusion of the 25th Annual General Meeting of the Company to be held in the year 2017 subject to ratification of their appointment at ever Annual General Meeting.

AUDITORS' REPORT

Auditors have not made any qualification/adverse remarks on the annual accounts for the year ended 31st March 2014. Notes to Accounts are self-explanatory and therefore calls for no further comments.

COST AUDITORS

M/s J.K. Kabra & Company, Cost Accountants, New Delhi (Regn. No. 2890) being eligible has been appointed Cost Auditors for the financial year 2014-15 subject to approval of Central Government. Company shall seek approval of remuneration from shareholders in the ensuing general meeting.

DEPOSITS

The Company has not invited or accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 or Section 2(31), read with section 73 of the Companies Act, 2013.

SEGMENT REPORTING

The Company is engaged in Iron & Steel business, which in the context of Accounting Standard -17 of Companies (Accounting Standard) Rules, 2006 as amended to date is considered only business segment.

SUBSIDIARY COMPANY

Company do not have any subsidiary company nor any holding company.

PARTICULARS RELATING TO EMPLOYEES

During the year there was no employees to whom the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended from time to time, is applicable, hence the information be treated as NIL.



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PARTICULARS RELATING TO TECHNOLOGY ABSORPTION, CONSERVATION OF ENERGY & FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 regarding conservation of Energy, Technology Absorption, foreign exchange earnings and outgo is enclosed at Annexure A.

CORPORATE GOVERNANCE

Report on Corporate Governance and a Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance in terms of Clause 49 of Listing Agreement are appended at Annexure - B and Annexure - C to this report.

ENVIRONMENT

The Company is committed to the protection of environment and is not involved in any activity hazardous to environment. The Company adheres to the provisions of the applicable environmental law.

EMPLOYEES STOCK OPTION

Company has not issued Sweat Equity Shares or ESOP (Employees Stock Option).

INDUSTRIAL RELATIONS

During the year industrial relations were cordial and management expressed their appreciation for the co-operation and dedication of the Employees/Workmen at all levels of the Company.

ACKNOWLEDGEMENTS

Your Directors convey their sincere thanks to the Bankers, various departments in Central and State Governments and all others associated with the Company for their co-operation, continued support and confidence reposed by them in the Company.

For and on behalf of the Board

**Sd/-
(Sanjay Singal)
Chairman
DIN00006579**

**Place : New Delhi
Date: 11.08.2014**



ANNEXURE - 'A' TO THE DIRECTORS' REPORT:

INFORMATION AS PER SECTION 217 (1) (e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2014.

CONSERVATION OF ENERGY:

- (a, b & c) Your Company has always been conscious of the need to conserve energy and has always attempted various measures for the same wherever possible to achieve reduction in the cost of production.
- (d) The details regarding present energy consumption including captive generation are furnished as per Form A of the Annexure to the Rules.

FORM A

A.	POWER & FUEL CONSUMPTION	2013-14	2012-13
1.	Electricity		
	(a) Purchased		
	Units (No. in Lacs)	23.09	54.84
	Total Amount (Rs. In Lacs)	181.01	301.67
	Average rate per unit (Rs.)	7.84	5.50
	(b) Own Generation		
	(i) Through Diesel		
	Units (No. in Lacs)	2.15	2.73
	Qty (Ltrs in Lacs)	0.77	0.82
	Total Amount (Rs. In Lacs)	52.90	39.44
	Average rate per unit (Rs.)	24.60	14.45
B.	CONSUMPTION PER UNIT OF PRODUCTION		
	Net Saleable Production (MTs)*	8139	46650
	Electricity (Unit/MT)	283.70	117.56

*There is no production during June 2013 to March 2014 due to plant shutdown for expansion undertaken.

FORM B

RESEARCH & DEVELOPMENT (R & D)

1.	Specific area in which R & D is carried out by the Company.	No specific research was carried out during the year.
2.	Benefits derived as a result of the above R&D	NIL
3.	Future Plan of action	Company proposed to set up captive power plant to generate its own power for uninterrupted supply of power thus creating synergies and efficiency of production cost.
4.	Expenditure on R&D (Rs. in lacs) Capital/Recurring	NIL

**NOVA IRON AND STEEL LTD.****TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:**

1.	Efforts in brief made towards technology, absorption, adaptation and innovation.	In the past five years no new technology has been adopted
2.	Benefits derived as a result of above efforts e.g. product improvement, cost reduction, product development, import substitution etc.	NIL
3.	In case of import technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.	Not Applicable
	a. Technology Imported	Not Applicable
	b. Year of Import	Not Applicable
	c. Has Technology been fully absorbed.	Not Applicable
	d. If not fully absorbed, areas where this has not taken place reason thereof and future plan of action.	Not Applicable

FOREIGN EXCHANGE EARNINGS AND OUTGO:

1.	Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plan.	Presently Company is not exporting its products in international market.
2	Total Foreign Exchange used and Earned	Used : Rs 5.89 Lacs Earned : Rs. NIL



ANNEXURE- 'B' TO THE DIRECTORS' REPORT:

REPORT ON CORPORATE GOVERNANCE

1. **Vision**
A focused mindset with continuous learning aimed to have completely integrated operations for self reliance in the business.
2. **Mission**
To attain a level where there is no defined limit for growth, to promote a work climate that harness the best of human potential, encourage to compete with self, protect environment and to explore all possible means for unmatched growth.
3. **Company's Philosophy**
The Company is committed to good Corporate Governance practices. Your Directors endeavor to adhere to the Standards set out by the Securities & Exchange Board of India (SEBI). Your Company is, therefore, complying in all material respects the mandatory requirements as explained hereunder.
4. **Board of Directors**
 - a) **Composition**
The composition of the Board is in compliance of Clause 49 of Listing Agreement. The Board of Directors consists of seven directors, comprising of Non-Executive Chairman, a Whole Time Director, two non-executive directors and three non-executive independent directors.
 - b) **Meetings and attendance records of each Director**
During the year Five meetings of Board of Directors were held on 15.04.2013, 30.05.2013, 05.08.2013, 06.11.2013 and 31.01.2014. The intervening period between the two Board Meetings was well within the maximum prescribed period.

Attendance record of Directors at Board/ Committee/ General Meetings and details of directorship/ committee membership/Chairmanship during the year ended 31st March 2014 are given below:-

S No	Name of Director	Attendance Particulars			No. of Other Directorship and Committee Member/Chairmanship			Remarks
		No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM	Other Director Ships	Committee Members (**)	Committee Chairmanships (**)	
1.	Sanjay Singal	05	03	N.A.	06	01	01	
2.	Aniket Singal	05	01	N.A.	0	0	0	
3.	Hardev Chand Verma	05	02	N.A.	01	0	0	Mr. Hardev Chand Verma was appointed Whole Time Director w.e.f. 30.05.2014
2.	R.P.Goyal	05	05	N.A.	05	03	01	
3.	N.Awatar	05	05	N.A.	03	03	02	
4.	M.Ramachandran	05	0	Yes	07	0	0	
5.	Arvind Gupta	05	05	N.A.	01	04	0	



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- (**) Committee here means Audit Committee, Remuneration Committee, Share Transfer Committee and Shareholder Grievance Committee.
- c) The Non-Executive Directors had no pecuniary relationship or transactions with the Company in their personal capacity during the year under review.
- d) Mr. Aniket Singal and Mr. R.P. Goyal Directors are retiring by rotation and have offered themselves for re-appointment.

Mr. Aniket Singal is undergoing management course and has experience in Steel Sector-marketing and administration. He is non-executive director of the Company.

Mr. R.P.Goyal is a commerce graduate and has rich experience of about 34 years in commercial , legal and administration. He is non-executive director of the Company

5. AUDIT COMMITTEE

The Company has an Audit Committee and at present consists 3 members namely Mr. N Awatar, Mr R. P. Goyal and Mr Arvind Gupta as its members. Mr. N Awatar is Chairman of the Committee and is independent and non-executive Director. He is a senior practicing Chartered Accountant.

A representative of the Statutory Auditors and Cost Auditors is invitee to the Audit Committee Meetings.

The terms of reference of the Committee conform to the provisions of section 292A of the Companies Act, 1956 and clause 49 of the Listing Agreement as detailed hereunder :-

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matter required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up there on.



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9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
12. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee. During the year Committee held Four Meetings on 05.08.2013, 06.11.2013, 30.05.2013 and 31.01.2014

6. NOMINATION AND REMUNERATION COMMITTEE

In accordance with Section 178 of the Companies Act, 2013 and as per the requirements of SEBI Circular dated April 17, 2014 for amendment to Equity Listing Agreement (which is effective from October 1, 2014), the Board of Directors of the Company at their meeting held on 11.08.2014, have renamed Remuneration Committee to Nomination and Remuneration Committee. Committee review Company's Policy on specific remuneration package for the executive directors.

