



Embracing

opportunities.

Exploring

possibilities.

Ankit Metal & Power Ltd. | Annual Report 2011-12

**At Ankit Metal & Power Limited (AMPL),
we continue to take tall strides in our
journey towards sustainable and**

responsible growth.

Embracing opportunities and exploring possibilities are not just words but a deep organisational culture that has enabled us to create a business model based on a solid foundation by which we bring value to our customers, stakeholders and the society at large.

As a result, though 2011-12 was a very challenging period, we reported good financial progress with operating revenue growth of 34.48% to ₹ 925.78 crores and net profit growth of 37.07% to ₹ 33.24 crores.

Vision

To continuously challenge past achievements and set new benchmarks as a producer of high quality steel while operating the business efficiently and effectively to deliver customer satisfaction and stakeholder returns

Brand

Our TMT bars are marketed under the widely accepted brand of 'Ankit TMT'

Legacy

Part of the ₹ 3,800 crores SKP Group



Credentials

One of eastern India's fastest growing Company engaged in the production and distribution of products like sponge iron, stainless steel billets, rolled products, ferro-alloys and captive power

Certifications

ISO 9001 : 2008 certified company, IS 1786 : 2008 (for Ankit TMT bars) and IS 2830 : 1992 (for billets)

Presence

Headquartered in Kolkata; manufacturing facility located in Jorehira, Bankura district of West Bengal



Products and capacities

Sponge Iron (2x350 TPD), Induction Furnace (181,290 TPA), Rolling Mill (100,000 TPA), WHRB Captive Power Plant (16.5 MW), AFBC Captive Power Plant (29 MW), Wire Rod Mill (100,000 TPA) and 5.5 MVA Submerged Arc Furnace (12,325 TPA)

Key financials, 2011-12 (₹ in lacs)

Revenue from Operations

34.48% >

2010-11	2011-12
68,840.99	92,578.32

EBIDTA

42.99% >

2010-11	2011-12
6,243.25	8,927.17

PAT

37.07% >

2010-11	2011-12
2,425.01	3,324.08



From the Chairman's Desk

At AMPL, our solid business strategy, focus on downstream assets, operational excellence and robust marketing insights enabled us to report good performance in 2011-12.

Dear fellow shareholders,

Steel is the most fundamental and core building block for world industry. It is used in almost every industrial process whether as a raw material resource or as a finished product and in most of these processes, there is no substitute for it. Deploying a process that has been perfected over the past 150 years or so, most global manufacturers today continue to create new varieties of steel for new applications and work to refine the manufacturing process in order to reduce energy consumption and CO₂ emissions. Though each region and nation has its own producers, today steel is a globally-traded product with many nations both importing and exporting large quantities of different types of steel.

The global economic slowdown and the tightening monetary policy in India towards curbing inflation has led to a fall in industrial production and consequently dampened steel demand and hurt realisation rates. However the long-term outlook for steel continues to remain bright and optimistic.

At AMPL, our solid business strategy, focus on downstream assets, operational excellence and robust marketing insights enabled us to report good performance in 2011-12.

Our three simple philosophies :

1 Manufacture high quality TMT bars

2 Efficiently manage customer inventory through on-time customer delivery

3 Spread prosperity beyond our factory gates.

When we commenced operations, most thought that we were just another small player that would soon be trampled by competition. This was strong motivation for us as we built an enterprise that would not be swayed by short-term challenges but would stand tall even in the face of the worst crises. So this is what we did :

- Established 16.5 MW WHRB (waste heat recovery boiler) and 29 MW AFBC (atmospheric fluidized bed combustion) captive power plants that optimised energy costs, made us self-reliant for our power needs and reduced dependence on state power grid.
- Installing pelletisation facilities, that enables us to extensively utilise iron ore fines, a precious national resource that is generally exported, for DRI operations and hence optimise raw material costs and circumvent dependence on iron ore lumps.
- Focused on understanding technical knowhow, and leverage this insight into making informed sales, thereby strengthening customer relationship.

- Located our manufacturing facility close to the coal belt of Raniganj (West Bengal) and proximate to ports, railway lines and arterial highways, thereby assuring cost-effective consistent supplies on the one hand and speedy end products delivery on the other.
- Generated robust demand of our Ankit brand of TMT bars that enable us to fetch a premium over competitor products.
- Embarked upon the creation of several value-added downstream facilities comprising enhancement of wire rod mill capacity (from 1,00,000 to 1,80,000 TPA), a 30 TPD sponge iron plant, railway siding, AOD convertor and RM pre-heater .

I would express my gratitude to our diverse stakeholders, our customers, vendors, bankers, all the staff members and the Board of Directors for their continued support, enthusiasm and guidance.

I look forward to your continuing patronage and trust in our mission.

Sincerely,

Suresh Kumar Patni
Chairman

Management Discussion and Analysis

Embracing opportunities. Exploring possibilities.

Creation of value-added facilities to

drive

integration benefits

- We augmented our DRI facility through the successful establishment of one more 350 TPD sponge iron plant, which enhanced our sponge iron producing capacity.
- We established a 59,400 TPA induction furnace with a billet casting plant taking our capacity to 1,81,290 TPA.
- Our 1,00,000 TPA rolling mill produces high quality TMT bars, which is sold under the Ankit brand.
- We established a 12,325 TPA submerged arc furnace to manufacture ferro alloys for captive consumption.
- We successfully commissioned a 1,00,000 TPA wire rod mill.
- Our 8.5 MW WHRB (which uses zero-cost waste heat gases from the DRI unit to produce power) and 4 MW AFBC (which consumes char generated from sponge iron production along with coal) operated successfully during the year thereby reducing the cost of power. We also successfully commenced operations of our 8 MW WHRB and 25 MW AFBC captive power plants thus increasing our power generation capacities to 16.5 MW (WHRB) and 29 MW (AFBC) respectively.

Reducing costs and driving economies-of-scale

At AMPL, we are engaged in the creation of assets that augment capacities to drive scale benefits and report financial sustainability.

- We are in the process of establishing a 6,00,000 TPA pelletisation facility that will utilise iron ore fines and optimise raw material costs for DRI operations and ultimately TMT bars production.
- We are also enhancing the capacity of our wire rod mill from 1,00,000 TPA to 1,80,000 TPA and modifying the wire rod mill from MS to SS.
- We are enhancing our sponge iron production capacity by setting up an additional 30 TPD sponge iron unit.
- We are also establishing a railway siding, AOD convertor and RM pre-heater.

Economic Overview

From a positive beginning in 2011, the global environment turned adverse in the second half of 2011 owing to the turmoil in the euro zone and monetary imbalances in emerging economies caused mainly by surging commodity prices. Capital flows to developing nations declined by almost half in 2011 compared to 2010.

Europe seemed to enter a recessionary phase. The euro zone severely impacted economic performance of its trade partners. Growth in several major developing countries (Brazil, India, to a lesser extent Russia, South Africa and Turkey) slowed partly in reaction to domestic policy tightening.

The world GDP, as reported by the International Monetary Fund, witnessed a moderate growth of 3.9% in 2011 as compared to a growth of 5.3% in 2010. The growth in the advanced economies slowed to 1.6% in 2011 in comparison to 3.2% in 2010, while the emerging and developing economies grew at 6.2% in 2011 compared to 7.5% in 2010.

Managing growth and price stability are the major challenges in macroeconomic policy making. In 2011-12, India found itself in the heart of these conflicting demands without corresponding initiatives towards economic growth. As a result, the Indian economy grew at 6.5% in 2011-12, down from 8.4% in 2010-11. The GDP growth in 2011-12 was the lowest in the past nine years. Global factors such as euro zone crisis, geopolitical disturbances and weather extremities contributed to the domestic economic slowdown. Domestic factors like monetary tightening and rising repo rate to control inflation slowed industrial investment and growth.

India enjoys the unique advantage of having multiple forces driving its economic growth engine in the form of a favorable demographic profile of population, relatively high savings and investment rates, a large domestic consumption base and the oft-quoted entrepreneurial spirit of its people, which would sustain India's position as one of the fastest growing economies in the world.



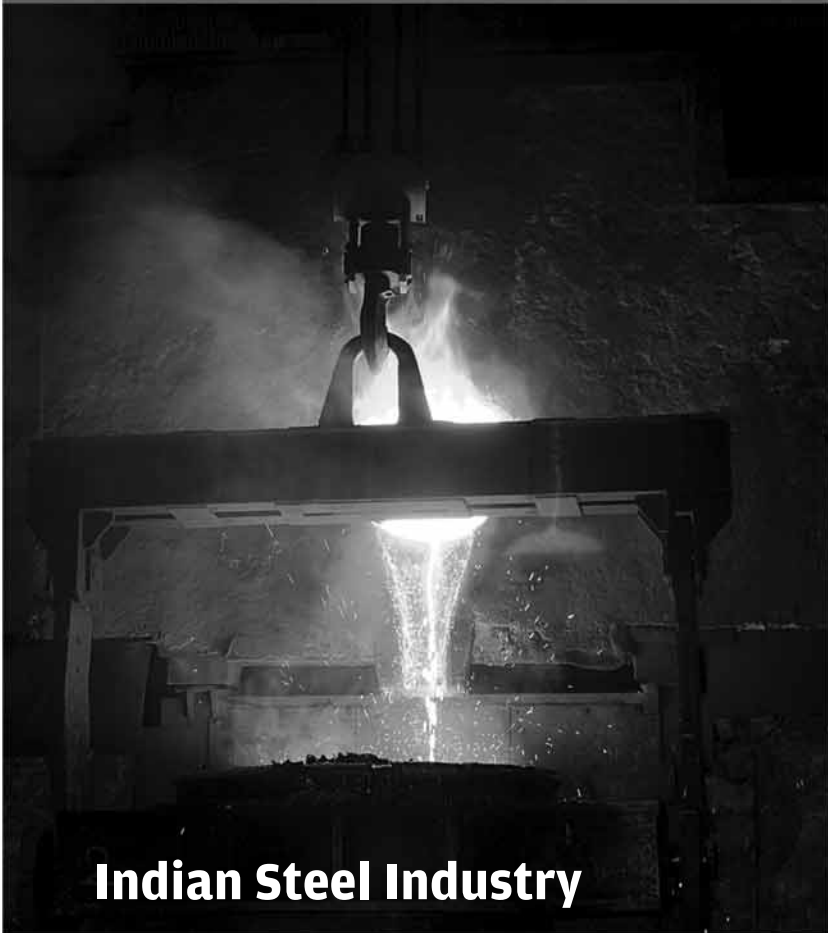


Steel Industry

Global steel industry : Overall the global steel industry witnessed steady growth during 2011. The growth in global steel demand was driven by increased demand from key steel end-user industries including infrastructure, construction and automotive, especially in the emerging markets; in spite of financial turbulence in the Eurozone, weak private demand in the United States and events in Japan and the Middle East. In 2011, the global steel demand is estimated to have increased by 6% to reach a new high of 1,373 million tonnes, 13% above the pre crisis levels in 2007. Growth was led by the emerging economies, notably China (6% up) and India (4% up), where new demand records were set. In the developed economies, demand levels remained 15-25% below 2007 levels.

Europe saw steel demand increase by 5% and North America by 9% in 2011, but steel demand in Japan fell by 3%, as the impact of the earthquake and subsequent tsunami was felt on the manufacturing activity.

Looking ahead, global steel market developments are likely to remain generally positive, but with lower growth in 2012 compared to 2011. For 2012 as a whole, global steel demand is forecast to grow by a further 4% to reach 1,422 million tonnes. China, India and other emerging markets will continue to drive demand but recent market developments suggest likely slackening of demand. This is primarily due to the recent changes in the monetary policy in China to reduce bank credit and improve asset quality as well as lower growth forecast in India. While USA and Japan is expected to continue it's recovery, steel demand in Europe is expected to fall by 1%.



Indian Steel Industry

The Indian steel industry is largely iron-based through the Blast Furnace (BF) or the Direct Reduced Iron (DRI) route. The Indian steel sector witnessed rapid growth over the past decade; domestic crude steel capacity more than doubled to reach 89 mtpa in the fiscal ended march 2012.

In 2011, India emerged as the world's fourth largest steel producer after China, USA and Japan. India produced 74 million tonnes of crude steel in 2011-12 at an average capacity utilisation of 83%. The steel demand in the country grew 6.8% in 2011-12, in accordance with the economic growth of the country.

India, at a per capita of 59 kgs. is just above the average across most of Africa and significantly lower than the per capita consumption of Malaysia, Thailand, China and Vietnam.

Opportunities & Threats

The low per capita steel consumption in India coupled with a large population base provides significant growth opportunities to the iron and steel industry. The urgent need towards infrastructure creation and surging consumption growth are visible opportunities that will drive iron & steel demand.

The steel industry is subject to cyclical swings arising from factors such as excess capacity, regional demand and supply imbalances and volatile swings in market demand and prices. One of major threats to the industry is depleting availability and volatile pricing of raw materials. Any firmness in steel prices gives an opportunity to iron ore producers to increase the prices in the next contract; however the reverse may not be true as steel companies cannot always pass on the rise in iron ore prices to end consumers due to the fragmented market. India possesses the world's eighth largest iron ore reserve; it is the fourth largest iron ore producer in the world but yet fell short in supplying adequate quantity of iron ore to the iron and steel producers as a large chunk of the production was exported. Coking coal, a primary ingredient in steel making is in short supply. A majority of the coking coal requirement is met by importing from Australia. Further more the Indian iron and steel producers are widening their sourcing bases to South Africa, Indonesia, US and Canada. Land availability and environmental issues are also a concern for the growth of domestic iron and steel industry. However to support the iron and steel industry the government has announced various favorable policies such as duty on export of iron ore to discourage the flight of key resource, exemption of import duty on coking coal/met coke, providing cost effective option for key raw materials, increase in import duty on selected non alloy flat steel product to discourage dumping of steel by other countries, amongst others.

Per capita consumption comparison (kgs)

World Average	South Korea	Taiwan	Germany	USA	Russia	Turkey	China	India
215	1,157	784	480	285	292	342	460	59

Risks and Concerns

Industry Risk

Demand is dependent on general economic conditions. A downturn can affect business and earnings.

Mitigation

The low per capita steel consumption in India coupled with a large population base provides significant growth opportunities to the iron and steel industry. The urgent need towards infrastructure creation and surging consumption growth are visible opportunities that will drive iron & steel demand.

Cost Risk

Managing costs is key to protect profitability, especially in volatile markets.

Mitigation

We have created well-integrated assets comprising WHRB and ABFC captive power plants, which ensure cost-effective availability of power. Also, we are setting up a pelletisation plant (utilising the readily available iron ore fines for DRI operations) and railway siding to optimise raw material and logistics costs.

Raw Material Risk

Non-availability and price volatility of key raw materials namely iron ore and coal can affect production and production cost.

Mitigation

- We procure iron ore from established mining companies such as Essel Mining, Rungta Mines, etc. We are also working with major suppliers of key raw materials to achieve competitive prices on long term basis.
- Linkages with Coal India Ltd. to feed coal requirements of our captive power plant as well as the sponge iron unit.
- Assured supply of coking and thermal coal in the near future from group company having economic interest in coal mines in Indonesia.

Competition Risk

We might not be able to differentiate ourselves, leading to erosion of our ability to compete in a competitive industry environment.

Mitigation

We have built a robust top-of-the-mind recall of our TMT bars marketed under the Ankit TMT brand with the iconic Mithun Chakraborty as its brand ambassador. This has created a strong competitive edge leading to customer loyalty, reflected in a significant percentage of income accruing out of repeat business. Moreover, balanced sales between retail and institutional customers have ensured sustainable offtake across both channels, resulting in diversification of the income stream and mitigation of competitive pressures.

Health and Safety Risk

The manufacture of steel involves steps that are potentially hazardous if not executed with due care.

Mitigation

We maintain the highest safety standards within our operating units which minimises calamities during day-to-day operations. The safety team conducts regular training programmes to instill the concept of maintaining safe operations among the employees and to educate the team on the safety norms and procedures to be followed in an unfortunate situation.

Segment-wise Performance

Our business activity primarily falls within a single business segment - Iron and Steel. However we also generate power from our captive power plant, which is entirely consumed in the manufacture of iron and steel without any sale to third parties.

Internal Control

We have implemented proper and adequate system of internal controls commensurate with our size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorised, recorded and reported properly and applicable statutes and corporate policies are duly complied with. Some significant features of internal control systems are :

- Adequate documentation of policies, guidelines, authorities and approval procedures covering all important functions.
- Deployment of an ERP system which covers most operations and is supported by a defined on-line authorisation protocol.
- Ensuring complete compliance with laws, regulations, standards, and internal procedures and systems.
- Ensuring the integrity of the accounting system; the properly authorised recording and reporting of all transactions.
- Ensuring a reliability of all financial and operational information.
- We have an Audit Committee with majority of Independent Directors as members. The Committee periodically reviews significant audit findings, adequacy of internal control and compliance with Accounting Standards, amongst others.

Industrial Relations and Human Resources

We recognise people as the primary source of our competitiveness and continue to focus on people development by leveraging technology and developing a continuously learning human resource base to unleash their potential and fulfill their aspirations. Industrial relation at the factory continued to remain cordial. As on the date of this report we have 364 employees on our payroll.

NOTICE

NOTICE is hereby given that the 10th Annual General Meeting of the members of the Company will be held on Tuesday, 25th September, 2012 at 3.00 P.M. at 'Rotary Sadan', 94/2 Chowringhee Road, Kolkata - 700 020 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2012, the Statement of Profit & Loss for the Company as on that date and the report of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Suresh Kumar Patni, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Vijay Kumar Jain, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint M/s. R. Kothari & Company, Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Sanjay Singh, who was appointed as an Additional Director of the Company by the Board of Directors on 24th August, 2012 to hold office upto the date of the next Annual General Meeting in terms of Section 260 of the Companies Act, 1956 ('the Act') and in respect of whom the Company has received a notice in writing from a member in terms of the provisions of Section 257 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

6. 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 198, 269, 309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956, consent of the members be and is hereby accorded for the appointment of Mr. Sanjay Singh as an Executive Director of the Company for a period of 3 (Three) years w.e.f. 24th August, 2012, to hold office as an Executive Director of the Company upon the terms and conditions (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out in the agreement submitted to this meeting with an authority to the Board of Directors to alter and vary the terms and conditions of the said appointment during the continuance of the tenure on

the recommendation of the Remuneration Committee and grant such further increases in remuneration from time to time as they may deem fit and agreed by Mr. Sanjay Singh, within the limits specified in Schedule XIII of the Act, as may be amended from time to time."

By Order of the Board
For Ankit Metal & Power Limited

Date : 24th August, 2012
Place : Kolkata

Chandra Kumar Jain
Company Secretary

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective should be completed, stamped, signed and must be deposited at the Corporate Office of the Company not less than forty eight hours before the commencement of the meeting.
3. Explanatory Statement, pursuant to Section 173(2) of the Companies Act, 1956, in relation to the special business in point no. 5 and 6 to be transacted is annexed hereto.
4. The Register of Members and Share Transfer Books will remain closed from Thursday, 20th September, 2012 to Tuesday, 25th September, 2012 (both days inclusive).
5. Shareholders holding shares in physical form are requested to advise any change of the address immediately to the Company's Registrar and Share Transfer Agents - M/s. Link Intime India Pvt. Ltd., 59C, Chowringhee Road, 3rd Floor, Kolkata - 700 020 and to their respective DP's in respect of Equity Shares held in dematerialised form.
6. The relevant details as required under Clause 49 of the Listing Agreement entered into with the Stock Exchange, of person seeking appointment/re-appointment as Director under Item No. 2, 3 & 5 is annexed thereto.
7. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least ten days before the meeting so that the same could be complied in advance.
8. Members/Proxies should bring their attendance slip sent herewith, duly filled in, for attending the meeting. Corporate members are requested to send a duly certified copy of the resolution authorising their representatives to attend and vote at the meeting.
9. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID and those who hold shares in

physical form are requested to write their Folio Number in the attendance slip for attending the meeting.

10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

11. Since the securities of the Company are compulsorily tradable in electronic form, to ensure better investor service and elimination of risk of holding securities in physical form, it is requested that the members holding shares in physical form, to get their shares dematerialised at the earliest.

Important Announcement to Members

Pursuant to Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011, Ministry of Corporate Affairs (MCA) has launched "Green Initiative in Corporate Governance" whereby the Companies are allowed to send notices, documents and other communication to the shareholders in electronic mode.

In view of the above circulars issued by MCA, like last year, this year too your Company is sending documents like the notice convening the General Meeting, Financial Statements, Directors' Report, Auditors' Report etc. to the email addresses provided by you to your Depository Participant(DP)/Company's Registrar and Transfer Agent, M/s. Link Intime India Pvt. Ltd.

Your Company encourages its shareholders to support the 'Green Initiative' by registering their email address with their respective depositories/Company's Registrar and Transfer Agent and intimate changes in the email address from time to time.

Even after registering the email address, members are entitled to receive such communication in physical form, upon receipt of request for the same, by post/courier free of cost.

The Annual Report of 2012 (including notice of Annual General Meeting) will also be available on the Company's website www.ankitmetal.com for download by the members. Format for request letter for registration/changes of email id is also available in the Investor's Corner of the Company's website.

The physical copies of the aforesaid documents will also be available at the Company's Corporate Office for inspection during business hours upto the date of Annual General Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No – 5 & 6

Mr. Sanjay Singh was appointed as an Additional Director in terms of Section 260 of the Companies Act, 1956 by the Board of Directors at their meeting held on 24th August, 2012.

In terms of the provision of Section 260 of the Companies Act, 1956, Mr. Sanjay Singh holds office up to the date of the next Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956 along with the deposit from a member proposing the candidature of Mr. Sanjay Singh as a Director of the Company.

Subject to approval of members at the ensuing Annual General Meeting, the Board of Directors of the Company at its meeting held on 24th August, 2012 has appointed Mr. Sanjay Singh as an Executive Director of the Company for a period of 3 (three) years w.e.f. 24th August, 2012 on the terms and conditions mentioned in the Agreement dated 24th August, 2012, based on the recommendation made by the Remuneration Committee.

Mr. Sanjay Singh aged about 37 years has enriched experience of more than 15 years in operation and management of the plant. Mr. Singh is actively involved in the overall management of the Company's manufacturing facility at Jorehira, Bankura for the last 8 years. Under his supervision, the performance in terms of output of the plant has improved significantly. Your Directors feel that Mr. Singh be elevated to the Board so that the Company gets benefited with his experience.

The material terms and remuneration payable in terms of Agreement dated 24th August, 2012 are as follows :

(a) **Tenure** - 24th August, 2012 to 23rd August, 2015.

(b) **Remuneration** - Salary of ₹ 95,000/- (Rupees Ninety Five Thousand only) per month with an authority to the Board to grant such further increases from time to time as they may deem fit, within the limits specified in Schedule XIII Part II of the Act, as may be amended from time to time.

Perquisites : Perquisites applicable to the Executive Director are as follows :-

- I. Leave : Mr. Sanjay Singh will be entitled to leave as per applicable rule of the Company.
- II. Leave Encashment : As per applicable rule of the Company.
- III. Company's contribution to Provident Fund and Gratuity which shall not be included in the computation of limits for remuneration or perquisites.

However, in case of absence or inadequacy of profits in any financial year, the remuneration payable to Mr. Sanjay Singh shall be restricted to Part II Section II [1A] of Schedule XIII of the Act.

(c) General

I. The Executive Director shall subject to the provisions of Companies Act, 1956, the Articles of Association of the Company and to the terms of Agreement with the Board of Directors shall have the whole or substantially the whole of the management, control and superintendence for the affairs of the Company's factories.

Provided that the Executive Director shall exercise his powers subject to the superintendence, control and direction of the Board of Directors and the Managing Director. He shall further exercise and perform such powers and duties as the Board of Directors of the Company (hereinafter referred to as the Board) shall from time to time determine subject to any directions and restrictions given or imposed by the Board.

II. He shall not be paid any sitting fee for attending meeting of the Board or Committee(s) thereof.

Notice

III. Subject to the provisions of the Companies Act, 1956 each party has the right of terminating the appointment upon giving two months notice in writing.

IV. If at any time Mr. Sanjay Singh ceases to be the Director of the Company for any cause whatsoever, he shall cease to be the Executive Director of the Company.

The terms and conditions for the appointment and the remuneration payable to Mr. Sanjay Singh as an Executive Director of the Company as set out in the Notice and Explanatory Statement should also be treated as an Abstract of the terms of his appointment and Memorandum of Interest under Section 302 of the Companies Act, 1956.

The relevant agreement entered by the Board is available for inspection of the members of the Company at the Corporate Office of the Company on any working day during business hours.

None of the Directors except Mr. Sanjay Singh are concerned or interested in the aforesaid resolution.

The Board of Directors recommends the resolution as set out in Item No. 5 & 6 of the notice for your consideration and approval.

Additional Information

Disclosures pursuant to Clause 49 of the Listing Agreement with regard to the Director seeking appointment/re-appointment at the ensuing Annual General Meeting (Refer Item No. 2, 3 & 5 of the notice)

Name of the Director	Age	Date of Appointment	Brief resume and nature of expertise in functional area	Other Directorships*/Committee Memberships**
Mr. Suresh Kumar Patni	52 years	7th August, 2002	He is a Graduate in Commerce from Calcutta University. He has a wide experience of more than two decades in Iron & Steel and Ferro Alloys Industry. He is also the Co-promoter of Impex Ferro Tech Limited and Rohit Ferro-Tech Limited.	Directorship : - Impex Metal & Ferro Alloys Limited - VSN Agro Products Limited - Impex Industries Limited - SKP Power Ventures Limited - Sarita Steel & Power Limited - Rohit Ferro-Tech Limited - Impex Ferro Tech Limited - SKP Aviation Services Limited - Patni Metal & Ferro Alloys Limited - Dhodwala Enterprises Limited - Gold Mohar Steel Limited Committee Memberships : Rohit Ferro-Tech Limited - Investors Grievance cum Share Transfer Committee Impex Ferro Tech Limited - Investors Grievance cum Share Transfer Committee
Mr. Vijay Kumar Jain	46 years	3rd July, 2006	He is a Commerce Graduate with a wide experience in the field of Finance, Accounts and Taxation matters.	Directorship : - Impex Ferro Tech Limited Committee Memberships : Impex Ferro Tech Limited - Audit Committee - Remuneration Committee - Investors Grievance cum Share Transfer Committee
Mr. Sanjay Singh	37 years	24th August, 2012	He is a Bachelor of Engineering. He is associated with the Company since last 8 years and has considerable experience in implementing the project and running the plant.	Directorships : Nil Committee Memberships : Nil

Mr. Suresh Kumar Patni holds 5,05,000 Equity Shares. Mr. Vijay Kumar Jain and Mr. Sanjay Singh do not hold any Equity Shares in the Company.