Nomination and Remuneration Committee consists Mr. N Awatar and Mr. Arvind Gupta, independent directors as members of the Committee. Mr. N Awatar is the Chairman of the Committee. The Committee met once during the financial year i.e. on 05.08.2013

a) Details of remuneration paid to the Directors during the year under review :

- (i) Executive Directors
- (ii) Non-Executive Independent Directors

Sr. No.	Name of the Directors	Sitting fee Paid during the year (Rs)	Remarks	PERIOD	
				From	To
1.	Mr. N. Awatar	9000/-	Rs. 1000/- per meeting of the Board or Committee except Share Transfer Committee Meetings	01.04.2013	31.03.2014
2.	Mr. Arvind Gupta	9000/-	Rs. 1000/- per meeting of the Board or Committee except Share Transfer Committee Meetings	01.04.2013	31.03.2014

7. STAKEHOLDERS RELATIONSHIP COMMITTEE

In accordance with Section 178 of the Companies Act, 2013 and as per the requirements of SEBI Circular dated April 17, 2014 for amendment to Equity Listing Agreement (which is effective from October 1, 2014), the Board of Directors of the Company at their meeting held on 11.08.2014, has renamed the Shareholder Grievances Committee to Stakeholders Relationship Committee. During year under review four Meetings of Stakeholders Relationship Committee were held on 15.04.2013, 15.07.2013, 15.10.2013, and 15.01.2014. The Committee consist Mr. R.P. Goyal, Mr. N. Awatar and Mr. Arvind Gupta, Directors as members of the committee. Mr. R.P. Goyal is Chairman of the Committee.

Since the last Annual General Meeting 285 Nos of complaints were received from various shareholders and all of them have been replied/resolved satisfactorily. As on date there are no pending requests for share transfer.

8. SHARE TRANSFER COMMITTEE

Share Transfer Committee has been constituted to consider and approve transfer of shares lodged for transfer with RTA. The Share Transfer Committee meetings are being held every fortnight.



Mr. Sanjay Singal, Mr. R. P. Goyal and Mr. Arvind Gupta are the Members of the Committee. Mr. Sanjay Singal is the Chairman of the Committee.

9. GENERAL BODY MEETINGS:**(a) Annual General Meeting**

The details of Annual General Meetings held during the preceding three years and special Resolutions passes is as under :-

AGM	Date	Time	Venue	Special Resolution Passed
19th	11.10.2011	12.30 PM	Registered Office	<ul style="list-style-type: none">• Appointment of Mr Arvind Gupta as a Director• Appointment of Mr Sanjay Singal as a Director• Appointment of Mr R. P. Goyal as a Director• Authority to create Charge on immovable property• Authority to borrow
20th	26.09.2012	3.00 PM	Registered Office	<ul style="list-style-type: none">• No Special Resolution passed
21st	28.09.2013	3.00PM	Registered office	<ul style="list-style-type: none">• Appointment of Mr Aniket Singal as a Director• Appointment of Mr. Hardev Chand Verma as a Director• Approval for authority to Board for Appointment of Managing Director• Authority to Borrow

(b) Extra Ordinary General Meeting

The details of date, time and venue of EGM of the Company held and Special Resolutions Passed during the preceding three years is as under :-

Year	Date	Time	Venue	Special Resolution Passed
2011-12	17.03.2012	2.30 P.M.	Registered office	<ul style="list-style-type: none">• Reduction in capital and consequent consolidation of share
2012-13	No meeting held	NIL	NIL	NIL
2013-14	No meeting held	NIL	NIL	NIL

(c) No Special Resolutions was passed through Postal Ballot during the last three years i.e., 2011-12, 2012-13 and 2013 -14.

10. DISCLOSURES**a) Related party transactions**

The particulars of transactions between the company and its related parties as per the Accounting Standard 18 "Related Party Disclosures" issued by the ICAI are disclosed in Notes to Financial Statements. However these transactions are not likely to have any conflict with the Company's interest. All related party transactions are negotiated on arms length basis, and are in the ordinary course of business and are intended to further the Company's interests.

b) Compliances by the Company

The Company has complied with the material requirements of the Stock Exchanges, SEBI and other Statutory Authorities on matters related to capital markets. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authorities relating to the above.



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Adoption of Non Mandatory requirements under Clause 49 of the Listing Agreement are being reviewed by the Board from time to time .

11. MEANS OF COMMUNICATION:

The Company normally publishes quarterly, half yearly and annual financial results in English Daily, in Hindi daily widely circulated and in Local Hindi daily and results are promptly furnished to stock exchanges for display on their website. Annual Reports and other important information is circulated to members. Company has also a website.

12. GENERAL SHAREHOLDERS INFORMATION:

- a) Annual General Meeting for the year ended 31st March 2014 : 27th September, 2014 at 11.30 AM at registered office.
- b) Financial calendar : April to March each year.
Financial reporting for the quarter ending : Reporting Month
30th June 2014 : August 2014
30th September 2014 : November 2014
31st December 2014 : February 2015
31st March 2015 : May 2015
- c) Dates of Book Closure : 21st September 2014 to 27th September 2014
- d) Dividend Payment Dates : No dividend is recommended for the financial year ended 31st March 2014

e) Listing of Securities

Shares of the Company are listed with the Stock Exchange at Bombay Stock Exchange. Company has filed application for delisting of shares from National Stock Exchange on 27.10.2010 and Ahmedabad Stock Exchange, Calcutta Stock Exchange, Delhi Stock Exchange, on 02.06.2011. In response to our application on 02.09.2013 Madras Stock Exchange has approved delisting of shares. Delisting of shares from other stock exchanges has yet not taken place.

Stock Code/Security Symbol

Stock Code : 513566
Security Symbol : Symbol in BSE - NOVIS

- f) ISIN No. for dematerialisation of Equity Shares : INE 608C01026.

g) Market Price Data at BSE

The details of High Low share price of equity shares of the Company during each month of the year under report are as under –

Month	High (Rs. per share)	Low (Rs. per share)	Volume (No. of Shares)
April 2013	26.75	10.65	48,218
May 2013	50.05	28.05	2,25,791
June 2013	44.00	35.50	1,63,026
July 2013	44.00	37.00	1,12,215
August 2013	46.00	32.00	72,826
September 2013	44.00	34.00	33,993
October 2013	43.80	36.00	85,970
November 2013	38.00	31.35	27,454
December 2013	41.85	30.90	73,607
January 2014	38.00	27.55	24,996
February 2014	34.30	23.30	25,316
March 2014	27.15	17.35	1,36,455



NOVA IRON AND STEEL LTD.

Note : Trading of shares after reduction of capital was allowed by BSE on 19.03.2013. Trading of shares with NSE, ASE, DSE, & CSE remained suspended.

h) Distribution of Shareholding as on 31st March, 2014.

Range	No. of Shareholders	No. of Shares	%age
1-500	163564	6849355	18.95
501-1000	458	320741	0.89
1001-2000	223	295712	0.82
2001-3000	80	193715	0.54
3001-4000	28	98427	0.27
4001-5000	17	79295	0.22
5001-10000	29	201663	0.56
10001 & above	41	28100580	77.76
Total	164440	36139488	100.00

i) Shareholding pattern as on 31st March, 2014

Category	No. of Shares held	%age
Promoter & Associates Companies	24231786	67.05
Financial Institutions	144	0.00
Mutual Funds/ Insurance Companies	507936	1.41
NRIs	234498	0.65
Corporate Bodies	3021147	8.36
Public	8143977	22.54
Total	36139488	100.00

- j) Registrar & Share Transfer Agent (RTA) : M/s Skyline Financial Services Private Limited
D-153A, 1st Floor, Okhla Industrial Area,
Phase-1, New Delhi -110020.
Ph : 011-30857575 (10 lines)
Fax : 011-30857562

- k) Delegation of Authority to the Registrar & Share Transfer Agents.

The Board has delegated authority to M/s Skyline Financial Services Private Limited, the Registrar for electronic connectivity and Share Transfer Agents of the Company, the authority to attend to Share Transfer formalities atleast once in a fortnight, to be approved/ratified by the Share Transfer Committee. This facilitates expeditious processing of Share Transfers in the interest of Shareholders.

l) **Share Transfer System**

Transfer of shares held in physical form can be lodged with Registrar & Share Transfer Agent at the above mentioned address. The transfer requests are normally processed within 15 days of receipt of documents, if documents are found in order. Shares under objections are returned within two weeks.



m) Share Transfer Committee

Board has delegated the authority for approving transfer, transmission etc. of the Company's securities to Share Transfer Committee. The decisions of Share Transfer Committee are placed at the next Board Meeting.

n) Reconciliation of Share Capital Audit Report

SEBI has vide Circular No CIR/MRD/DP/30/2010 dated 06.09.2010 renamed "Secretarial Audit Report" as "Reconciliation of Share Capital Audit Report" The Company obtains the said report under regulation 55A of the SEBI (Depositories and participants regulations, 1996) from a Company Secretary in Practice, confirming that total issued capital of the Company is in agreement with the total number of shares held in physical form and total number of shares held in dematerialized form and is placed before the Board on a quarterly basis.

A certificate from Company Secretary in Practice is also obtained half yearly and placed before the Board Meeting as required under clause 47(c) of Listing Agreement with Stock Exchanges.

o) Nomination Facility:

Pursuant to provisions of Section 109A of Companies Act, 1956, members are entitled to make nomination in respect of shares held by them. Members holding shares in physical form and are intending to make / change nomination in respect of their shares may submit Form 2B to company's Registrar & Transfer Agent. All correspondence by the Shareholders may be sent at the following address :-

Registered office & Plant Location :-
Nova Iron & Steel Ltd.
Village-Dagori, Tehsil-Belha, Distt. Bilaspur- (Chhattisgarh)

p) Compliance Officer and Address for Communication

The Company's Secretarial Department is functioning at the corporate office of the Company. Mr.Dheeraj Kumar, Company Secretary has been appointed Compliance Officer w.e.f. 05.08.2013 by the Board.