* Excludes Directorship in Private/Foreign Companies and Companies under Section 25 of the Companies Act, 1956.

** Committee herein refers Audit Committee/Investors' Grievance and Share Transfer Committee and Remuneration Committee.

DIRECTORS' REPORT

Dear Shareholders

Your Directors have great pleasure in presenting the Tenth Annual Report of the Company together with the Audited Accounts for the financial year ended 31st March, 2012.

Financial Highlights

(₹ in Lacs)

Particulars	Current Year	Previous Year
	31.03.2012	31.03.2011
Revenue from Operation (net)	92,578.32	68,840.99
Other Income	130.97	94.34
Total Revenue	92,709.29	68,935.33
Profit before Finance Cost, Depreciation and Tax	8,927.17	6,243.25
Less : Depreciation & Amortisation	1,423.43	1,243.40
Less : Finance Cost	3,509.88	2,196.38
Less : Tax Expenses	669.78	378.46
Net Profit after Tax	3,324.08	2,425.01
Add : Balance brought forward from previous year	8,647.63	6,222.62
Balance carried over to Balance Sheet	11,971.71	8,647.63

Financial and Operational Review

Net Sales/Income from operation for the year stood at ₹ 92,578.32 Lacs registering a growth of 34.48% over previous year. The Profit after Tax (PAT) grew by 37.07% to ₹ 3,324.08 Lacs in 2011-12. The Cash Profit before tax for the year stood at ₹ 5,417.29 Lacs compared with ₹ 4,046.87 Lacs in the year 2010-11.

Dividend

Your Directors have not recommended any dividend on Equity Shares for the year under review.

New Project and Expansion

The Directors of your Company are pleased to inform that the Company has started commercial production of its 350 TPD Sponge Iron Plant, Steel Melting Shop (SMS), 1 Lac TPA Wire Rod Mill and 33MW Captive Power plant.

The capex plans undertaken by the Company consisting of 6,00,000 TPA Iron Ore Pellet Plant, 30 TPD DRI Kiln, Capacity addition to Wire Rod Mill, RM Pre-Heater, AOD Converter, modification of Wire Rod Mill from MS to SS and Railway Siding are designed to increase the production capacity and get the advantage of cost competitiveness. The projects are under various stage of implementation and are expected to be commissioned in phases in the year 2012-13.

Changes in Share Capital

During the year under review, the Company has allotted 6,25,00,000

Equity Shares of ₹ 10/- each on preferential basis at a premium of ₹ 30/- per share aggregating to ₹ 250.00 Crores to the entities belonging to promoter group and strategic investors belonging to non promoters group.

Consequent to said allotment, the paid up Share Capital of the Company stood increased to ₹ 95,37,55,000.00. The entire proceeds received from the Preferential Allotment has been utilised towards the object of the issue.

Public Deposit

The Company has not accepted any deposits during the year.

Credit Rating

The Company has retained CARE BBB- (Triple B minus) credit rating for its long-term and medium-term debts/facilities and CARE A3 (A Three) credit rating for its short-term debts/facilities accorded by the credit rating agency Credit Analysis & Research Ltd. (CARE).

Insurance

The properties and insurable assets and interests of your Company, like building, plant and machinery and stocks, among others, are adequately insured.

Directors

Mr. Suresh Kumar Patni & Mr. Vijay Kumar Jain, retires by rotation and being eligible, offers themselves for re-appointment.

Mr. Rohit Patni has resigned from the position of Joint Managing Director as well as from the Directorship of the Company with effect from 24th August, 2012. The Board of Directors recorded its appreciation for the valuable services rendered by Mr. Rohit Patni to the Company.

Mr. Sanjay Singh has been appointed as an Additional Director w.e.f. 24th August, 2012 to hold office up to the date of the next Annual General Meeting. The Company has received notice under Section 257 of the Companies Act, 1956 proposing the candidature of Mr. Sanjay Singh as Director of the Company. Based on the recommendation of the Remuneration Committee and subject to the approval of the members in the ensuing Annual General Meeting, Mr. Sanjay Singh has been appointed as an Executive Director of the Company for a period of 3 years w.e.f. 24th August, 2012.

None of the Directors of the Company are disqualified for being appointed as Directors, as specified in Section 274(1)(g) of the Companies Act, 1956. As required under Clause 49 of the Listing Agreement the additional information on the Directors seeking appointment/re-appointment is annexed as additional information to the notice.

Directors' Report

Management Discussion and Analysis and Corporate Governance Report

Reports relating to Management Discussion and Analysis, Corporate Governance along with the certificate from the Company Secretary in Practice regarding compliance of Clause 49 of the Listing Agreement with the Stock Exchange forms part of this report.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company confirms :

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departure have been made from the same;
- That 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 that period;
- That Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- That the accounts have been prepared on a 'going concern' basis.

Auditors and Auditors' Report

M/s. R. Kothari & Company, Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the limits prescribed under Section 224 (1-B) of the Companies Act, 1956 and they are not otherwise disqualified within the meaning of sub-section (3) of Section 226 of the Companies Act, 1956 for such appointment.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/explanation. The Notes to accounts referred to in the Auditors' Report are self-explanatory, and therefore, do not call for any further comments/explanation.

Cost Audit

As per the requirement of the Central Government and pursuant to the provision of Section 233B of the Companies Act, 1956, the Company has appointed Mr. S. Banerjee, Cost Auditors to audit the cost accounts of the Company for the year 2011-12 from 1st April, 2011 to 31st March, 2012 for which necessary approval from Central Government has been received. The Cost Audit Report in respect of the financial year 2011-12 will be filed on or before the due date. The Company has re-appointed Mr. S. Banerjee as Cost Auditors for the financial year 2012-13.

Particulars of Employees

Details of employee drawing remuneration in excess of the limit specified under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Amendment Rules, 2011 is given below :

Name	Age (Years)	Qualification	Date of Commencement of employment	Designation	Remuneration received (gross)	Experience (Year)	Last employment
Mr. Ankit Patni	27	CFA, MBA	8th August, 2003	Managing Director	₹ 53.87 Lacs*	8	As Jt. Managing Director in Rohit Ferro-Tech Ltd. till 24th August, 2012.

* re-appointed as Managing Director w.e.f. 3rd July, 2011 at an increased remuneration of ₹ 5 Lacs p.m.

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars of energy, technology absorption and foreign exchange earning and outgo as required under Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988, are given in the annexure attached hereto and forms part of the report.

Acknowledgment

Your Directors take this opportunity to express their appreciation for the assistance and co-operation received from the Central Government,

State Governments, Financial Institutions, Corporate Authorities, Banks, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services of executives, staffs and workers of the Company.

For and on behalf of the Board

Suresh Kumar Patni
Chairman

Kolkata, 24th August, 2012

Annexure to the Directors' Report

Information pursuant to Section 217(1) (e) of the Companies Act, 1956

A. Conservation of Energy

a) Energy Conservation Measure

Installation of HT & LT Capacitor bank in Rolling Mill & Submerged Arc Furnace.

Effective use of by product gases and waste char for Power Generation.

Installation of energy efficient light fittings in shop floor, offices and other areas.

Effective maintenance and daily monitoring of capacitor bank for improvement in power factor.

Replacement of old motors with energy efficient motors.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy :

To further install energy efficient light fittings, resizing of motor, etc. The Company also proposes to install solar power equipments like night lighting systems and solar power pump sets to further conserve carbon emitting thermal power.

c) Impact of the measures at (a) and (b) above, for reduction of energy consumption, and consequent impact on cost of production of goods :

Saving in Energy. Effective utilisation of waste heat.

Total energy consumption and energy consumption per unit of production as per Form-A attached.

B. Technology Absorption

Particulars with respect to technology absorption as per Form-B attached.

C. Foreign Exchange Earning and Outgo

a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans :

The Company is actively exploring the export market and has taken various initiative to increase exports of its products.

b) Total Foreign Exchange used and earned :

(₹ in Lacs)

	31.03.2012	31.03.2011
1 Foreign exchange earned	140.06	1,066.39
2 Foreign exchange used	8,581.38	1,425.45

FORM A

(Disclosure of Particulars with respect to Conservation of Energy)

	2011-12	2010-11
A. Power and fuel consumption		
1. Electricity		
a) Purchased		
Units (in Lacs - KWH)	407.16	597.51
Total amount (₹ in Lacs)	2,270.00	2,410.67
Cost/Unit (₹/KWH)	5.58	4.03
b) Own Generation		
i) Through Diesel Generation		
Units (in Lacs-KWH)	1.42	0.97
Unit per liters of high speed diesel (KWH)	4.29	4.47
Cost/Unit (₹/KWH)	10.18	8.76
ii) Through Steam Turbine/Generator		
Units (in Lacs-KWH)	721.85	764.14
Total amount (₹ in Lacs)	1,353.01	1,272.74
Cost/Unit (₹/KWH)	1.87	1.67
2. Coal*		
Quantity (in MT)	81,862.07	47,546.61
Total Cost (₹ in Lacs)	4,827.33	1,515.45
Average Rate (in ₹)/MT	5,896.11	3,187.28
3. Furnace Oil		
Quantity (KL)	1,130.93	1,517.36
Total Cost (₹ in Lacs)	440.50	432.47
Average Rate (in ₹)	38,950.24	28,501
B. Consumption (in units) Per Tonne of Production		
Electricity (KWH)	483	544
Coal (Tonne)	1.05	0.61
Furnace Oil (Lt.)	17.21	21.86

*used in production of Sponge Iron & Power Plant

FORM - B

(Disclosure of particulars with respect to Technology Absorption)

A. Research & Development (R&D)

Specific Areas in which R & D carried out by the Company	None
Benefits derived as a result of the above R & D	Does not arise
Future plan of action	Under planning
Expenditure on R & D	
a) Capital	Nil
b) Recurring	Nil
c) Total	Nil
d) Total R&D expenditure as a percentage of total turnover	Nil

B. Technology Absorption, Adaption and Innovation

1. Efforts, in brief, made towards technology absorption, adoption and innovation :

The Company has adopted and is continually updating the latest technology.

2. Benefits derived as a result of the above efforts :

The overall productivity and efficiency has increased

3. Particulars of Imported Technology during last 5 years

NIL

For and on behalf of the Board

Suresh Kumar Patni

Chairman

Kolkata, 24th August, 2012

CORPORATE GOVERNANCE REPORT

Company's philosophy on Corporate Governance

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

Board of Directors

As on 31st March, 2012 the Board consisted of 6 (Six) Directors headed by Mr. Suresh Kumar Patni, Non-Executive Chairman. There were 2 (Two) Executive Directors and 4 (Four) Non-Executive Directors, of which, 3 (Three) were Independent. The composition of the Board during the year was in conformity with Clause 49 of the Listing Agreement executed with the Stock Exchange.

Post 31st March, 2012 the following changes took place in the composition of the Board of the Company :

- Mr. Rohit Patni has resigned from the position of Joint Managing Director as well as from the Directorship of the Company w.e.f 24th August, 2012.
- Mr. Sanjay Singh has been appointed as an Additional Director w.e.f 24th August, 2012 to hold office upto the date of the next Annual General Meeting. Subject to the approval of the members in the ensuing Annual General Meeting, Mr. Sanjay Singh has been appointed as an Executive Director of the Company for a period of 3 years w.e.f 24th August, 2012.

After the aforesaid changes as on the date of this report the Board comprises of 6 (six) Directors, out of which the Chairman is a Non-Executive-Promoter-Director, 3 (Three) are Independent/Non-Executive Directors and 2 (Two) are Executive Directors. The composition of the Board is in compliance with Clause 49 of the Listing Agreement as on the date of the report.

None of the Directors on the Board are members of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which they are the Directors. The necessary disclosures regarding change in their positions have been made by the Directors regularly.

The composition and category of the Directors on the Board as on 31st March, 2012, their attendance at Board meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee memberships held by them in other Companies are given below :

Name of the Director	Category	No of Directorship in other Public Limited Companies incorporated in India	Committee positions in other Public Limited Companies\$		No. of Board Meetings attended	Attendance in last AGM
			As Chairman	As Member		
Mr. Suresh Kumar Patni	Promoter/ Non-Executive	8	-	2	13	No
Mr. Ankit Patni	Promoter/ Executive	6	-	1	13	Yes
Mr. Rohit Patni#	Promoter/ Executive	6	-	1	13	No
Mr. Kailash Chand Jain	Independent/ Non-Executive	2	2	-	12	Yes
Mr. Vijay Kumar Jain	Independent/ Non-Executive	1	1	-	10	No
Mr. Jatindra Nath Rudra	Independent/ Non-Executive	1	-	2	13	Yes
Mr. Sanjay Singh ##	Executive Director	Nil	Nil	Nil	N.A.	N.A.

Corporate Governance Report

Notes :

- \$ Includes the Membership/Chairmanship of only Audit Committee and Shareholders /Investors' Grievance Committee.
- # Mr. Rohit Patni has resigned from the position of Joint Managing Director as well as from the Directorship of the Company w.e.f. 24th August, 2012.
- ##Mr. Sanjay Singh has been appointed as an Additional Director w.e.f 24th August, 2012 to hold office upto the date of the next Annual General Meeting. Based on the recommendation of the Remuneration Committee and subject to the approval of the members in the ensuing Annual General Meeting, Mr. Sanjay Singh has been appointed as an Executive Director of the Company for a period of 3 years w.e.f 24th August, 2012.

None of the Non-Executive Directors have any pecuniary relationship or transactions with the Company other than for holding Directorship except Mr. Suresh Kumar Patni, who is also Promoter/Director in the Companies, which has a business relation with this Company.

Mr. Ankit Patni, Managing Director and Mr. Rohit Patni, Jt. Managing Director are sons of Mr. Suresh Kumar Patni, Chairman of the Company. None of the other Directors are in any way related to any other Director.

Meetings

Fifteen Board Meetings were held during the financial year 2011-12 and the gap between two Board Meetings did not exceed four months. The dates on which Board Meetings were held are as follows :

19th April, 2011; 17th May, 2011; 30th May, 2011; 28th June, 2011; 30th June, 2011; 28th July, 2011; 12th August, 2011; 29th August, 2011; 19th September, 2011; 5th November, 2011; 14th November, 2011; 2nd January, 2012; 24th January, 2012; 14th February, 2012 and 20th March, 2012.

Notes :

Board Meetings are held at the Corporate Office of the Company. The agenda along with explanatory notes are sent in advance to the Directors to get their input in the discussion.

The information as required under Annexure IA to Clause 49 is being made available to the Board of Directors.

The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

Code of Conduct

A Code of Conduct for the Board of Directors and Senior Management Personnel as adopted is available on the Company's website www.ankitmetal.com. All the Members of the Board and the Senior Management Personnel have affirmed the compliances with the Code of Conduct.

Declaration

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and Senior Management Personnel of the Company have affirmed compliances with the Code of Conduct of the Company for the year ended 31st March, 2012.

For Ankit Metal & Power Limited

Date : 24th August, 2012

Place : Kolkata

Ankit Patni

Managing Director

Committees of Directors

1. Audit Committee

- (a) The Company has an Audit Committee within the scope as set out in Clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956.
- (b) The terms of reference of the Audit Committee includes the powers as laid down in Clause 49 (II) (C) and the role as stipulated in Clause 49 (II) (D) of the Listing Agreement and review of information as laid down in Clause 49 (II) (E).
- (c) The Audit Committee consists of three Non-Executive Directors, of whom two are Independent. The Chairman of the Committee is an Independent Director having professional accounting qualification. The Chairman of the Committee was present at the last Annual General Meeting of the Company held on 15th September, 2011.
- (d) The Annual Accounts for the year ended 31st March, 2012 were duly reviewed by the Audit Committee at its meeting held on 30th May, 2012 prior to adoption by the Board.
- (e) The Audit Committee met four times during the year, i.e., on 30th May, 2011; 12th August, 2011; 14th November, 2011 and 14th February, 2012 and not more than four months have elapsed between two meetings.

The composition of the Audit Committee and details of the meetings attended by the members are given below :

Name of the Member	Designation	Category	No. of Meetings Attended
Mr. Kailash Chand Jain	Chairman	Independent/ Non-Executive	4
Mr. Suresh Kumar Patni	Member	Promoter/ Non-Executive	4
Mr. Jatindra Nath Rudra	Member	Independent/ Non-Executive	4

- f) Managing Director and Joint Managing Director are permanent invitees to the Committee. The representative of internal auditors also attends the meeting. The Audit Committee invites, as and when it considers appropriate, the Statutory Auditors to be present at the Committee's meeting. Mr. Chandra Kumar Jain, GM (F&A) & Company Secretary acts as the Secretary to the Committee.

2. Remuneration Committee

The Company has a Remuneration Committee consisting of three Non-Executive Independent Directors. The Committee met once during the year, i.e., on 30th June, 2011. The present composition of the Remuneration Committee and details of the meeting attended by the member are given below :

Name of the Member	Designation	Category	No. of Meeting Attended
Mr. Jatindra Nath Rudra	Chairman	Independent/ Non-Executive	1
Mr. Vijay Kumar Jain	Member	Independent/ Non-Executive	1
Mr. Kailash Chand Jain	Member	Independent/ Non-Executive	1

The terms of reference of the Remuneration Committee are as follows:

- To determine on behalf of the Board and on behalf of the shareholders, the Company's policy on specific remuneration packages for Executive Directors.
- Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Chairman of the Committee has attended the last Annual General Meeting for giving replies to shareholder's queries; if any.

Remuneration Policy

A. For Executive Directors

The Board of Directors on the recommendations of the Remuneration Committee decides the remuneration of the Executive Directors, subject to the approval of members. The remuneration structure comprises only of the salary. No severance fees is payable to the Executive Directors on termination of the employment. The Company does not have any scheme for stock-option either for the Directors or for the employees.

B. For Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending each meeting of the Board and/or Committee thereof and the same is within the limits prescribed by the Companies Act, 1956.

Remuneration of Executive Directors

The Company has paid remuneration by way of salary to its Executive Directors and the same is within the limit specified under Schedule XIII of the Companies Act, 1956 and duly approved by the Board and Shareholders of the Company. Details of remuneration paid during the year ended 31st March, 2012 are :

Name of the Director	Salary paid (₹ in Lacs)	Period of Contract		Notice Period
		From	To	
Mr. Ankit Patni	53.87	3rd July, 2011	2nd July, 2016	2 months
Mr. Rohit Patni*	24.00	27th August, 2007	26th August, 2012	2 months

*resigned from the position of Joint Managing Director as well as from the Directorship of the Company w.e.f. 24th August, 2012.

Remuneration of Non-Executive Directors

The remuneration of Non-Executive Directors consists only of sitting fees @ ₹ 2,500/- for attending each meeting of the Board of Directors or a Committee thereof. The details of fees paid during the year and the Equity Shares held by them as on 31st March, 2012 are as follows:

Name of the Director	Sitting Fee paid (₹)	No. of Shares
Mr. Suresh Kumar Patni	42,500	505,000
Mr. Kailash Chand Jain	42,500	Nil
Mr. Jatindra Nath Rudra	47,500	Nil
Mr. Vijay Kumar Jain	30,000	Nil

3. Investor Grievance and Share Transfer Committee

The Investor Grievance and Share Transfer Committee was constituted to specifically look into the redressal of investors' complaints like transfer of shares, non-receipt of Balance Sheet and non-receipt of declared dividends, etc.

The Investor Grievance and Share Transfer Committee consist of three Directors, out of which two are Independent Directors and one is an Executive Director. The Chairman of the Committee is an Independent Director.

The broad terms of reference includes the following :

- Redressal of shareholder and investors' complaints including but not limited to transfer of shares and issue of duplicate share certificates, non-receipt of Balance Sheet and non-receipt of declared dividends, etc.
- Monitoring transfers, transmissions, dematerialisation, rematerialisation, splitting and consolidation of shares issued by the Company.

During the year under review, the Committee has met once on 30th March, 2012.

The composition of the committee and the attendance of the members in the meeting are given hereunder :

Name of the Member	Designation	Category	No. of Meeting Attended
Mr. Jatindra Nath Rudra	Chairman	Independent/ Non-Executive	1
Mr. Vijay Kumar Jain	Member	Independent/ Non-Executive	1
Mr. Ankit Patni	Member	Executive	1

Mr. Chandra Kumar Jain, Company Secretary has been designated as Secretary to the Committee and as Compliance Officer of the Company. The Committee has delegated the authority to approve the requests for transfers/transmission, split and remat/demat of shares to the Company Secretary. The Committee reviews the transfer/demat/remat approved by the Company Secretary and take note thereof in their subsequent meeting.

Corporate Governance Report

Status of Investors' Complaints :

Number of complaints received during the year	Nil
Number of complaints resolved upto 31st March, 2012	Nil
Number of complaints not solved to the satisfaction of shareholders	N.A.
Number of complaints pending as on 31st March, 2012	Nil

General Body Meetings

The last three Annual General Meetings were held as under :

Financial Year	Date	Time	Place
2008-09	22nd September, 2009	10.00 A.M.	'Rotary Sadan' 94/2, Chowringhee Road Kolkata - 700 020.
2009-10	8th September, 2010	10.00 A.M.	'Rotary Sadan' 94/2, Chowringhee Road Kolkata - 700 020.
2010-11	15th September, 2011	3.00 P.M.	'Rotary Sadan' 94/2, Chowringhee Road Kolkata - 700 020.

Special Resolutions passed at last three AGMs :

Financial Year	Items
2008-09	None
2009-10	Issue of Equity Share to the existing shareholders of the Company on right basis
2010-11	Issue of Equity Shares to the Promoter and Non-promoter Group on Preferential Basis

No special resolution was passed through postal ballot in the last year. No special resolution requiring postal ballot is being proposed at the ensuing AGM.

Disclosure

(a) Related Party Transactions

There are no materially significant related party transactions, i.e., transactions of the Company of material nature with its Promoters, Directors or their relatives or the Management etc. that may have potential conflict with the interests of the Company at large. A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee. The pricing of all the transactions with the related parties were on an arm's length basis. A disclosure of related party relationship and transactions as per AS 18 is given in Note No. 28.11 to the Annual Accounts of the Company.

(b) Accounting Treatment

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of financial statements, the Company has not adopted a treatment different from that prescribed in an Accounting Standard.

(c) Board Disclosure-Risk Management

The risk assessment and minimisation procedures are in place and the Board is regularly informed by the Senior Executives about

the business risks, if any occurs, and the steps taken to mitigate the same.

(d) Capital Market Compliance

The Company has complied with all the requirements of the Listing Agreement with the Stock Exchange, SEBI and other statutory authorities on all matters related to capital markets. No penalties or strictures have been imposed on the Company by Stock Exchange, SEBI or any statutory authority on matter related to capital markets, during the last three years.

(e) Disclosure by Senior Personnels

In terms of clause 49(IV)(F)(ii) of the Listing Agreement, the Senior Management have disclosed to the Board that they have no personal interest in the material, financial and commercial transactions of the Company, that may have a potential conflict with the interest of the Company at large.

(f) Proceeds from the Preferential Issue

During the year under review, the Company has raised ₹ 250 crores by issuing 62,500,000 Equity Shares of ₹ 10/- each at a premium of ₹ 30/- on preferential basis to the entities belonging to Promoter and Strategic Investors belonging to Non-promoter group. The entire proceed received from the preferential issue has been fully utilised towards the object of the said issue. Besides this, the Company did not raise any amount through public or right or preferential issues.

(g) Subsidiary Companies

The Company does not have any subsidiary.

(h) Whistleblower Policy

Though the Company does not have a Whistleblower Policy, the Company promotes ethical behavior in all its business activities. All employees are free to approach the Audit Committee to raise their concerns relating to fraud, malpractice or any other activity or event, which is against the Company's interest.

(i) Compliance of Mandatory and Non-mandatory requirements

The Company has complied with all the mandatory requirements as mandated under Clause 49 of the Listing Agreement. A certificate from the practicing Company Secretary to this effect has been included in this report. Besides mandatory requirements, the Company has constituted a Remuneration Committee to consider and recommend the remuneration of the Directors. The extent of compliance relating to non-mandatory requirements is dealt under the head 'non-mandatory requirements'.

(j) Profile of Directors Seeking Appointment/Re-appointment

Details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting as required under Clause 49 of Listing Agreement is annexed to the notice of the ensuing Annual General Meeting as 'Additional Information.'

(k) Management Discussion and Analysis Report

A Management Discussion and Analysis Report is given separately and forms a part of this Report.

(I) CEO/CFO Certification

The requisite certificate from the Managing Director and the GM (Finance & Accounts) of the Company for the financial year ended 31st March, 2012 required to be given under Clause 49 (V) of the Listing Agreement has been placed before the Board in the meeting held on 30th May, 2012.

Means of Communication

- The Company regularly publishes its quarterly and annual results in the English newspaper - "The Economics Times/The Financial Express" and in a local vernacular newspaper - "Dainik Statesman/Ek Din" widely circulated in West Bengal. Hence, the quarterly results are not sent to all the households of shareholders.
- The quarterly and annual results of the Company and shareholding pattern are also posted on the Company's website at www.ankitmetal.com. The Company has a help desk e-mail id : cs@ankitmetal.com in the secretarial department for providing necessary information to the investors as well as for registering any complaints/grievances. The Company posts on its website all its official news releases, important announcements and presentations made before the press meets analysts and institutional investors from time to time for the benefit of its investors and public at large.

GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting (AGM)

1. Day, Date, Time and Venue	Tuesday, 25th September, 2012 at 3.00 PM, 'Rotary Sadan', 94/2, Chowringhee Road, Kolkata-700020
2. Financial Year	1st April to 31st March
3. Date of book closure	20th September, 2012 to 25th September, 2012 (both days inclusive)

4. Financial Calendar

Indicative calendar of events for the financial year 2012-2013 is as under :

Financial Year	1st April to 31st March
----------------	-------------------------

Financial Reporting for the Quarters :

First Quarter	Disclosed on 14th August, 2012
Second Quarter and Half Yearly	Within 45 days from the end of the quarter
Third Quarter and Nine Months	Within 45 days from the end of the quarter
Fourth Quarter and Annual (Audited)	Within 60 days from the end of the quarter/Financial year.
Annual General Meeting	On or before 30th September, 2013

5. Dividend payment date : N.A.

6. Listing of the Equity Shares on Stock Exchange

Name of the Stock Exchange	Address	Stock code
Bombay Stock Exchange Ltd.	"Phiroze Jeejeebhoy Towers" Dalal Street, Mumbai - 400 001	532870

7. Listing Fees

The Annual listing fee for the year 2012-13 has been paid to the Stock Exchange where the Company's shares are listed as well as custodial fees to the depositories.