CODE OF CONDUCT

The Board had approved a 'Code of Conduct' binding on all Board Members and Senior Management Personnel in its meeting held on 28th April, 2006. The same was circulated to all concerned for compliance.

AUDITOR CERTIFICATION ON CORPORATE GOVERNANCE

The Company has obtained a Certificate as stipulated in clause 49 of Listing agreement regarding compliance of conditions of Corporate Governance and is annexed herewith.

CFO CERTIFICATION

As required under Clause 49(V) of the Listing Agreement with the Stock Exchange, the Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended March 31, 2014 which is annexed to this report.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

COMPETITIVE AND EXTERNAL ENVIRONMENT

The economic growth in India in financial year 2013-14 had slowed down to 4.5%. The low economic growth appears to have bottomed out and increased in economic activity is expected from the middle of 2014 after formation of new stable Government. Change in the Government at the Centre has wired a hope of growth in the manufacturing sector. Its priority is to put the Industry on path of growth and generate employment. Steel Power and Infrastructure companies are expecting the policies to be growth oriented. Govt. has been striving for strengthening the manufacturing sector for more production and has set the production targeted of production of Steel under National Steel Policy 2005.

INDUSTRY REVIEW

Indian steel manufacturing market has been paying price for policy logjam. The new Govt has emphasis infrastructure growth, including the rail and road network and simplified and transparent policy mechanism, thereby doing away with a plethora of committees and sub-committees with a view to speedily sanction projects and clear stalled projects. Such steps of the Govt will make a significant positive impact on the uncertain business scenario that was instrumental in pulling down entrepreneurial investment institutions, industrial growth and GDP.

OUTLOOK

During the year under review, your company has undertaken installation of Inductions Furnace 12 MW waste heat recovery based (WHRB) captive power plant for continuous power to Induction Furnace. The Installation of Induction furnace is in progress. Cost of power expected to be minimum since power shall be generated from waste heats generated in the plant. Installation of furnace will produce cost effective Sponge Iron.

Your company has been sourcing coal through e-auction, rates which are higher to the normal market rates, if available. Thus increasing the cost of production. Fuel Supply Agreement with Southern Eastern Coalfield Ltd is in dispute and is pending before Hon'ble Supreme Court for adjudication. Non availability of higher grade of quality of iron ore at the competitive prices has affected profits. In the current market conditions, to compete in the market, captive mines and captive power plant is a necessity.

Your Company does not have its own captive iron ore mines. The Company has applied for grant of prospecting license for iron ore over an area of 11.47 sq kms in Village Madamnar, Dist Narayanpur, Chhattisgarh, expected to contain high grade iron ore, which is yet to be recommended by the State to Centre Govt. The demand of Sponge Iron in the market also remained low because of higher cost of production resulting into lower sales. Sponge Iron is reduced directly in solid state using Coal gas, natural gas or Coal reluctant and is also known as Directly Reduced Iron (DRI). Basically, Sponge Iron is a substitute for steel scrap and therefore the price of Sponge Iron varies from time to time in view of the availability of the steel scrap in the country.

Company's plant is one of the initial coal-based Sponge Iron plant in India with the Technical knowhow from Lurgi Chemie Metallurgie Industriebau GmbH, Germany. Major equipment both imported and indigenous has been used as per LURGI's proprietary design. The technology being new at that point of time the cost of project was high. In today's scenario, the cost of similar project would be much lower. During the year Company procured raw material from open market while coal was procured through e-auction. The operations can be made profitable mainly by (i) having own captive mines (ii) installation of power plant utilizing waste heat of the Kiln and (iii) expansion of production capacity; installation of furnace and installation of down stream facilities manufacturing finished products of steel. The company is planning to increase its production capacity to 15,00,000 tones per annum. MECON has been assigned the job for expansion of the project.

The power plant of 12 MW waste heat recovery based (WHRB) is being installed and is expected to be complete by the end of the current financial year. Besides reducing costing of production, surplus power, if any, will be sold through open access. Further, the installation of induction furnace is also in progress.



NOVA IRON AND STEEL LTD.

CERTIFICATE

(Under Clause 49(VII) of Listing Agreement)

**To the Members of
Nova Iron & Steel Limited**

We have examined the compliance of conditions of Corporate Governance by Nova Iron & Steel Limited ('the Company') for the year ended 31 March 2014, as stipulated in Clause 49 of the Listing Agreements of the said Company with Stock Exchanges in India. The Company has complied with the same materially.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of 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, the Company has complied in material respects with the conditions of Corporate Governance, except as reported in the Corporate Governance report, as stipulated in the Listing Agreement.

We have been explained that no investor grievances remained un-attended for a period exceeding one month, as at 31.03.2014 against the Company as per the record maintained by the Company.

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

**For Antima & Goel
Chartered Accountants**

**Place : New Delhi
Date: 11.08.2014**

**Sd/-
(R.B. Goel)
Partner
Membership Number: 086862**



NOVA IRON AND STEEL LTD.

**CFO CERTIFICATION TO THE BOARD
(Under Clause 49(V) of Listing Agreement)**

Date: 11.08.2014

**To
The Board of Directors
Nova Iron & Steel Limited**

I Ajoy Shah, Chief Financial Officer Certify that —

- a. I have reviewed the financial statements and the cash flow statement for the year 2013-14 and to the best of our knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b. to the best of our knowledge and belief, no transactions entered into by the Company during the year 2013-14 are fraudulent, illegal or violative of the Company's code of conduct;
- c. I accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the auditors and the Audit Committee, deficiencies, if any, in the design or operation of the internal control, of which I am aware of and steps have taken or propose to take to rectify these deficiencies.
- d. I have also indicated to the Auditors and the Audit Committee -
- There has not been any Significant changes in internal control over the financial reporting during the year
 - There has not been any Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which I 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 system over the financial reporting.

Place : Bilaspur

**Sd/-
(Ajoy Shah)
CHIEF FINANCIAL OFFICER**



INDEPENDENT AUDITOR'S REPORT

**To The Members of
NOVA IRON AND STEEL LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **NOVA IRON AND STEEL LIMITED**, which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India :-

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date ; and
- c) in the case of Cash Flow Statement, of cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditors' Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 2. As required by Section 227(3) of the Act, we report that-
 - a) We have 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 appears from our examination of those books;
 - c) The Balance Sheet and Statement of Profit and Loss Account and Cash Flow Statement dealt with by this report, are in agreement with the books of account;
 - d) In our opinion the Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
 - e) On the basis of the written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2014 from being appointed as a Director in terms of clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.

**FOR ANTIMA & GOEL
Chartered Accountants
Firm Registration No : 009062N**

Place : New Delhi

Date: 30.05.2014

**Sd/
(R.B. GOEL)
PARTNER
M.NO: 086862**



NOVA IRON AND STEEL LTD.

ANNEXURE

(Referred to in our report of even date for the year ended 31st March 2014)

(i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. On the basis of available information, in our opinion, the fixed assets covering significant value have been physically verified by the management at reasonable intervals, having regard to the size of the Company and the nature of its fixed assets. As informed to us, no material discrepancies were noticed on such verification. No substantial part of fixed assets has been disposed off during the year, which may affect the going concern status of the company.

(ii) In our opinion and according to the information and explanations given to us, the inventory of the Company in its possession has been physically verified by the Management at reasonable intervals. Stocks in the possession and custody of the third parties and stocks in transit as on 31st March, 2014 have been verified by the Management with regard to confirmation or statement of account or correspondence of the third parties or subsequent receipt of goods. The procedures of physical verification of inventories of the Company followed by the Management is reasonable and adequate in relation to the size of the Company and nature of its business.

The Company is maintaining proper records of inventories. As explained to us, no material discrepancies were noticed on such physical verification as compared to book records.

(iii) (a) The Company has taken unsecured loan from body corporate covered under the Register maintained U/s 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs. 78,02,24,500/- and balance at year end was Rs.78,02,24,500/-. In our opinion, the rate of interest and other terms and conditions on which loan has been taken from the body corporates listed in register maintained under Section 301 of the Act are not, prima facie, prejudicial to the interest of the Company.

(iii) (b) The Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in Register maintained U/s 301 of the Companies Act, 1956.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and with regard to sale of goods

and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in such internal controls.

(v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements have been entered in the register maintained U/s 301 of the Companies Act, 1956.

(b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (v) (a) above and exceeding the value of Rs. 5 lakh with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) To the best of our knowledge, the Company has not accepted any deposits covered under Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956.

(vii) To the best of our knowledge and explanations given to us, the Company has an internal audit system commensurate with its size and nature of its business.

(viii) The Central Government has under clause (d) of sub section (1) of Section 209 of the Companies Act, 1956 prescribed maintenance of Cost Records for the Company. On the basis of records produced to us, we are of the opinion that, prima facie, such accounts and records have been made and maintained by the Company. However, we have not, nor we are required to carry out any detailed examination of such accounts and records.

(ix) (a) To the best of our knowledge and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Investor Education and Protection fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities. There were no arrears of outstanding statutory dues at the last day of financial year for a period of more than six months from the date they became payable. According to the information and explanations given by the management, there was no disputed dues of custom duty, excise duty were outstanding, at the year end for a period of more than six months from the date they became payable except Entry Tax (including interest due) & Service Tax amounting to Rs. 3,42,44,722/- & Rs. 21,40,012/- respectively.



NOVA IRON AND STEEL LTD.

(b) According to the information and explanations given to us and according to records of the Company, there are no dues outstanding of Wealth Tax, Custom Duty, Cess etc. on account of any dispute, Except Sales Tax(VAT), Income Tax and Excise Duty, as per details given below:-

Nature of the statute	Nature of Dues	Amount (Rs. in Lacs)	Period to which amount related	Forum where dispute is pending
Excise Duty	Modvat Credit Disallowed	72.62 Plus Penalty	A.Y.2004-05	Appeal filed with custom Excise & Service Tax Appellate Tribunal, New Delh
Income Tax	Demand	18.70	A.Y. 1994-95	Appeal Pending before ITAT
Income Tax	Demand	143.38	A.Y. 2007-08	Appeal Pending before ITAT
VAT	Demand	2.23	A.Y. 2004-05	Commissioner of Commercial Tax
VAT	Demand	0.25	A.Y. 2006-07	Revision Pending with Asstt. Commissioner of Commercial Tax
VAT	Demand	530.60	A.Y. 2003-04	Revision filed before Addl. Comm. Commercial Tax was filed and order was issued in favour of the company Case remanded back to A.C. Commercial Tax
VAT	Demand	594.08	A.Y. 2004-05	Revision filed before Addl. Comm. Commercial Tax was filed and order was issued in favour of the company Case remanded back to A.C. Commercial Tax
Excise Duty	Demand	2.90	A.Y.2007-08	Commissioner Central Excise.
Entry Tax	Tax Demand	5.05	A.Y.2006-07	Revision Pending with Addl. Commissioner of Commercial Tax

(x) The Company accumulated losses does not exceed fifty percent of its net worth at the end of the financial year. The company has not incurred cash loss during the current year but in the immediately preceding audit period there was cash losses.

(xi) In our opinion, the Company has not defaulted in repayment of dues to Financial Institutions or Banks or Debenture holders.

(xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion the Company is not chit fund or a nidhi / mutual benefit fund / society.

(xiv) According to the information and the explanations given to us, the company is trading in Commodities, Metals and Natural Resources. Proper records & timely entries have been maintained in this regard.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by its subsidiaries and associates from banks or financial institutions during the current year.

(xvi) Based on information and explanations given to us by the management, no term loans were obtained during the current year.

(xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment by the Company.

(xviii) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956. The company has not issued any debentures.

(xix) The Company has not issued any secured Debentures during the period and there is no outstanding Debenture as on the Balance Sheet date for which security need to be created.

(xx) According to the information and explanations given to us, the Company has not raised any money by a Public Issue during the year.

(xxi) Based upon the audit procedure performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

FOR ANTIMA & GOEL
Chartered Accountants
Firm Registration No : 009062N

Place : New Delhi
Date : 30.05.2014

Sd/-
(R.B. GOEL)
PARTNER
M.NO : 086862



NOVA IRON AND STEEL LTD.

BALANCE SHEET AS AT 31ST MARCH, 2014

(Amount in Rs.)

PARTICULARS	Note	As at 31.03.2014		As at 31.03.2013	
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
Share Capital	2	36 13 94 880		36 13 94 880	
Reserves & Surplus	3	- 5 56 19 664	30 57 75 216	- 12 53 55 988	23 60 38 892
NON-CURRENT LIABILITIES					
Other Long -Term Liabilities	4	1 19 38 162		94 88 484	
Long-Term Provisions	5	55 64 274	1 75 02 436	57 64 058	1 52 52 542
CURRENT LIABILITIES					
Short -Term Borrowings	6	78 02 24 500		77 39 38 000	
Trade Payables	7	54 70 20 790		8 72 12 106	
Short -Term Provisions	8	53 65 380		10 92 224	
Other Current Liabilities	9	9 30 79 488	142 56 90 158	6 70 00 761	92 92 43 091
TOTAL			174 89 67 810		118 05 34 525
ASSETS					
NON-CURRENT ASSETS					
Fixed Assets:					
Tangible Assets					
Fixed Assets:	10				
Tangible Assets		62 59 41 903		55 68 41 391	
Intangible Assets		-		-	
Capital Work In Progress		89 04 82 348	151 64 24 251	24 93 39 720	80 61 81 111
Non - Current Investments	11	30 78 000		30 78 000	
Deferred Tax Assets (Net)	12	65 14 621		70 10 133	
Long-Term Loans and Advances	13	9 67 11 115	10 63 03 736	5 31 48 813	6 32 36 946
CURRENT ASSETS					
Inventories	14	6 95 56 309		26 02 85 149	
Trade Receivables	15	-		1 50 96 270	
Cash & Cash Equivalents	16	70 97 536		1 24 84 313	
Short-Term Loan & Advances	17	4 95 85 979	12 62 39 824	2 32 50 736	31 11 16 468
TOTAL			174 89 67 810		118 05 34 525
Significant Accounting Policies	1				
The Accompanying Notes on Financial Statements	2 to 32				

As per our report of even date attached

For & on behalf of the Board

For Antima & Goel
Chartered Accountants
Firm Regn. No. 009062N

Sd/-
(R.P. Goel)
Partner
Membership No. 086862

Place : New Delhi
Date : 30.05.2014

Sd/-
(N. Awatar)
Director

Sd/-
(R.P. Goyal)
Director

Sd/-
(Dheeraj Wadhawan)
Company Secretary



NOVA IRON AND STEEL LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2014

(Amount in Rs.)

PARTICULARS	Note	For the Year Ended 31.03.2014		For the Year Ended 31.03.2013
I. Revenue from Operations				
Sale of Products	18	30 76 00 477		118 19 55 177
Less : Excise Duty		3 03 00 047		12 83 07 833
Other Operating Income		25 44 75 188		16 08 09 135
		53 17 75 618		121 44 56 479
II. Other Income	19	7 95 285		6 51 137
III. Total Revenue (I +II) :		53 25 70 903		121 51 07 616
IV. Expenses:				
Cost of Material Consumed	20	19 63 37 704		102 87 70 905
Changes in Inventories of finished goods, work-in-progress	21	5 02 39 414		- 3 04 12 039
Employee Benefit Expense	22	3 34 93 234		3 66 98 306
Finance Costs	23	9 08 38 883		7 28 60 202
Depreciation	24	2 54 79 743		2 75 45 231
Other Expenses	25	6 59 50 089		12 46 10 665
Total Expenses :		46 23 39 067		126 00 73 270
V. Profit / (-) Loss before tax (IV-III)		7 02 31 836		- 4 49 65 653
VI. Tax Expenses:				
Current Tax (MAT)	45 00 000			
Mat Credit Entitlement	45 00 000			
Deferred Tax Assets (-) / Liability (+)	4 95 512	4 95 512	28 28 081	28 28 081
VII. Profit / (-) Loss from the period from continuing operations(V + VI)		6 97 36 324		- 4 77 93 734
VIII. Earning Per Share (Face Value Rs. 10/-)				
Basic and Diluted	26	1.93		(0.50)
Significant Accounting Policies	1			
The Accompanying Notes on Financial Statements	2 to 32			

As per our report of even date attached

For & on behalf of the Board

For Antima & Goel
Chartered Accountants
Firm Regn. No. 009062N

Sd/-
(R.B.Goel)
Partner
Membership No. 086862

Sd/-
(N. Awatar)
Director

Sd/-
(R.P.Goyal)
Director

Place : New Delhi
Date : 30.05.2014

Sd/-
(Dheeraj Wadhawan)
Company Secretary



NOVA IRON AND STEEL LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

PARTICULARS	(Amount in Rs.)			
		For The Year Ended 31.03.2014		For The Year Ended 31.03.2013
A. CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT / (LOSS) BEFORE TAX		7 02 31 836		- 4 49 65 653
Adjustments for:				
Depreciation	2 54 79 743		2 75 45 231	
Interest Expenses (Net)	9 02 97 649	11 57 77 392	7 22 13 415	9 97 58 646
OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES		18 60 09 228		5 47 92 993
Adjustment for:				
(Increase) / Decrease in trade and other receivables	- 94 01 012		14 95 03 248	
(Increase) / Decrease in investments	-		-	
(Increase) / Decrease in inventories	19 07 28 840		7 52 06 656	
Misc. Expenditure written off	-		-	
Increase / (Decrease) in trade and other payables	49 24 10 461	67 37 38 290	6 86 77 608	29 33 87 512
NET CASH (USED IN) FROM OPERATING ACTIVITIES : A		85 97 47 517		34 81 80 505
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	- 9 45 80 255		- 14 90 76 205	
(Increase) / Decrease in Capital Advances	- 4 54 00 263		42 00 631	
(Increase) / Decrease in Capital Work in Progress	- 64 11 42 628		- 23 64 70 264	
Interest Received	5 41 234	- 78 05 81 913	6 46 787	- 38 06 99 051
NET CASH (USED IN) FROM INVESTING ACTIVITIES : B		- 78 05 81 913		- 38 06 99 051
C. CASH FLOW FROM FINANCING ACTIVITIES				
Interest Paid		- 9 08 38 883		- 7 28 60 202
Proceeds from Short Term Borrowings (Net)		62 86 500		4 29 48 673
NET CASH (USED IN) FROM FINANCING ACTIVITIES : C		- 8 45 52 383		- 2 99 11 529
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		- 53 86 779		- 6 24 30 075
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		1 24 84 313		7 49 14 388
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		70 97 536		1 24 84 313

As per our report of even date attached

For & on behalf of the Board

For Antima & Goel
Chartered Accountants
Firm Regn. No. 009062N

Sd/-
(R.B.Goel)
Partner
Membership No. 086862

Sd/-
(N. Awatar)
Director

Sd/-
(R.P.Goyal)
Director

Place : New Delhi
Date : 30.05.2014

Sd/-
(Dheeraj Wadhawan)
Company Secretary



NOTE ON FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

(I) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(a) Basis of Accounting:

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India and presented under the historical cost convention on accrual basis of accounting to comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 and with the relevant provisions of the Companies Act, 1956

(b) Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period. Difference between the actual result and estimates are recognized in the period in which the results are known/ materialized.