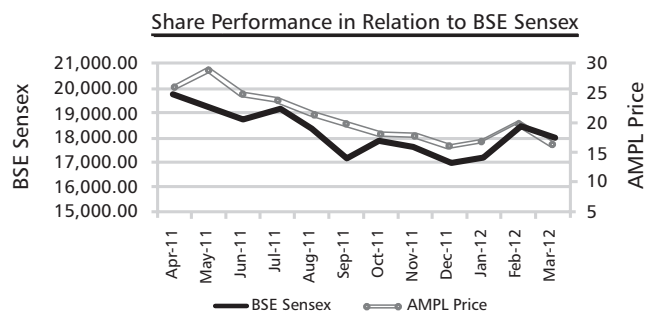
8. The International Security Identification Number (ISIN) for NSDL & CDSL : INE106101010

9. Market Price Data

The Stock Market data on BSE for the last twelve months are provided herein :

Month	Bombay Stock Exchange	
	High Price (₹)	Low Price (₹)
April, 2011	26.00	20.85
May, 2011	29.00	21.00
June, 2011	24.85	19.30
July, 2011	23.85	17.10
August, 2011	21.60	13.70
September, 2011	19.80	15.80
October, 2011	18.00	15.25
November, 2011	17.90	13.50
December, 2011	15.96	12.40
January, 2012	16.75	13.42
February, 2012	20.00	15.10
March, 2012	16.50	12.00

10. Performance of the Company in comparison with BSE Sensex



11. Shareholding Pattern as on 31st March, 2012

Category	No. of Shares	%
Promoters & Promoter Group	6,22,36,000	65.25
Foreign Institutional Investors	27,34,947	2.87
Bodies Corporate	2,59,95,551	27.26
Individuals	43,58,513	4.57
Non-Resident Individuals	34,561	0.036
Clearing Member	12,720	0.013
NRN	3,208	0.003
Total	9,53,75,500	100.00

Corporate Governance Report

12. Distribution of shareholding as on 31st March, 2012

Range	No. of Shareholders	% of Shareholders	No. of Shares of the face value of ₹ 10/- each	% of Shares held
1 to 500	2,889	77.04	4,68,007	0.49
501 to 1,000	368	9.81	3,04,704	0.32
1,001 to 2,000	184	4.91	3,01,358	0.32
2,001 to 3,000	82	2.19	2,11,142	0.22
3,001 to 4,000	33	0.88	1,18,826	0.12
4,001 to 5,000	27	0.72	1,25,287	0.13
5,001 to 10,000	64	1.71	4,88,212	0.51
10,000 and above	103	2.75	9,33,57,964	97.88
Total	3,750	100.00	9,53,75,500	100.00

13. Dematerialisation of Shares and Liquidity as on 31st March, 2012

Category	No. of Shares	% of total Shares
NSDL	8,01,49,087	84.03
CDSL	1,52,26,292	15.96
Physical	121	0.0001
Total	9,53,75,500	100.00

14. Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.
Unit : Ankit Metal & Power Limited
59C, Chowringhee Road, 3rd Floor, Kolkata - 700 020
Phone : +91 33 2289 0540, Fax : + 91 33 2289 0539
Email : kolkata@linkintime.co.in

15. Share Transfer System

The share transfers/transmission/splits and/or issue of duplicate share certificates are processed on behalf of the Company by the Registrar and Transfer Agents, M/s Link Intime India Pvt. Ltd. and is then placed before the Company Secretary who has been delegated the authority by Investor Grievance and Share Transfer Committee to approve transfers. The Company Secretary addresses all the requests fortnightly.

16. Outstanding ADR's & GDR's, Warrants or any other convertible instruments, conversion date and likely impact on Equity Shares

During the year under review, the Company has not issued any ADR's & GDR's, Warrants or any other convertible instruments. The Company has at present no outstanding ADR's/GDR's/Warrants to be converted that has an impact on the equity.

17. Name, Designation and Address of Compliance Officer for Complaints & Correspondence

Mr. Chandra Kumar Jain
G.M. (F&A) & Company Secretary
Ankit Metal & Power Limited
'SKP HOUSE'
132A, S. P. Mukherjee Road, Kolkata - 700 026

Phone : + 91 33 4016 8000/8100, Fax : + 91 33 4016 8107/8189
E-mail : cs@ankitmetal.com

18. Address for Correspondence

Corporate Office :
'SKP HOUSE'
132A, S. P. Mukherjee Road, Kolkata - 700 026
Phone : +91 33 4016 8000/8100
Fax : + 91 33 4016 8107/8189

Registered Office :
35, Chittaranjan Avenue, Kolkata - 700 012
Phone : +91 33 2211 0225/26, 4064 0021/22

19. Plant Location (Address)

Plant Location :
Village : Jorehira, Mouza : Burat & Jorehira
P.S. : Chhatna, Dist : Bankura, West Bengal

Non-mandatory requirements

- 1. The Board :**
The Non-Executive Chairman has an office at the Company's premises. None of the Independent Directors of the Company has tenures exceeding a period of 9 (nine) years on the Board.
- 2. Remuneration Committee :**
The Company has a Remuneration Committee comprising of 3 (three) Independent Non-Executive Directors as stated under 'Committees of Directors' in this report.
- 3. Audit Qualifications :**
There are no qualifications in the financial statements of the Company for the year 2011-12.
- 4. Other Items :**
The rest of the non-mandatory requirements such as Shareholder's Rights, training of Board Members and Mechanism for evaluation of Non-Executive Board Members will be implemented by the Company as and when required.

For and on behalf of the Board

Date : 24th August, 2012
Place : Kolkata

Suresh Kumar Patni
Chairman

Certificate of Compliance with the Corporate Governance requirements under Clause 49 of the Listing Agreement

To
The members of
Ankit Metal & Power Limited

We have examined the compliance of conditions of Corporate Governance by Ankit Metal & Power Limited, for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. 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, and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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 **A J & Associates**
Company Secretaries

Abhijeet Jain
Proprietor
C.P. No. 3426

Date : 24th August, 2012
Place : Kolkata

AUDITORS' REPORT

To
The Members of
Ankit Metal & Power Limited

1. We have audited the attached Balance Sheet of ANKIT METAL & POWER LIMITED as at 31st March, 2012 and also Statement of the Profit & Loss Account and Cash Flow Statement for the year ended on that date both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. On the basis of written representations received from the Directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2012, from being appointed as a Director of the Company in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
4. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
5. Further to our comments in the Annexure referred to in paragraph 4 above, we report that :
 - (i) 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.
 - (ii) 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;
 - (iii) The Balance Sheet, Statement of Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Statement of Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; and
 - (v) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with significant accounting policies and notes on financial statement 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 Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - (b) in the case Statement of Profit & Loss Account, of the profit for the year ended on that date; and
 - (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For R. Kothari & Company
Chartered Accountants
FRN : 307069E

K.C.Soni
Partner

Place : Kolkata

Dated : The 30th day of May, 2012

Membership No. 057620

Annexure to the Auditors' Report

Re : Ankit Metal & Power Limited ('the Company')
(Referred to in Paragraph 4 of our report of even date)

- (i) (a) The Company has maintained records showing particulars including quantitative details and situation of fixed assets, however the records for the year are under updation.
- (b) According to the information and explanation furnished to us, all the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) No substantial part of fixed assets of the Company has been disposed off during the year.
- (ii) (a) As explained to us, the stocks of finished goods and work-in-progress have been physically verified by the management as at the end of the financial year and for stocks of raw materials, for which there is a perpetual inventory system, a substantial portion of stocks has been verified during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) (a) The Company has not granted any loan, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- (b) The Company has taken unsecured loans from three companies covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 1,533 lacs and the year-end balance of loans taken from such companies was ₹ NIL.
- (c) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
- (d) The Company is regular in repaying the principal amounts and has been regular in payment of interest.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that for some of the items purchased suitable alternative sources do not exist for obtaining comparable quotations, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories and fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any major weakness in the internal controls.
- (v) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the contracts or arrangements that need to be entered in the register required to be maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5,00,000 in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time whenever such market prices are available.
- (vi) The Company has not accepted any deposits from the public and consequently the directives issued by Reserve Bank of India and provisions of Sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under are not applicable.
- (vii) In our opinion, the Internal Audit System of the Company is commensurate with the size of the Company and the nature of its business. However, the scope of internal audit needs to be broadened and strengthened.
- (viii) To the best of our knowledge and according to the information given to us the Central Government has prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for the product of the Company. We have broadly reviewed the books of account maintained by the Company in respect of manufacture of Iron & Steel product & Power Generation Unit pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956, and we are of the opinion that prima facie, the records have been maintained. We have not however made a detailed examination for the records with a view to determining whether they are accurate and complete.

Annexure to the Auditors' Report

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Excise Duty, Cess, Service Tax and other material statutory dues during the year.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax,

Excise Duty, Cess and Service Tax were in arrears for more than six months, on Balance Sheet date, from the date they become payable.

(c) According to the information and explanations given to us, there are no dues of Sales Tax, Custom Duty, Wealth Tax, Excise Duty and Cess which have not been deposited as on 31st March, 2012 with the appropriate authorities on account of any dispute except the following cases which are as follows:

Name of the Statute	Nature of Dues	Amount (₹ in Lacs) the amount relates	Period to which is pending	Forum where the dispute
Income Tax Act, 1961	Income Tax	21.11 (Already paid under protest 11.11 Lacs)	A.Y. 2006-2007	Commissioner of Income Tax (Appeals)-I, Kolkata.
Income Tax Act, 1961	Income Tax Audit Query	3.54 16.45 (4.47 Lacs already paid)	A.Y. 2007-2008	Additional Commissioner of Income Tax (Appeals)-I, Kolkata.
Income Tax Act, 1961	Income Tax	217.90 (Already paid 50.00 lacs)	A.Y. 2008-2009	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	25.28 (Petition filed under Section 154)	A.Y. 2009-2010	Deputy Commissioner/Additional Commissioner of Income Tax - Circle - 3, Kolkata.
Income Tax Act, 1961	Income Tax	69.72	A.Y. 2010-2011	Dy Commissioner/Additional Commissioner of Income Tax - Circle - 3, Kolkata.
W.B. VAT Act, 2003	Sales Tax	222.89	F.Y. 2005-2006	Sr. Joint Commissioner of Commercial Taxes, Dharmtala Circle.
W.B. VAT Act, 2003	Sales Tax	917.91	F.Y. 2006-2007	Sr. Joint Commissioner of Commercial Taxes, Dharmtala Circle.
W.B. VAT Act, 2003	Sales Tax	358.16	F.Y. 2007-2008	Sr. Joint Commissioner of Commercial Taxes, Dharmtala Circle.
W.B. VAT Act, 2003	Sales Tax	92.94	F.Y. 2007-2008	Sr. Joint Commissioner of Commercial Taxes, Purulia
W.B. VAT Act, 2003	Sales Tax	87.95	F.Y. 2007-2008	Joint Commissioner of Commercial Taxes, Durgapur Circle.
W.B. VAT Act, 2003	Sales Tax	1946.82	F.Y. 2008-2009	Deputy Commissioner of Commercial Taxes, Central Audit Unit Sales Tax, Kolkata

Annexure to the Auditors' Report

- (x) The Company does not have any accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company did not have any outstanding debentures during the year.
- (xii) Based on our examination of the records and the information and explanations given 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 investments.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of Clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) The Company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us, the term loans availed by the Company are prima facie applied for the purpose for which they were raised.
- (xvii) In our opinion and 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 prima facie been used for long-term investment.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the period covered by our report.
- (xx) The Company had not raised any money by way of Public Issue during the year under report.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For **R. Kothari & Company**
Chartered Accountants
FRN : 307069E

K.C.Soni
Partner

Place : Kolkata
Dated : The 30th day of May, 2012

Membership No. 057620

Balance Sheet as at 31st March, 2012

(₹ in Lacs)

Particulars	Notes	31-03-2012	31-03-2011
I. Equity and Liabilities			
1. Shareholders' Funds			
a) Share Capital	2	9,537.55	3,287.55
b) Reserves and Surplus	3	35,259.41	13,202.07
c) Money received against Share Warrants		-	-
		44,796.96	16,489.62
2) Share Application Money Pending Allotment	4	-	11,075.62
3) Non-Current Liabilities			
a) Long-Term Borrowings	5	36,759.43	16,212.03
b) Deferred Tax Liabilities (Net)	6	1,755.64	1,228.01
c) Other Long Term Liabilities	7	2,881.36	1,926.29
d) Long Term Provisions	8	2.44	8.98
		41,398.87	19,375.31
4) Current Liabilities			
a) Short-Term Borrowings	9	20,805.46	15,882.94
b) Trade Payables	10	16,686.19	11,395.38
c) Other Current Liabilities	7	5,084.91	3,398.32
d) Short Term Provisions	8	711.03	301.90
		43,287.59	30,978.54
Total		129,483.42	77,919.09
II. Assets			
1) Non-Current Assets			
a) Fixed Assets			
i) Tangible Assets	11	46,881.68	16,602.44
ii) Intangible Assets		-	-
iii) Capital Work-in-Progress	12 A	24,207.65	15,272.72
iv) Intangible Assets under development	12 B	24.90	7.52
b) Non-Current Investments	13	11.84	3.00
c) Deferred Tax Assets (Net)		-	-
d) Long-Term Loans and Advances	14	3,095.97	7,285.24
e) Other Non-Current Assets	15	1.32	1.32
		74,223.36	39,172.24
2) Current Assets			
a) Current Investments		-	-
b) Inventories	16	20,992.05	15,215.99
c) Trade Receivables	17	17,808.50	11,286.07
d) Cash and Bank Balances	18	2,353.84	1,615.28
e) Short-Term Loans and Advances	14	12,435.78	8,837.73
f) Other Current Assets	15	1,669.89	1,791.78
		55,260.06	38,746.85
Total		129,483.42	77,919.09
Summary of Significant Accounting Policies	1		
Additional Notes on Accounts	28		

The accompanying Notes are an integral part of the Financial Statements.