(II) FIXED ASSETS

(a) Tangible Fixed Assets

Fixed Assets are stated at cost, net of VAT/ MODVAT/ CENVAT, less accumulated depreciation. The costs comprises purchase price, borrowing costs relating to qualifying assets till commencement of commercial production and directly attributable cost of bringing the assets to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing assets beyond its previously assessed standard of performance.

Machinery spares that can be used only in connection with an item of fixed asset and their use is expected to be irregular are capitalized. Replacement of such spares is charged to revenue. Capital expenditure on assets not owned by the company with exclusive right to use is reflected in capital work in progress till the period of completion and thereafter in fixed assets.

(b) Assets in the Course of construction

Assets in the Course of construction are reflected in capital work in progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to appropriate category of fixed assets. Costs associated with the commissioning of an asset are capitalized where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed.

(III) IMPAIRMENT OF ASSETS

Carrying amount of cash generating units / assets is reviewed for impairment, if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication exists, the recoverable amount is estimated as higher of its net selling price and value in use. An impairment loss is recognized in the Statement of Profit and Loss, whenever the carrying amount of an asset/cash generating unit exceeds its recoverable amount.

(IV) DEPRECIATION

Depreciation on the assets other than Plant & machinery is provided for at written down value method as per the rates prescribed under Schedule XIV of the Companies Act, 1956. Plant & Machinery is being depreciated @ 25% per annum on written down method.

Freehold Land is not depreciated. Leasehold land is being written off over the lease period.

(V) REVENUE RECOGNITION

Revenue is recognized when it can be reliably measured and when all significant risks and rewards/ownership are transferred to the customer. Sales are inclusive of sales during trial run, excise duty and net of sales tax/vat.



Interest income is recognized on accrual basis in the income statement.

Expenditure is accounted for on accrual basis and provision is made for all known losses and liabilities.

(VI) FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the date of the transactions. Monetary items denominated in foreign currencies outstanding at the year-end are translated at the exchange rate applicable as on that date. Non monetary items are valued at the exchange rate prevailing on the date of transaction.

From accounting periods commencing on or after 7 December 2006, the company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as follows:

(i) Exchange differences relating to long-term monetary items, arising during the year, in so far as they relate to the acquisition of depreciable capital assets are added to/deducted from the cost of asset and depreciated over the remaining useful life of the asset.

(ii) All other exchange differences are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

(VII) INVESTMENTS

Investments are classified into current and long-term investments. Current investments except for current maturities of long term investments are stated at the lower of cost and quoted/ fair value. Long term investments are stated at cost less any provision for other than temporary diminution in value.

(VIII) INVENTORY VALUATION

Inventories are valued at lower of cost or net realizable value except scrap which is valued at net realizable value. The cost is determined by using first-in-first-out (FIFO) method. Finished goods and work-in progress include costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Excise duty on closing stock of finished goods and scrap are accounted for on the basis of payments made in respect of goods cleared as also provision made for goods lying in the factory and included in the value of such stocks.

(IX) INCOME TAX

Provision for current income tax is made after taking credit for allowances and exemptions. In case of matters under appeal, due to disallowance or otherwise, provision is made when the said liabilities are accepted by the Company.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961 (specified period). In the year, in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay Income Tax higher than MAT during the specified period.

(X) BORROWING COST

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from Short – term foreign currency borrowings to the extent they are regarded as an adjustment to interest cost.

Borrowing Cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period they occur.



(XI) MODVAT / CENVAT / VAT

Modvat/ Cenvat/ VAT claimed on capital assets is credited to assets / capital work in progress account. Modvat/ Cenvat/ VAT on purchase of raw materials and other materials are deducted from the cost of such materials.

(XII) CLAIMS

Claims receivable are accounted for depending on the certainty of receipt and claims payable are accounted at the time of acceptance.

(XIII) RETIREMENT/POST RETIREMENT BENEFITS

- (a) Short term employee benefits are recognized as an expense at the undiscounted amount in the year in which related service is rendered.
- (b) The Company has defined contribution plan for post retirement benefits, namely Employees Provident Fund scheme administered through provident Fund Commissioner. The Company's contribution is charged to revenue every year.
- (c) The Company has defined benefits plans namely Leave encashment / Compensated absence and Gratuity, the liability for which is determined on the basis of Actuarial valuation at the end of the year.
- (d) Termination benefits are recognized as an expense immediately.
- (e) Gain or Loss arising out of actuarial valuation are recognized in the Statement of Profit and Loss as income or expense.

(XIV) PROVISIONS

Show cause notices issued by various government authorities are not considered as obligation. When the demand notice are raised against such show cause notice and are disputed by the Company then these are classified as possible obligations. Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

(XV) CONTINGENT LIABILITIES & COMMITMENTS

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, these are treated as contingent liabilities.

Such liabilities are disclosed in the notes but are not provided for in the financial statements, although there can be no assurance regarding the final outcome of the legal proceedings, the company does not expect them to have a materially adverse impact on the financial position or profitability.

(XVI) DEFERRED TAX

Deferred Tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax law enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In case of unabsorbed depreciation and carry forward of losses under tax laws, deferred tax assets are recognised only to the extent that there is virtual certainty support by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each Balance Sheet date, the company reassesses unrecognized deferred tax assets. It recognised unrealized deferred tax assets to the extent it has become reasonably or virtually certain, as the case may be, that sufficient taxable income will be available against which the deferred tax can be realized.



NOVA IRON AND STEEL LTD.

PARTICULARS	(Amount in Rs.)			
	As at 31.03.2014		As at 31.03.2013	
NOTE 2 : SHARE CAPITAL				
(A) Authorised Capital :				
16,00,00,000 Equity Shares of Rs. 10/- each		160 00 00 000		160 00 00 000
(B) Issued and Subscribed :				
Issued:				
3,61,39,488 Equity Shares of Rs. 10/- each (Previous Year 3,61,39,488 No. of Equity Shares of Rs. 10/- each) (Consequent to reduction of Capital, the Issued & Subscribed Capital is also Restated)		36 13 94 880		36 13 94 880
Paid Up:				
3,61,39,488 Equity Shares of Rs. 10/- each (Previous Year 3,61,39,488 No. of Equity Shares of Rs. 10/- each.) Less : Accumulated Losses adjusted from Share Capital	36 13 94 880		150 58 12 000	114 44 17 120
3,61,39,488 No. of Equity Shares of Rs. 10/- each (Previous Year 3,61,39,488 No. of Equity Shares of Rs. 10/- each.) (Capital Reduction to set off Losses of the Company not represented by assets as per order dated 18.09.2012 of Hon'ble High Court of Chhattisgarh, Consequently paid up value per share reduced from Rs. 10/- to Rs. 2.40 per share.		36 13 94 880		36 13 94 880
(C) Reconciliation of number of Equity Shares outstanding at the Beginning and at the end of the reporting period:				
Equity Shares:	No. of Shares	Amount(Rs.)	No. of Shares	Amount (Rs.)
No. of Shares Outstanding at Beginning of the year	3 61 39 488	36 13 94 880	15 05 81 200	150 58 12 000
Add: Further Issue During the year	Nil	Nil	Nil	Nil
Less : Reduction of Share Capital @ Rs. 7.60 per Share Shares of Rs.2.40 each	Nil	Nil	Nil	114 44 17 120
Sub Total	Nil	Nil	15 05 81 200	36 13 94 880
Less / Adj. on consolidation of Shares to Rs. 10/- per share	Nil	Nil	11 44 41 712	0
No. of Shares of Rs.10/- each Outstanding at year End	3 61 39 488	36 13 94 880	3 61 39 488	36 13 94 880
(D) Details of Shareholders holding more than 5 percent :	As At 31.03.2014		As At 31.03.2013	
Name of the Shareholders	% Held	No. of Shares	% Held	No. of Shares
1 Bhushan Power & Steel Ltd.	39.48	1 42 69 146	39.48	1 42 69 146
2 Ambey Steel & Power P. Ltd.	27.57	99 62 640	27.57	99 62 640
3 Master Capital Services Ltd.	6.38	23 04 230	6.41	23 17 617
(E) Bonus Shares / Buy Back/ Shares for consideration other than cash allotted as fully paid up pursuant to contracts during past five years: NIL				
(F) Details of Forfeited shares :	No. of Shares	Value	No. of Shares	Value
Equity Share of Rs. 10/- each	Nil	Nil	Nil	Nil
NOTE 3 : RESERVES & SURPLUS				
(A) Securities Premium Account:				
Balance at Beginning of the year		-		22 97 73 000
Premium Account (As per Hon'ble High Court Order Dated : 18.09.2012)		-		22 97 73 000
Closing Balance		-		-
(B) Surplus				
Balance at beginning of the year		- 12 53 55 988		- 146 55 52 374
Less : Loss adjusted by Securities Premium Account Amount		-		22 97 73 000
Less : Loss adjusted by Share Forfeiture Amount		-		1 38 00 000
Less : Amount of Loss adjusted by Writing off Paid up Share Capital (As per Hon'ble High Court Order Dated : 18.09.2012)		-		114 44 17 120
Add : Profit / (-) Loss for the year		6 97 36 324		- 4 77 93 734
Closing Balance		- 5 56 19 664		- 12 53 55 988
TOTAL :		- 5 56 19 664		- 12 53 55 988



NOVA IRON AND STEEL LTD.

(Amount in Rs.)

PARTICULARS	As at 31.03.2014	As at 31.03.2013
NOTE 4: OTHER LONG-TERM LIABILITIES		
Trade Payables	-	-
Others		
Interest on Entry Tax Payable	91 32 454	91 32 454
Security Deposits	28 05 708	3 56 030
TOTAL :	1 19 38 162	94 88 484
NOTE 5 : LONG-TERM PROVISIONS		
Provision for employee benefits		
Gratuity	41 64 538	44 77 127
Earned Leave Encashment	13 99 736	12 86 931
TOTAL :	55 64 274	57 64 058
NOTE 6 : SHORT-TERM BORROWINGS		
Unsecured:		
Loans and Advances from related parties		
Loans From Corporates	78 02 24 500	77 39 38 000
TOTAL :	78 02 24 500	77 39 38 000

(c) Terms of Repayment: The Unsecured Loans are at 13% p.a. Interest and are repayable of Demand.

Nil

Nil

(d) Details of Defaults on repayment of long-term Loans and Interest there of:

NOTE 7 : TRADE PAYABLES		
Trade Payables	54 70 20 790	8 72 12 106
TOTAL :	54 70 20 790	8 72 12 106
NOTE 8 : SHORT-TERM PROVISIONS		
Provision for employee benefits		
Gratuity	6 83 987	8 80 237
Earned Leave Encashment	1 81 393	2 11 987
Other Provision		
Provision for Income Tax (MAT)	45 00 000	-
TOTAL :	53 65 380	10 92 224
NOTE 9 : OTHER CURRENT LIABILITIES		
Other Payables		
Service Tax Payable	23 29 738	24 47 771
Entry Tax Payable	2 51 12 268	2 51 12 268
Excise duty Payable	43 029	49 32 542
C.S.T. Payable	-	-
Audit Fees Payable	-	-
Employees Credit Balance	29 09 875	24 59 483
Other Liability	-	-



NOVA IRON AND STEEL LTD.

NOTE 10 : FIXED ASSETS

(Amount in Rs.)

DESCRIPTION OF FIXED ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS AT 01.04.2013	ADDITIONS	AS AT 31.03.2014	Upto 31.03.2013	FOR THE YEAR	TOTAL UPTO 31.03.2014	AS AT 31.03.2014	AS AT 31.03.2013
TANGIBLE ASSETS:								
OWN ASSETS:								
LAND - LEASE HOLD	67 00 507	-	67 00 507	6 98 205	74 228	7 72 433	59 28 074	60 02 302
- FREE HOLD *	36 90 40 535	8 85 26 518	45 75 67 053	-	-	-	45 75 67 053	36 90 40 535
BUILDING	42 22 28 851	-	42 22 28 851	31 32 17 278	72 13 078	32 04 30 356	10 17 98 495	10 90 11 573
PLANT & EQUIPMENTS	1 76 12 35 448	38 78 944	1 76 51 14 392	1 70 60 61 460	1 46 84 314	1 72 07 45 774	4 43 68 618	5 51 73 988
RAILWAY SIDING	2 14 77 461	-	2 14 77 461	1 22 65 556	12 81 376	1 35 46 932	79 30 529	92 11 905
OFFICE EQUIPMENTS	1 39 43 893	10 52 329	1 49 96 222	1 03 45 718	9 55 791	1 13 01 509	36 94 713	35 98 175
FURNITURE & FIXTURES	2 45 36 058	1 96 316	2 47 32 374	2 27 04 522	3 72 288	2 30 76 810	16 55 564	18 31 536
VEHICLES	90 80 080	9 26 148	1 00 06 228	61 08 703	8 98 668	70 07 371	29 98 857	29 71 377
TOTAL :	2 62 82 42 833	9 45 80 255	2 72 28 23 088	2 07 14 01 442	2 54 79 743	2 09 68 81 185	62 59 41 903	55 68 41 391
PREVIOUS YEAR BALANCE	2 47 91 66 628	14 90 76 205	2 62 82 42 833	2 04 38 56 211	2 75 45 231	2 07 14 01 442	55 68 41 391	-
CAPITAL WORK IN PROGRESS							89 04 82 348	24 93 39 720

Note : * Out of this Rs. 1,94,34,130/- Registration of Freehold Land in the name of the Company is yet pending.

(Amount in Rs.)

PARTICULARS	As at 31.03.2014	As at 31.03.2013
NOTE 11 : NON CURRENT INVESTMENTS		
Non Trade, Unquoted (At Cost)		
Adarsh Info Tech. P. Ltd., Chandigarh	22 38 000	22 38 000
2,23,800 Equity Shares of Rs. 10/- each fully paid up		
Prudent Transport Co. P. Ltd., Chandigarh	8 40 000	8 40 000
28,000 Equity Shares of Rs. 10/- each fully paid up		
TOTAL :	30 78 000	30 78 000
NOTE 12 : DEFERRED TAX ASSETS (NET)		
The break up of deferred tax assets and liabilities into major components arising on account of timing differences at the year end are as below:-		
Opening Deferred Tax Assets	70 10 133	98 38 214
Deferred Tax Assets on account of :		
Related to fixed assets	11 51 925	10 32 290
Amortisation of Expenses	1 16 008	1 16 008
Disallowance under the Income Tax Act 1961		
(a) Accrued Compensation to Employees	-	-
Deferred Tax Liabilities on account of :		
Allowance under the Income Tax Act 1961	17 63 445	17 63 445
Deferred Tax (Liabilities) / Assets During the period	- 4 95 512	- 28 28 081
Net Deferred Tax	65 14 621	70 10 133



NOVA IRON AND STEEL LTD.

(Amount in Rs.)

PARTICULARS	As at 31.03.2014	As at 31.03.2013
NOTE 13 : LONG-TERM LOAN AND ADVANCES		
Unsecured and considered good		
Capital Advances	7 90 43 932	3 36 43 669
Security Deposits		
Lease Rent Security	1 25 002	1 25 002
With Government Departments	1 36 96 195	1 55 34 290
Others	2 53 491	1 17 000
Other Loans and Advances		
Advance Tax	16 35 179	17 71 536
Balance With Excise Dept	17 57 316	17 57 316
Balance With Income Tax	2 00 000	2 00 000
TOTAL :	9 67 11 115	5 31 48 813
NOTE 14 : INVENTORIES		
Inventories		
(Lower of cost or Net Realisable Value, Except Scrap & Waste at NRV)		
Raw Materials	3 35 04 922	13 89 71 616
Stock in Progress	-	35 56 800
Finished Goods	3 48 129	3 99 07 300
Scrap & Waste	1 48 08 530	2 19 31 973
Stores and Spares	1 95 84 014	1 62 45 591
Diesel	6 30 116	5 28 771
Packing Material	6 80 598	13 34 471
Raw Material - Stock In Transit	-	3 78 08 627
TOTAL :	6 95 56 309	26 02 85 149
NOTE 15 : TRADE RECEIVABLES		
Unsecured and considered good		
Outstanding for more than 6 months from due date	-	-
Others	-	1 50 96 270
TOTAL :	-	1 50 96 270
NOTE 16 : CASH & CASH EQUIVALENTS		
Cash on Hand	8 06 906	9 12 044
Cheques , Drafts on Hand	41 74 219	1 05 34 496
Balances with Scheduled Banks		
In Current Accounts	20 86 961	10 09 964
Other Bank Balance		
Deposit with more than 12 Months Maturity (Including Interest Accrued) (Under Bank lien Rs 29450/- Previous Year Rs. 27810/-)	29 450	27 810
TOTAL :	70 97 536	1 24 84 313



NOVA IRON AND STEEL LTD.