As per our report of even date.

For R. Kothari & Company

Chartered Accountants

FRN : 307069E

For and on behalf of the Board

K. C. Soni

Partner

Membership No. 057620

Place : Kolkata

Date : The 30th day of May, 2012

Suresh Kumar Patni

(Chairman)

Ankit Patni

(Managing Director)

Chandra Kumar Jain

(Company Secretary)

Statement of Profit and Loss for the year ended 31st March, 2012

(₹ in Lacs)

Particulars	Notes	31-03-2012	31-03-2011
REVENUE			
I Revenue from Operations (Gross)		100,969.54	75,601.88
Less : Excise Duty/Sales Tax		8,391.22	6,760.89
Revenue from Operations (Net)	19	92,578.32	68,840.99
II Other Income	20	130.97	94.34
III Total Revenue (I + II)		92,709.29	68,935.33
IV EXPENSES			
Cost of Materials Consumed	21	54,911.74	39,914.15
Purchase of Traded Goods	22	21,836.25	19,698.47
(Increase)/Decrease in Inventories of Finished Goods, Work-in-Progress and Traded Goods	23	978.87	(2,999.41)
Employee Benefits Expense	24	692.52	530.04
Finance Costs	25	3,509.88	2,196.38
Depreciation and Amortisation Expense	26	1,423.43	1,243.40
Other Expenses	27	5,362.74	5,548.83
Total Expenses		88,715.43	66,131.86
V Profit Before Exceptional and Extraordinary Items and Tax (III-IV)		3,993.86	2,803.47
VI Exceptional & Extraordinary Items		-	-
VII Profit Before Tax (V+VI)		3,993.86	2,803.47
VIII Tax expenses			
Current Tax		798.68	540.00
Less : MAT Credit Entitlement		(798.68)	(530.82)
Deffered Tax		527.62	369.28
Income Tax of Earlier Year		142.16	-
Total Tax Expense		669.78	378.46
IX Profit for the Year (VII-VIII)		3,324.08	2,425.01
Earnings per Equity Share [nominal value of share ₹ 10 each (P.Y. - ₹ 10 each)]	28.12		
Basic		3.49	7.38
Weighted Average		5.71	7.38
Diluted		3.49	7.38
Summary of Significant Accounting Policies	1		
Additional Notes on Account	28		

The accompanying Notes are an integral part of the Financial Statements.

As per our report of even date.

For **R. Kothari & Company**

Chartered Accountants

FRN : 307069E

K. C. Soni

Partner

Membership No. 057620

Place : Kolkata

Date : The 30th day of May, 2012

For and on behalf of the Board

Suresh Kumar Patni

(Chairman)

Ankit Patni

(Managing Director)

Chandra Kumar Jain

(Company Secretary)

Cash Flow Statement for the year ended 31st March, 2012

(₹ in Lacs)

	Year ended 31st March, 2012		Year ended 31st March, 2011	
A. Cash Flows from Operating Activities				
Net Profit before Tax & Extraordinary Items		3,993.86		2,803.47
Adjustments for :				
Depreciation	1,423.43		1,243.40	
Loss on Sale of Investment	0.16		-	
Right Issue Expenses	25.85		-	
Interest on Income Tax for Earlier Year	(142.16)		-	
Interest Income	(119.07)		(66.91)	
Interest Expenses	3,014.48		1,800.72	
Dividend income	(7.43)		-	
Exchange Fluctuation Loss/(Gain)	183.76	4,379.02	(27.44)	2,949.77
Operating Profit before Working Capital Changes		8,372.88		5,753.24
Adjustments for :				
Trade & Other Receivables	(4,968.43)		(7,050.40)	
Inventories	(5,776.07)		(6,100.67)	
Trade Payables & Other Liabilities	5,514.27	(5,230.23)	6,475.50	(6,675.57)
Cash Generated from Operations		3,142.65		(922.33)
Income Taxes Paid		(373.02)		(475.31)
Exchange Fluctuation (Loss)/Gain		(183.76)		27.44
Net Cash from Operating Activities		2,585.87		(1,370.20)
B. Cash Flows from Investing Activities				
Purchase of Fixed Assets & Capital Work-in-Progress	(40,654.97)		(21,893.64)	
Interest Subsidy Received	-		230.00	
Issue Expenses	(16.74)		(25.85)	
Interest Received	139.22		27.23	
Investment in Shares & Others	(9.00)		(1.50)	
Dividend Received	7.43		-	
Fixed Deposits	(415.41)		(146.95)	
Net Cash from Investing Activities		(40,949.47)		(21,810.71)
C. Cash Flows from Financing Activities				
Proceeds from Borrowings	27,876.84		14,400.35	
Proceeds from Share Capital	13,924.38		11,075.62	
Interest Paid	(3,114.48)		(1,900.50)	
Net Cash used in Financing Activities		38,686.74		23,575.47
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		323.14		394.56
Cash and Cash Equivalents at the beginning of the period		718.87		324.31
Cash and Cash Equivalents at the end of the period		1,042.01		718.87

Note :

- The above Cash Flow has been prepared under "Indirect Method" as set out in Accounting Standard-3 on Cash Flow Statement issued by Institute of Chartered Accountants of India.
- This is the Cash Flow referred to, in our report of even date.

For R. Kothari & Company
Chartered Accountants
FRN : 307069E

For and on behalf of the Board

K. C. Soni
Partner
Membership No. 057620
Place : Kolkata
Date : The 30th day of May, 2012

Suresh Kumar Patni
(Chairman)

Ankit Patni
(Managing Director)

Chandra Kumar Jain
(Company Secretary)

Notes annexed to as forming part of Accounts for the year ended 31st March, 2012

Note 1 SIGNIFICANT ACCOUNTING POLICIES

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements :
 - a) The financial statements have been prepared as per Revised Schedule - VI under the Companies Act, 1956.
 - b) The financial statements have been prepared under the historical cost convention, on going concern concept and in accordance with the generally accepted accounting principles & the provisions of the Companies Act, 1956. The Company follows mercantile system of accounting and is in compliance with the Accounting Standards issued by 'The Institute of Chartered Accountants of India'.
 - c) Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles in India.
2. Fixed Assets, Intangible Assets and Capital Work-in-Progress :
 - a) Fixed Assets are stated at cost of acquisition less accumulated depreciation.
 - b) Expenditure which are of Capital nature are capitalised at a cost which comprises of purchase price and all other expenditure directly attributable to the cost of bringing the assets to its working condition for the intended use. Assets under erection/installation are shown as Capital Work-in-Progress. Capital Assets and Capital Work-in-Progress are net of CENVAT credit availed/available thereon.
 - c) Intangible Assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortisation and impairment.
 - d) Interest on borrowing costs related to qualifying assets is worked out on the basis of actual utilisation of funds out of project specific loans and/or other borrowings to the extent identifiable with the qualifying assets and are capitalised with the cost of qualifying assets. Incidental indirect expenses relating to the project are apportioned amongst the Fixed Assets on the basis of their cost of erection/acquisition on commencement of commercial production.
 - e) Subsidy received/or crystallisation in respect of Fixed Assets are deducted from the cost of respective assets.
 - f) Variations of exchange rate attributable to Fixed Assets are capitalised.
3. Depreciation & Amortisation :
 - a) Depreciation on Fixed Assets is calculated on Straight Line Method at the rates and in the manner prescribed in the Schedule XIV of Companies Act, 1956.
 - b) Intangible Assets are amortised over their respective individual estimated useful lives on a straight-line basis commencing from the date the assets is available to the Company for its use.
4. Inventories :

All inventories are valued at lower of Cost, computed on FIFO basis, and Net Realisable Value. Finished goods and Work-in-Progress include cost of conversion and other overheads incurred in bringing the inventories to their present location and condition.
5. Excise Duty :

Excise duty on finished goods lying at the factory is accounted for at the point of manufacturing of goods and is accordingly considered for valuation of finished goods stock lying in the factory as on the Balance Sheet date.
6. Recognition of Income & Expenditures :

Revenue/Income and Cost/Expenditures are generally accounted for on accrual basis as they are earned or incurred. Insurance & other claims to the extent considered recoverable, are accounted for in the year of claims. However claims and refunds whose recovery cannot be ascertained with reasonable certainty, are accounted for on acceptance basis.
7. Subsidy :
 - a) The Company is registered under the **West Bengal Incentive Scheme 2000 & 2004** of The Director of Industries, Government of West Bengal. Under the said scheme the Company is entitled to receive Capital Investment Subsidy, Interest Subsidy, Employment Generation Subsidy, Remission of Stamp Duty & Registration Fee. These shall be accounted for in the year of receipt and/or crystallisation.
 - b) The Company has been granted eligibility certificate under the West Bengal Incentives to Power Intensive Industries Scheme, 2005, promulgated by the Department of Commerce & Industries, Government of West Bengal, vide notification no. 276-CI/O/Incentive/052/05/i dt. 19.05.2005, effective from 1st April, 2004. Under the said scheme, the Company is entitled to receive incentive on energy charges, which has been accounted for in the books on accrual basis.
8. Sales :

Sales are recognised on despatch of goods to customers. It includes Excise Duty & Sales Tax.

Notes annexed to as forming part of Accounts for the year ended 31st March, 2012

Note 1 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

9. Foreign Currency Transaction :
Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies at the year end are restated at the year end rates. All exchange differences are dealt within Profit & Loss Account.
10. Taxation :
a) Current Tax is determined at the amount of tax payable in respect of taxable income for the period, computed with relevant tax rules and tax laws. In case of tax payable as per provisions of MAT under Section 115JB of the Income Tax Act, 1961, Deferred MAT Credit Entitlement is separately recognised as advance.
b) Deferred Tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
11. Segment Reporting :
The Company has identified Iron & Steel as the sole business segment and the same has been treated as primary business segment. The Company sells mostly within India and does not have operations in economic environments with different risks and returns, it is considered operating in single geographical segment. Hence, no further disclosure as required under the Accounting Standard-17 "Segment Reporting" as issued by the 'The Institute of Chartered Accountants of India'.
12. Retirement Benefits :
a) Liability with regards to long-term employee benefits is provided for on the basis of actuarial valuation at the Balance Sheet date. Actuarial gain/loss is recognised immediately in the Statement of Profit and Loss Account. The Company has an Employee Gratuity Fund managed by the Life Insurance Corporation of India.
b) Retirement benefit in the form of contribution to Provident Fund is a defined contribution scheme and is charged to Profit & Loss Account in the year when they become due.
c) Short-term compensated absences are provided for based on estimates.
13. Preliminary & Public Issue Expenses :
As the future economic benefit of Preliminary & Public Issue Expenses is not ascertainable & thus the same is adjusted with the share premium.
14. Borrowing Costs :
a) Borrowing costs and its related expenses that are directly attributable to the acquisition, construction or production of qualifying assets is capitalised as part of the cost of that asset. Other borrowing costs are recognised as expenses in the period in which they are incurred.
b) Net exchange gain/loss on foreign currency borrowings to the extent considered as an adjustment to interest cost attributable to the finance cost.
15. Impairment of Assets :
At each Balance Sheet date the Company assesses whether there is any indication that assets may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the assets exceeds its recoverable amount, an impairment loss is recognised in the accounts to the extent the carrying amount exceeds the recoverable amount.
16. Provision, Contingent Liabilities and Contingent Assets :
Provision 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. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.
17. Investments :
Investments are treated as long-term investments and valued at cost less permanent diminution in value of such investments.

Notes to Financial Statements for the year ended 31st March, 2012

(₹ in Lacs)

	31-03-2012	31-03-2011
Note 2 Share Capital		
Authorised Shares		
1,000.00 lacs (P.Y. - 800.00 lacs) Equity Shares of ₹ 10/- each	10,000.00	8,000.00
Total	10,000.00	8,000.00
Issued, Subscribed and Fully Paid-up Shares		
953.76 lacs (P.Y. - 328.76 lacs) Equity Shares of ₹ 10/- each, fully paid up in Cash	9,537.55	3,287.55
Total Issued, Subscribed and Fully Paid-up Share Capital	9,537.55	3,287.55

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31-03-2012		31-03-2011	
	Nos. in Lacs	₹ in Lacs	Nos. in Lacs	₹ in Lacs
At the beginning of the year	328.76	3,287.55	328.76	3,287.55
Issued during the period	625.00	6,250.00	-	-
Outstanding at the end of the year	953.76	9,537.55	328.76	3,287.55

Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10/- per share. On a show of hands, every member present in person is entitled to one vote and in case of poll, the voting rights of every member shall be in proportion to his shares of the paid-up Equity Share Capital of the Company.