		(Amount in Rs.)	
PARTICULARS	As at 31.03.2014	As at 31.03.2013	As at 31.03.2013
NOTE 17 : SHORT-TERM LOANS & ADVANCES			
(A) Secured and considered good			
Prepaid Expenses	6 06 977		5 42 162
Advances to Suppliers	1 07 74 994		1 42 92 361
Advances Recoverable			-
Interest Recoverable	5 27 354		5 38 448
Miscellaneous Recoverable	45 00 000		-
Balance of Modvat/Cenvat/Service Tax	3 30 95 605		71 95 654
TOTAL:	4 95 85 979		2 32 50 736
(B) With reference to the Loans and advances due by directors or other offices of the company.			
	Nil		Nil
NOTE 18 : REVENUE FROM OPERATIONS			
Sales including excise duty	23 78 55 644		115 10 21 038
Other Operating Income - Scrap / Waste	6 97 44 833		3 09 34 139
Other Operating Income	25 44 75 188		16 08 09 135
TOTAL:	56 20 75 665		134 27 64 312
NOTE 19 : OTHER INCOME			
Interest Income	5 41 234		6 46 787
Miscellaneous Income	2 54 051		4 351
TOTAL:	7 95 285		6 51 137
NOTE 20 : COST OF MATERIALS CONSUMED:			
Raw Material Consumed	19 63 37 704		102 87 70 905
TOTAL:	19 63 37 704		102 87 70 905
NOTE 21 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROGRESS AND STOCK IN			
Inventories (at closing)			
Finished Goods	3 48 129	3 99 07 300	
Stock in Process	-	35 56 800	
Scrap	1 48 08 530	2 19 31 973	6 53 96 073
Inventories (at beginning)			
Finished Goods	3 99 07 300	1 39 08 906	
Stock in Process	35 56 800	33 22 800	
Scrap	2 19 31 973	1 77 52 328	3 49 84 034
(INCREASE) / DECREASE IN CLOSING STOCK	5 02 39 414		- 3 04 12 039
NOTE 22 : EMPLOYEE BENEFITS EXPENSES:			
Salaries & Wages	4 13 95 027	4 01 85 522	
Contribution to Provident and Other Funds	19 71 058	16 61 086	
Staff Welfare Expenses	22 30 611	14 80 624	
	4 55 96 696	4 33 27 232	
Less: Salary & Wages Capitalised	1 21 03 462	66 28 926	3 66 98 306
TOTAL :	3 34 93 234		3 66 98 306
NOTE 23 : FINANCE COSTS:			
Interest Expense	9 08 38 883	8 44 65 931	
Less : Interest Capitalised	-	1 16 05 729	7 28 60 202
TOTAL :	9 08 38 883		7 28 60 202



NOVA IRON AND STEEL LTD.

(Amount in Rs.)

PARTICULARS	For the Year Ended 31.03.2014	For the Year Ended 31.03.2013
NOTE 24 : DEPRECIATION :		
Depreciation	2 54 79 743	2 75 45 231
TOTAL :	2 54 79 743	2 75 45 231
NOTE 25 : OTHER EXPENSES:		
Stores Consumed	27 44 066	70 02 014
Packing & Forwarding Charges	33 07 764	1 50 28 651
Repairs to Machinery	14 85 605	37 78 577
Electric Power & Fuel	2 64 56 903	3 79 01 387
Less : Electric Power & Fuel Charges Capitalised	1 65 27 858	
Excise Duty Provided on Finished Goods	- 48 89 513	34 02 338
Water Charges	4 06 38 785	3 60 95 162
Lease Rent	8 12 447	5 87 534
Rent Paid	2 44 035	1 77 650
Legal & Professional Charges	26 90 765	63 43 032
Insurance	-	5 91 006
Rates & Taxes	6 39 182	18 92 552
Travelling & Conveyance Expenses	3 44 750	3 55 097
Payment to Auditors		
Audit Fees	1 75 000	1 75 000
Tax Audit Fees	25 000	25 000
Income Tax Matters	30 000	-
Company Law Matters	1 00 000	70 000
Out of Pocket Expenses	28 345	38 146
Advertisement Expenses	1 84 487	6 29 516
Printing & Stationery	11 07 736	9 74 174
Postage, Telegram & Telephone Exp	18 10 298	24 82 911
Other Miscellaneous Expenses	10 541	18 848
Prior Period Expenses	9 36 392	31 47 910
Bank Charges	41 995	42 116
Director's Sitting Fee	24 000	18 000
General Expenses	2 35 846	3 06 267
Charity & Donation	-	-
Building	5 74 925	2 85 208
Vehicles	27 18 593	32 42 569
Expenses Capitalised	-	-
TOTAL :	6 59 50 089	12 46 10 665
NOTE 26 : EARNING PER SHARE (EPS) :		
Basic EPS:		
(i) -Net Profit / Loss (-)	6 97 36 324	- 4 77 93 734
(ii) -Weighted average number of Equity Shares	3 61 39 488	9 60 25 425
Basic EPS (Rs.) (i) / (ii)	1.93	(0.50)



NOVA IRON AND STEEL LTD.

PARTICULARS	(Amount in Rs.)		
	As at 31.03.2014		As at 31.03.2013
NOTE 27 : CONTINGENT LIABILITIES & COMMITMENTS :			
(TO THE EXTENT NOT PROVIDED FOR):			
(A) Contingent liabilities.			
Claims against the Company not acknowledged as debts(*)	50 37 67 585		8 81 32 097
Income Tax demands under appeal	1 62 08 225		1 62 08 225
Excise & Service Tax demand under dispute			
Sales Tax (2004-05) Demand under Dispute	75 52 102		75 52 102
(B) Commitments			
Estimated amounts of contracts remaining to be executed on Capital account and not Provided for	107 33 17 729		14 41 29 765

Other Commitments :

(*) The Company also, has its own claims / counter claims against these parties as per terms of their respective contracts. In effect the Management does not expect any major liability devolve upon the Company on account of these cases.

The Income - Tax assessments of the Company have been completed upto Assessment Year 2007-08. The disputed demand outstanding up to the said Assessment Year is Rs 162.08 lacs. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

Besides the above, the amount in respect of claims of interest etc. claimed by the parties cannot be quantified.

NOTE 28 : DISCLOSURE RELATING TO EMPLOYEE BENEFITS :

In Compliance with the Accounting Standard AS-15 revised 2005 " Employee Benefits", the Company has got the employee benefits evaluated from actuarial valuer.

The Company has calculated the various benefits provided to employees as under :

(A) Provident Fund & Other Funds		19 09 118		15 87 720
(B) Labour Welfare Fund		8 562		43 410

(C) Defined Benefit Plans:-

In accordance with Accounting Standard 15 (revised 2005), the actuarial valuation carried out in respect of the aforesaid defined

PARTICULARS	Leave Encashment / Compensated Absence	Employee Gratuity Provision	Leave Encashment / Compensated Absence	Employee Gratuity Provision
	31.03.2014	31.03.2014	31.03.2013	31.03.2013
(i) Actuarial Assumptions				
Discount rate (per annum)	9%	9%	8%	8%
Rate of increase in compensation levels	6%	6%	5%	5%
Rate of return on plan assets	-	-	-	-
Expected Average remaining working lives of employees (Years)	-	6.52	-	6.80
(ii) Change in the obligation during the year ended 31st March, 2014				
Present value obligation as at beginning of theyear	14 98 918	53 57 364	-	-
Interest Cost	1 34 903	4 82 162	-	-
Past Service Cost (Non - Vested)	-	-	-	3 04 491
Past Service Cost (Vested)	-	-	14 87 917	43 56 999
Current Service Cost	9 60 724	4 65 565	9 41 208	7 90 929
Curtailment Cost	-	-	-	-
Settlement Cost	-	-	-	-
Benefits Paid	- 2 66 622	- 12 02 474	- 2 96 099	- 14 17 453
Actuarial (gain) / loss on obligations	- 7 46 794	- 2 54 083	- 6 34 108	13 22 398
Present value obligation as at end of the year	15 81 129	48 48 525	14 98 918	53 57 364



NOVA IRON AND STEEL LTD.

PARTICULARS	Leave Encashment / Compensated Absence	Employee Gratuity Provision	Leave Encashment / Compensated Absence	Employee Gratuity Provision
	31.03.2014	31.03.2014	31.03.2013	31.03.2013
(iii) Change in the fair value plan Assets				
Fair value of plan assets as at beginning of the year	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions	-	-	-	-
Benefits Paid	-	-	-	-
Actuarial (gain) / loss on plan assets	-	-	-	-
Fair value of plan assets as at end of the year	-	-	-	-
(iv) Reconciliation of Present value of Defined Benefit Obligation and Fair value of Assets				
Present value obligation as at end of the year	15 81 129	48 48 525	14 98 918	18 17 272
Fair value of plan assets as at end of the year	-	-	-	-
Funded Status	- 15 81 129	- 48 48 525	- 14 98 918	- 18 17 272
Present value of unfunded obligation as at end of the year	-	-	-	-
Excess of actual overestimated	-	-	-	-
Unfunded Net Asset / (Liability) recognised in Balance Sheet	- 15 81 129	- 48 48 525	- 14 98 918	- 18 17 272
(v) Expenses recognised in Statement of Profit and Loss				
Current Service Cost	9 60 724	4 65 565	9 41 208	7 90 929
Past Service Cost (Non - Vested)	-	-	-	3 04 491
Past Service Cost (Vested)	-	-	14 87 917	43 56 999
Interest Cost	1 34 903	4 82 162	-	-
Expected return on plan assets	-	-	-	-
Curtailment Cost	-	-	-	-
Settlement Cost	-	-	-	-
Net Actuarial (gain) / loss recognised during the year	- 7 46 794	- 2 54 083	- 6 34 108	13 22 398
Paid to left employees	-	-	-	-
Total Expense recognised in statement of Profit and loss (including transferred to capital work in progress)	3 48 833	6 93 644	17 95 017	67 74 817

Note : - The estimate of future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.
Leave encashment / compensated absence are not funded. Hence, change in fair value of Plan Assets have not been given.

NOTE 29 : The Company is engaged in the manufacturing / trading of Iron & Steel, Metals & Natural Resources business which, in context of Accounting Standard - 17 as notified under Companies (Accounting Standard) Rules, 2006 is considered the only business segment.

NOTE 30 : RELATED PARTY TRANSACTIONS:

	Key Managerial Personnel:	Relationship
(i)		
1	Sh. Sanjay Singhal	Director
2	Sh. Aniket Singal	Director
3	Sh. H.C. Verma	Director
4	Sh. Ravi Prakash Goyal	Director
5	Sh. Manickam Ramachandran	Director
6	Sh. Arvind Gupta	Director
7	Sh. Narsingh Awatar	Director
(ii)	List of related Companies:	
1	M/s Ambey Steel & Power P. Ltd.	Promoter Company
2	M/s Bhushan Power & Steel Ltd	Promoter Company
(iii)	List of Associate Companies:	
1	M/s Prudent Transport Company Ltd.	Associate Company



NOVA IRON AND STEEL LTD.

(iv) Transactions with above related party as identified by the management, in accordance with Accounting Standard – 18.				
"Related Party Disclosures" are as follows:-				
	Name of the related party	Nature of Transactions	As At 31.03.2014 (Rs.)	As At 31.03.2013 (Rs.)
(i)	M/s Bhushan Power & Steel Ltd	Sale of Finished Goods	23 78 55 643	1 15 10 21 038
(ii)	M/s Bhushan Power & Steel Ltd	Sale of Scrap & Others	1 00 87 541	29 12 921
(iii)	M/s Bhushan Power & Steel Ltd	Purchase of Raw Material	-	1 57 17 018
(iv)	M/s Bhushan Power & Steel Ltd	Purchase of Store & Machinery	14 00 06 105	2 45 15 627
(v)	M/s Bhushan Power & Steel Ltd	Loan Received	-	-
(vii)	M/s Bhushan Power & Steel Ltd	Reimbursement of Expenses	-	-
(x)	M/s Ambey Steel & Power P. Ltd.	Loan Given	-	-
Closing Balances			As At 31.03.2014 (Rs.)	As At 31.03.2013 (Rs.)
(i)	Bhushan Power & Steel Ltd. - Loan Account		78 02 24 500	77 39 38 000
(ii)	Bhushan Power & Steel Ltd.		41 18 04 999	4 39 71 946
(iii)	Ambey Steel & Power P. Ltd.		-	-

NOTE 31 : OTHER ADDITIONAL INFORMATION

A: DETAIL OF OPENING STOCK,CLOSING STOCK AND SALES:

(Amount in Rs.)

Particulars		31.03.2014		31.03.2013
(i) Opening Stock:				
-Sponge Iron		3 99 07 300		1 39 08 906
(ii) Closing Stock:				
-Sponge Iron		3 48 129		3 99 07 300
(iii) Turnover:				
-Sponge Iron		23 78 55 644		1 15 10 21 038
-Others		6 97 44 833		3 09 34 139
		30 76 00 477		1 18 19 55 177
B: CONSUMPTION OF RAW MATERIAL AND COMPONENTS:				
Raw Material Consumed				
-Iron Ore / Pellets		10 52 58 770		64 63 61 913
-Coal		9 09 90 509		38 18 86 712
-Dolomite		88 425		5 22 280
		19 63 37 704		1 02 87 70 904
C: C.I.F. VALUE OF IMPORTS:				
- Advance for Machinery		5 89 049		29 15 426
D: VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL, SPARES AND COMPONENTS CONSUMED :				
	Value (Rs.)		% of	Value (Rs.)
	31.03.2014		Consumption	31.03.2013
				% of
(i) Raw Material				Consumption
-Indigenous	19 63 37 704	100%	102 87 70 905	100%
(ii) Stores & Spares				
-Indigenous	27 44 066	100%	70 02 014	100%
	19 90 81 770		103 57 72 919	



NOTE 32 : OTHER ADDITIONAL INFORMATIONS:

- A. The accounts have been prepared for a period of 12 months i.e. from 1st April, 2013 to 31st March, 2014.
- B. In the opinion of the Management, the Current Assets, Loans and Advances etc., are of the approximate value stated, if realised in the ordinary course of business.
- C. In respect of amounts due to Micro, Small and Medium enterprises under "The Micro, Small and Medium Enterprises Development Act 2006", the Company has certified that as a policy the payment to suppliers is made within 30 days except in disputed cases.
- D. Provision for tax is made as per section 115 JA of the Income Tax Act, 1961. MAT credit against the tax provision is available as per Section 115 JA.
- E. Balances on account of trade/other receivable, trade/other payables and loans and advances are subject to the confirmation and reconciliation with respective parties.
- F. The Capital of the Company was reduced from 15,05,81,200 No. of Equity Shares of Rs. 10/- each to 15,05,81,200 No. of Equity Shares of Rs. 2.40 paise each pursuant to Order dated 18.09.2012 of Hon'ble High Court of Chhatisgarh. Simultaneously pursuant to shareholders approval, 100 shares of Rs. 2.40/- each have been consolidated to 24 equity shares of Rs. 10/- each comes equal to paid
- G. Notes No. 1 to 32 form an integral part of the accounts and has duly been authenticated.

As per our report of even date attached

For & on behalf of the Board

For Atima & Goel
Chartered Accountants
Firm Regn. No. 009062N

Sd/-
(R.B.Goel)
Partner
Membership No. 086862

Sd/-
(N. Awatar)
Director

Sd/-
(R.P.Goyal)
Director

Sd/-
(Dheeraj Wadhawan)
Company Secretary

Place: New Delhi
Date: 30.05.2014



NOVA IRON AND STEEL LTD.



NOVA IRON AND STEEL LIMITED

Regd. Office : Village Dagori, Tehsil Belha Distt. Bilaspur Chhattisgarh - 495224
Email: rai_nisl2007@yahoo.com, website: www.novaironsteel.com
(CIN: L02710CT1989PLC010052) Phone:011-30451000, Fax:011-23712737

ATTENDANCE SLIP

- 1. Full Name of Shareholder / Proxy :
- 2. Registered Folio No. : No. of Shares :
- 3. Client ID DP ID
- 3. If Proxy, Full Name of Shareholder :

I hereby record my presence at the 22nd Annual General Meeting of the Company held at **Village Dagori, Tehsil-Belha, Distt. Bilaspur (Chhatisgarh) PIN-495 224**, on Saturday the 27th day of September, 2014 at 11.30 A.M.

(Signature of Shareholder / Proxy)

Name of Member / Proxy

Note:

Please complete the Folio. DP ID-Client ID No. and name, sign the Attendance Slip and hand it over at the Attendance Verification counter at the entrance of the Meeting Hall.



NOVA IRON AND STEEL LTD.



NOVA IRON AND STEEL LIMITED

Regd. Office : Village Dagori, Tehsil Belha Distt. Bilaspur Chhattisgarh - 495224
 Email: rai_nisl2007@yahoo.com, website: www.novaironsteel.com
 (CIN: L02710CT1989PLC010052) Phone:011-30451000, Fax:011-23712737

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:

I/We, being the member (s) of Shares of the above named company, hereby appoint:
 Name : Address
 E-mail id : Signature :, or failing him
 Name : Address
 E-mail id : Signature :, or failing him
 Name : Address
 E-mail id : Signature :, or failing him as

my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the company, to be held on Saturday, 27th day of September 2014 at 11.30 a.m. at Village-Dagori, Tehsil-Belha, District-Bilaspur (Chhattisgarh) and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business

Sr.N.	Resolution
1.	Adoption of Financial Statements of the Company for the year ended 31st March 2014 i.e. Audited Balance Sheet, Statement of Profit and loss and cash flow as at 31st March, 2014 and the Statement of Profit & Loss and Cash Flow Statement for the year as on that date together with Auditors' Report and Directors' Report thereon.
2	To appoint a Director in place of Mr. Aniket Singal, who retires by rotation and being eligible has offered himself for re-appointment.
3	To appoint a Director in place of Mr. R.P. Goyal, who retires by rotation and being eligible has offered himself for re-appointment.
4	To reappointment of Auditors and fixation of their remuneration

Special Business

Sr.N.	Resolution
5	Approval to continue Sh. Narsingh Awatar as Independent Director under Companies Act, 2013
6	Approval to continue Sh. Manickam Ramchandran as Independent Director under Companies Act, 2013
7	Approval to continue Sh. Arvind Gupta as Independent Director under Companies Act, 2013
8.	Appointment of Sh. Hardev Chand Verma as Whole Time Director
9.	Adoption of New Set of Articles of Association of the Company
10.	Ratification of Remuneration of Cost Auditors
11.	Authority to board of Directors to Borrow
12.	Authority to Invest/give loan/give guarantee/provide security
13.	Authority to create charge

Affix Revenue Stamp of Rs. 1/- each

Signed this..... day of..... 20.....
 Signature of shareholder
 Signature of Proxy holder(s)

- Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
 2. For the resolution, explanatory statement and notes please refer to the notice of 22nd Annual General Meeting
 3. Please complete all details including details of member(s) in above box before submission.



NOVA IRON AND STEEL LTD.

REGISTERED BOOK POST / COURIER

If undelivered, Please return to :

NOVA IRON AND STEEL LIMITED

Corporate Office : 4th Floor, Tolstoy House
15-17th Tolstoy Marg, Connaught Place,
New Delhi-110001

NOVA IRON AND STEEL

4th Floor,
Tolstoy Marg, Connaught Place,
New Delhi-110001