The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting & paid in Indian rupees.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

Details of shareholders holding more than 5% shares in the Company

Equity Shares of ₹ 10/- each fully paid in Cash	31-03-2012	31-03-2011
	Nos. in Lacs	Nos. in Lacs
Invesco Finance Private Limited	105.52	23.02
Vasupujya Enterprises Private Limited	103.70	103.70
VNG Mercantiles Private Limited	87.24	-
Nucore Exports Private Limited	75.69	-
Shreyansh Leafin Private Limited	55.00	-
Whitestone Suppliers Private Limited	53.88	-
Suanvi Trading & Investment Co. Private Limited	-	26.29
Poddar Mech Tech Services Private Limited	-	36.40
Arthodock Vinimay Private Limited	53.55	-

During the year under review the Board of Directors has issued & allotted 625 lacs of Equity Shares of ₹ 10/- each at a premium of ₹ 30/- per share on preferential basis to part finance the various expansion scheme & long term working capital requirement of the Company. The entire proceeds received from the said issue during the year has been fully utilised towards the object of the issue.

Note 3 Reserves and Surplus

(₹ in Lacs)

Securities Premium Reserve		
Balance as per the last financial statements	4,554.44	4,554.44
Add : Received during the year	18,750.00	-
Less : Share Issue Expenses	(16.74)	-
Reserves (A)	23,287.70	4,554.44
Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	8,647.63	6,222.62
Add : Profit for the year	3,324.08	2,425.01
Surplus (B)	11,971.71	8,647.63
Total Reserves and Surplus (A+B)	35,259.41	13,202.07

Notes to Financial Statements for the year ended 31st March, 2012

(₹ in Lacs)

	31-03-2012	31-03-2011
Note 4 Share Application Money Pending Allotment		
Share Application Money Pending Allotment	-	11,075.62
Total	-	11,075.62

Terms and Conditions relating to Share Application Money Pending Allotment

The Share Application Money amounted to ₹ 11,075.62 lacs received during the year 2010-2011 has been, with the consent of the respective allottees, adjusted against shares allotted to them in preferential issue of Equity Share of ₹ 10/- each at a premium of ₹ 30/- per share. The existing Authorised Share Capital of the Company is sufficient to accommodate the shares to be issued against the aforesaid share application money.

Note 5 Long-Term Borrowings

	Current Maturities		Non-Current Portion	
	31-03-2012	31-03-2011	31-03-2012	31-03-2011
Term loans				
Secured				
From Banks				
Indian Rupee Loan	2,945.75	1,158.37	34,934.39	11,855.19
Total - (A)	2,945.75	1,158.37	34,934.39	11,855.19
Other loans and advances				
Secured				
Vehicle Loans				
From Banks/Others	15.26	13.98	11.33	7.58
Total - (B)	15.26	13.98	11.33	7.58
Unsecured				
Intercompany Deposits	-	-	1,813.71	4,349.26
Total - (C)	-	-	1,813.71	4,349.26
TOTAL (A+B+C)	2,961.01	1,172.35	36,759.43	16,212.03
The above amount includes				
Secured Borrowings	2,961.01	1,172.35	34,945.72	11,862.78
Unsecured Borrowings	-	-	1,813.71	4,349.25
Less : Amount disclosed under the head "Other Current Liabilities" (Note 7)	(2,961.01)	(1,172.35)	-	-
Net Amount	-	-	36,759.43	16,212.03

Terms of Long-Term Borrowings

Particulars		Outstanding as at 31-03-2012 (₹ in Lacs)	Terms of Repayments				
			Qtly. Installments		Maturity Years	Rate of Interest	Nature of Security
			Nos.	Amount (₹ in Lacs)			
Term Loans							
From Banks	Term Loan - III	140.63	3	46.88	1 Year	Base Rate+ (4.75% - 6.15%)	Term Loan are primary secured by 1st pari-passu charge on fixed assets by way of equitable mortgage of the land & building/shed along with all movable and immovable plant & machinery and other fixed assets thereon at Chhatna Dist. Bankura & extension of charge on the Company's current assets on pari passu basis & along with equitable mortgage on office space at 35, C. R. Avenue, Kolkata on pari passu basis & personal guarantee of three Promoters & corporate guarantee of three companies & pledge of shares of promoters.
	Term Loan - IV	359.82	8	44.98	2 Years	Base Rate+ 6.15%	
	Term Loan - V	221.51	8	27.69	2 Years	Base Rate+ 6.15%	

Notes to Financial Statements for the year ended 31st March, 2012

Note 5 Long-Term Borrowings (Contd.)

Particulars		Outstanding as at 31-03-2012 (₹ in Lacs)	Terms of Repayments				
			Qtlly. Installments		Maturity Years	Rate of Interest	Nature of Security
			Nos.	Amount (₹ in Lacs)			
	Term Loan - VI	19,003.40	23	826.23	6 Years	Base Rate+ (2.75% - 4.25%)	Term Loan for expansion project of Phase - II are primary secured by 1st pari-passu charge by way of equitable mortgage/ hypothecation on of all block assents of the proposed project & personal guarantee of three Promoters.
	Term Loan - VII	18,154.78	24	756.45	7 Years 6 Month	Base Rate+ (2.75% - 4.25%)	Term Loan for expansion project of Phase - III are primary secured by 1st pari-passu charge by way of equitable mortgage/ hypothecation on of all block assents of the proposed project & personal guarantee of three Promoters.
Total (A)		37,880.14		1,702.23			
Vehicle Loans From Banks		26.59					Hire purchases obligations are secured by hypothecation of vehicles purchased under the respective agreements.
Total (B)		26.59					
Unsecured Loan:- From body corporate		1,813.71				13%	
Total (C)		1813.71					
Total (A+B+C)		39,720.44					

Notes : Loans against Vehicle are repayable by way of Equated Monthly Installments subsequent to taking of such loan. The original period of such loans is 3 yrs.

Note 6 Deferred Tax Liability (Net)

	(₹ in Lacs)	
	31-03-2012	31-03-2011
Components of Deferred Tax Liability		
Timing Difference in Depreciable Assets	1,904.13	1,381.23
Total - (A)	1,904.13	1,381.23
Components of Deferred Tax (Assets)		
Unabsorbed Depreciation allowable in future	148.49	153.22
Total - (B)	148.49	153.22
Net Deffered Tax Liability (A-B)	1,755.64	1,228.01

Note 7 Other Current & Long-Term Liabilities

Particulars of Other Liabilities	Other Current Liabilities		Other Long Term Liabilities	
	31-03-2012	31-03-2011	31-03-2012	31-03-2011
Advance from Customers	2,001.79	2,077.41	-	-
Current Maturities of Long-Term Borrowings (Note 5)	2,961.01	1,172.35	-	-
Interest Accrued but not due on Borrowings	39.76	0.22	22.19	-
Other Payables on Capital Purchases	-	-	2,302.57	1,926.29
Interest Accrued and due on Borrowings	-	-	556.60	-
Others	82.35	148.34	-	-
Total	5,084.91	3,398.32	2,881.36	1,926.29

Notes to Financial Statements for the year ended 31st March, 2012

(₹ in Lacs)

Particulars of Provisions	Short-Term Provisions		Long-Term Provisions	
	31-03-2012	31-03-2011	31-03-2012	31-03-2011
Note 8 Short-Term & Long-Term Provisions				
Provision for Employee Benefits				
Provision for Gratuity (Notes No. 28.9)	-	-	2.44	8.98
Total - (A)	-	-	2.44	8.98
Other Provisions				
Provision for Taxation (Net)	675.51	301.90	-	-
Provision for Expenses	35.52	-	-	-
Total - (B)	711.03	301.90	-	-
Total (A+B)	711.03	301.90	2.44	8.98

Note 9 Short-Term Borrowings

	Secured		Unsecured	
	31-03-2012	31-03-2011	31-03-2012	31-03-2011
Loan Repayable on Demand				
Loan guarantee by Promoters & Directors				
Working Capital Loan	19,788.34	13,287.20	-	-
From Banks/Others	-	-	899.05	2,401.64
Other Borrowings				
Bridge Loan (Against Subsidy)	-	-	118.07	194.10
Total	19,788.34	13,287.20	1,017.12	2,595.74

Terms and Conditions attached to Short Term Borrowings

Working Capital including SLC are jointly secured by hypothecation of all the current assets on 1st pari-passu basis & 2nd pari-passu charge by way of extension of charge on the entire fixed assets of factory land, building/shed, etc. & along with equitable mortgage on office space at 35, C. R. Avenue, Kolkata on pari-passu basis & personal guarantee of three Promoters & corporate guarantee of three Companies & pledge of shares of Promoter Directors.

Loan from Banks/Others is secured by personal guarantees of Mr. Suresh Kumar Patni (Chairman) and Mr. Ankit Patni (Managing Director), Mr. Rohit Patni (Jt. Managing Director) and subservient charge on all moveable assets including stock and debtor.

Note 10 Trade Payables

	Current	
	31-03-2012	31-03-2011
Trade Payables (including acceptances) (Refer Notes no 28.5 for MSMED)	16,686.19	11,395.38
Total	16,686.19	11,395.38

Note 11 Tangible Assets

Particulars	Gross Block				Depreciation				Net Block	
	As On 01-04-2011	Additions During The Year	Deduction/Adjustment During The Year	As On 31-03-12	As On 01-04-2011	For The Year	Deduction/Adjustment During The Year	Upto 31-03-12	As On 31-03-2012	As On 31-03-2011
Land	147.94	319.28	-	467.22	-	-	-	-	467.22	147.94
Factory Building	3,861.24	3,312.77	-	7,174.01	444.64	138.18	-	582.82	6,591.19	3,416.60
Other than Factory Building	60.94	-	-	60.94	5.42	1.00	-	6.42	54.52	55.52
Plant & Equipments	16,375.21	28,009.11	-	44,384.32	3,670.55	1,244.14	-	4,914.69	39,469.63	12,704.66
Office Equipments	14.56	4.99	-	19.55	2.48	3.78	-	6.26	13.29	12.08
Computers	60.79	17.53	0.46	77.86	17.13	11.27	0.05	28.35	49.51	43.66
Vehicles	168.92	36.01	-	204.93	70.10	19.10	-	89.20	115.73	98.82
Furniture & Fixtures	134.86	3.44	-	138.30	11.70	6.01	-	17.71	120.59	123.16
Total	20,824.46	31,703.13	0.46	52,527.13	4,222.02	1,423.48	0.05	5,645.45	46,881.68	16,602.44
Previous Year	19,604.03	1,220.43	-	20,824.46	2,978.62	1,243.40	-	4,222.02	16,602.44	-

Notes to Financial Statements for the year ended 31st March, 2012

(₹ in Lacs)

	31-03-2012	31-03-2011
Notes 12 Capital Work-in-Progress (Including Pre-Operative Expenses)		
A. Tangible Assets		
Opening Work-in-Progress	15,272.72	1,884.76
Additions During the Year	40,571.30	14,608.39
	55,844.02	16,493.15
Less : Capitalised During the Year	31,636.37	1,220.43
	24,207.65	15,272.72
B. Intangible Assets		
Opening Work-in-Progress	7.52	7.52
Additions During the Year	17.38	-
	24.90	7.52
Less : Capitalised During the Year	-	-
	24.90	7.52
Note : Details of Pre-Operative Expenses (Pending Allocation)		
Commission & Brokerage	1.44	3.22
Foreign Tour Expenses	0.61	1.36
General Expenses	15.72	35.12
Hire Charges	129.79	69.16
Insurance Premium	53.35	20.92
Borrowing Costs	1,469.29	983.48
Legal & Professional	90.12	166.61
Loading & Unloading	28.89	11.10
Material Expenses	36.30	81.10
Staff Expenses	107.08	53.06
Security Expenses	25.31	7.65
Telephone Charges	1.24	2.75
Repair & Maintenance	2.46	4.64
Power Charges	-	256.83
Misc. Expenses	3.68	1.48
	1,965.28	1,698.48

Notes 13 Non-Current Investments

	Number of Shares 31-03-2012	Number of Shares 31-03-2011	Face Value Per Share	31-03-2012 (₹ in Lacs)	31-03-2011 (₹ in Lacs)
Trade Investments - Unquoted					
Investments in Equity Shares at cost (Fully paid-up)					
SKP Power Venture Limited	0.10	0.10	₹ 10	1.00	1.00
SKP Aviation Services Limited	0.10	0.10	₹ 10	1.00	1.00
Bengal Sponge Manufactures Mining Private Limited	0.73	-	₹ 10	7.25	-
Others Non-Trade Investment					
NSC - VIII Issue				2.59	1.00
Total				11.84	3.00

Note 14 Short-Term & Long-Term Loans & Advances

(₹ in Lacs)

Particulars of Loans and Advances (Unsecured, Considered good)	Short-Term Loans & Advances		Long-Term Loans & Advances	
	31-03-2012	31-03-2011	31-03-2012	31-03-2011
Capital Advances	-	-	3,095.97	7,285.24
Security Deposit	185.47	168.38	-	-
Advances Recoverable in Cash or Kind	7,381.70	6,553.47	-	-

Notes to Financial Statements for the year ended 31st March, 2012

Note 14 Short-Term & Long-Term Loans & Advances (Contd.)

(₹ in Lacs)

Particulars of Loans and Advances (Unsecured, Considered good)	Short-Term Loans & Advances		Long-Term Loans & Advances	
	31-03-2012	31-03-2011	31-03-2012	31-03-2011
Other Loans and Advances				
MAT Credit Entitlement	1,774.06	991.93	-	-
Prepaid Expenses	49.23	109.43	-	-
Balances with Statutory/Government Authorities	3,045.32	1,014.52	-	-
Total	12,435.78	8,837.73	3,095.97	7,285.24

Note 15 Other Current & Non-Current Assets

Particulars of Other Assets (Unsecured, Considered good unless stated Otherwise)	Other Current Assets		Other Non-Current Assets	
	31-03-2012	31-03-2011	31-03-2012	31-03-2011
Unamortised Expenditure				
Right Issue Expenses	-	25.85	-	-
Total - (A)	-	25.85	-	-
Others				
Export Incentive Receivable	7.63	35.89	-	-
Subsidy Receivable	1,566.92	1,614.55	-	-
Sales Tax Under Protest	25.00	25.00	-	-
Interest accrued on Fixed Deposits and Others	70.34	90.49	-	-
Non-Current Bank Balances (Note No. 18)	-	-	1.32	1.32
Total - (B)	1,669.89	1,765.93	1.32	1.32
Total (A)+(B)	1,669.89	1,791.78	1.32	1.32

Note 16 Inventories

	31-03-2012	31-03-2011
Raw Materials and Components [includes in transit ₹ 799.10 lacs (P.Y. - ₹ 133.87 lacs)]	15,235.89	8,793.16
Work-in-Progress	1,228.92	1,243.56
Finished Goods	3,652.16	4,616.39
Stores and Spares [includes in transit ₹ 26.16 lacs (P.Y. - ₹ 17.42 lacs)]	875.08	562.88
Total	20,992.05	15,215.99

Note 17 Trade Receivables (Unsecured, Considered good)

	31-03-2012	31-03-2011
More than 6 months	284.32	432.70
Other Receivables	17,524.18	10,853.37
Total	17,808.50	11,286.07

Note 18 Cash and Bank Balances

	Current		Non-current	
	31-03-2012	31-03-2011	31-03-2012	31-03-2011
Cash & Cash Equivalents				
Balance with Banks :				
On Current Accounts	988.79	716.83	-	-
Cash on Hand	53.22	2.04	-	-
(A)	1,042.01	718.87	-	-
Other Bank Balances				
Fixed Deposits (pledge as margin with bank)	1,311.83	896.41	-	-
In Public Issue Accounts	-	-	0.24	0.24
In Dividend Accounts	-	-	1.08	1.08
(B)	1,311.83	896.41	1.32	1.32
Amount disclosed under 'Other Non-Current Assets' (Note 15)	-	-	(1.32)	(1.32)
Total (A+B)	2,353.84	1,615.28	-	-

Notes to Financial Statements for the year ended 31st March, 2012

(₹ in Lacs)

	31-03-2012	31-03-2011
Note 19 Revenue from Operations		
Revenue from Operations (Gross)		
Sale of Products	99,440.00	74,235.48
Other Operating Revenue		
Scrap Sales and By Products	8.88	-
Commission, Consultancy & Other Income	1,517.33	1,328.58
Export Incentive	3.33	37.82
Revenue from Operations (Gross)	100,969.54	75,601.88
Less : Excise Duty/Sales Tax	8,391.22	6,760.89
Revenue from Operations (Net)	92,578.32	68,840.99

Details of Product Sold		
Finished Goods Sold		
Sponge Iron	7,775.02	4,050.94
MS Billets	20,421.03	17,828.89
Steel Items	18,190.32	16,034.64
Ferro Alloys	346.00	581.28
(A)	46,732.37	38,495.75
Traded Goods Sold		
Steel Items	25,146.30	24,301.36
(B)	25,146.30	24,301.36
Raw Materials Sold	19,170.11	4,677.48
(C)	19,170.11	4,677.48
Total (A+B+C)	91,048.78	67,474.59

Note 20 Other Income

Interest Income on		
Fixed Deposits, Security Deposits, NSC etc.		
Long-Term Investments	0.17	0.05
Current Investments	118.90	66.86
Income from Exchange Fluctuation	-	27.43
Dividend Income on		
Current Investments	7.43	-
Net Gain/(Loss) on Sale of Investments		
Current Investments	(0.16)	-
Other Non-Operating Income	4.63	-
Total	130.97	94.34

Note 21 Cost of Materials Consumed (Refer Notes No. 28.16a)

Inventory at the beginning of the year	8,793.16	5,752.36
Add : Purchases	61,354.47	42,954.95
Less : Inventory at the end of the year	15,235.89	8,793.16
Cost of Raw Material and Components Consumed	54,911.74	39,914.15

Details of Raw Materials and Components Consumed

Iron Ore	7,290.32	6,109.37
Coal	4,827.33	1,515.45
Sponge Iron/Scrap/Ferro Alloys etc.	16,163.71	14,986.53
MS Billets/Ingots	16,708.35	14,997.38
Others	9,922.03	2,305.42
Total	54,911.74	39,914.15

Notes to Financial Statements for the year ended 31st March, 2012

Note 21 Cost of Materials Consumed (Refer Notes No. 28.16a) (Contd.)

Details of Inventory of Raw Materials (Including Transit)

(₹ in Lacs)

	31-03-2012	31-03-2011
Iron Ore	6,855.31	6,049.77
Coal	6,564.28	1,017.66
Sponge Iron/Scrap/Ferro Alloys etc.	1,132.99	485.00
MS Billets/Ingots	305.77	-
Others	377.54	1,240.73
Total	15,235.89	8,793.16

Note 22 Details of Purchase of Traded Goods

Steel Items	21,836.25	19,698.47
Total	21,836.25	19,698.47

Note 23 (Increase)/Decrease in Inventories

Inventories at the end of the year		
Work-in-Progress	1,228.92	1,243.55
Finished Goods	3,652.16	4,616.39
Total (A)	4,881.08	5,859.94
Inventories at the beginning of the year		
Work-in-Progress	1,243.56	2,099.49
Finished Goods	4,616.39	761.04
Total (B)	5,859.95	2,860.53
(Increase)/Decrease in Inventories (B-A)	978.87	(2,999.41)

Details of Inventory

Work-in-Progress		
Sponge Iron	1,147.81	1,063.90
M.S. Billets	81.11	54.25
Ferro Alloys	-	125.40
Total	1,228.92	1,243.55
Finished Goods		
Sponge Iron	1,303.79	1,031.99
M.S. Billets	1,283.29	1,256.91
TMT Bar	1,033.57	1,879.60
Ferro Alloys	31.51	192.08
Trading	-	255.81
Total	3,652.16	4,616.39

Note 24 Employee Benefit Expense

Salaries, Wages and Bonus	540.67	408.89
Contribution to Provident and Other Fund	11.43	16.72
Staff Welfare Expenses	62.55	44.43
Managerial Remuneration	77.87	60.00
Total	692.52	530.04

Note 25 Finance Costs

Interest Expenses	3,014.48	1,800.72
Bank Charges	427.68	395.66
Exchange Fluctuations	67.72	-
Total	3,509.88	2,196.38

Notes to Financial Statements for the year ended 31st March, 2012

(₹ in Lacs)

	31-03-2012	31-03-2011
Note 26 Depreciation and Amortisation Expense		
Depreciation of Tangible Assets	1,423.43	1,243.40
Total	1,423.43	1,243.40

Note 27 Other Expenses

Consumption of Components and Spare Parts (Refer Notes No. 28.16b)	1,293.21	1,112.12
(Increase)/Decrease of Excise Duty on Inventory	(80.80)	364.62
Manufacturing Expenses	497.11	475.69
Machinery & Equipment Hire Charges	12.95	-
Power and Fuel	2,828.13	2,891.37
Security Charges	78.17	62.90
Rent	13.42	2.72
Rates and Taxes	5.07	15.48
Insurance	20.22	27.26
Repairs and Maintenance		
Plant and Machinery	44.55	48.50
Buildings	-	5.36
Others	8.21	3.70
Vehicle Running Expense	29.10	15.95
Advertising and Sales Promotion	129.76	148.27
Commission & Brokerage	5.17	6.47
Printing & Stationery	18.78	16.84
Telephone Charges	25.08	19.71
Discount & Rebate	2.68	-
Donation & Subscriptions	6.07	5.28
Travelling & Conveyance	29.57	24.83
Selling & Other Charges [Net of Recoveries ₹ 51.73 lacs]	132.12	180.28
Legal and Professional Fees	55.44	54.58
Auditor Fees (Refer details below)	5.45	4.71
Exchange Fluctuation (Net)	116.04	-
Hire Charges	39.06	22.93
Miscellaneous Expenses	45.73	33.33
Prior Period Expenditure (Refer details below)	2.45	0.61
Sundry Balance written off	-	5.32
Total	5,362.74	5,548.83

Auditor Fees

As Auditor :		
Audit Fee	4.00	2.50
Limited Review	0.45	0.30
In Other Capacity		
Taxation Matters	1.00	0.50
Other Services (Certification Fees)	-	1.41
Total	5.45	4.71

Prior Period Expenses

Rent	0.99	-
Analysis Charges	0.27	-
Advertising and Sales Promotion	1.19	-
Guest House Expenses	-	0.22
Hire Charges	-	0.03
Postage and Telegram	-	0.01

Notes to Financial Statements for the year ended 31st March, 2012

(₹ in Lacs)

	31-03-2012	31-03-2011
Note 27 Other Expenses (Contd.)		
Professional Charges	-	0.11
Repair & Maintenance	-	0.13
Staff Welfare	-	0.02
Telephone Charges	-	0.06
Travelling and Conveyance	-	0.02
Total	2.45	0.60

Notes 28 ADDITIONAL NOTES ON ACCOUNTS

- 28.1 Contingent Liabilities not provided for in the books of Accounts :
- In respect of Bills Discounted, outstanding as on 31st March, 2012 amounting to ₹ 2,077.35 lacs (P.Y. - ₹ 1,050.00 lacs).
 - In respect of Letter of Credit amounting to ₹ 3,122.59 lacs (P.Y. - ₹ 1,218.15 lacs) & Bank Guarantee amounting to ₹ 141.20 lacs (P.Y. - ₹ 135.20 lacs).
 - Commitments against Capital Expenditure not provided in the accounts ₹ 4,320.79 lacs (P.Y. - ₹ 4,650.35 lacs).
 - Relating to Assessment Year 2006-07, 2007-08, 2008-09 & 2009-10 a demand of ₹ 21.11 lacs, ₹ 19.99 lacs, ₹ 217.90 lacs & ₹ 25.28 lacs was raised by the Income Tax Department against which the Company has filed an application with respective department. The decision of the case relating to Assessment Year 2008-09 is in favour of Company against which department filed application in Tribunal. An amount of ₹ 11.10 lacs was paid under protest relating to Assessment Year 2006-07, and ₹ 50 lacs relating to Assessment Year 2008-09. An amount of ₹ 4.47 lacs paid relating to year 2007-08.
 - Relating to Financial Year 2005-06, 2006-07, 2007-08 & 2008-09 a demand of ₹ 222.89 lacs, ₹ 917.91 lacs, ₹ 539.04 lacs & ₹ 1,946.82 lacs respectively were raised by the Sales Tax Department against which appeal has been filed by the Company.
 - A Civil suit has been filed before Hon'ble Court, Calcutta against Company on 4/2/2011 for a sum of ₹ 136.82 lacs for non payment of rejected material alongwith interest and penalty for non-submission of Sales Tax Declaration in Form "C".
- 28.2 During the year, the Company has allotted 625.00 lacs Equity Shares of ₹ 10/- at a price of ₹ 40/- per Equity Share (including premium of ₹ 30/- per share) to entities belonging to promoter group and strategic investors belonging to non-promoter group on a preferential basis in terms of provisions of SEBI (Issue of Capital and Disclosure Requirement) Regulation 2009. The total funds amounting to ₹ 25,000 lacs raised from the issue have been utilised for financing expansion projects and working capital requirements.
- 28.3 a) Interest of ₹ 3,597.76 lacs (P.Y. - ₹ 21.30 lacs) capitalised during the year as identified for acquisition & construction of qualifying assets and a sum of ₹ 1,323.31 lacs (P.Y. - ₹ 850.90 lacs) transferred to pre operative expenses as a borrowing cost.
- 28.4 Excise Duty payable on Closing Stock on Finished Goods valued at ₹ 80.80 lacs (P.Y. - ₹ 421.84 lacs) included in Closing Stock of Finished Goods and effect on Excise Duty on change in Stock of Finished Goods shown under Other Expenses (Notes No. 27). Due to above, there is no effect on profitability of the Company for the year under review.
- 28.5 Sundry creditors includes ₹ NIL lacs (P.Y. - ₹ NIL) due to Micro, Small & Medium Enterprises to the extent such parties have been identified from the available documents/information.
- 28.6 Debtors includes ₹ 22.90 lacs (₹ 22.90 lacs) for which legal case has been filed for recovery under Section 138 of Negotiable Instrument Act, 1881.
- 28.7 Certain balances of the Sundry Creditors, Sundry Debtors, Unsecured Loan and Advances are subject to confirmation.
- 28.8 In the opinion of the Board of Directors, the Current Assets, Loans & Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the accounts.
- 28.9 Disclosure pursuant to Accounting Standard-15 (Revised) "Employee Benefits" :
- Defined Contribution Plan : Amount of ₹ 2.44 lacs is recognised as expense and included in "Payments to and Provision For Employees" in Schedule-16 of the Profit & Loss Account.
 - Defined Benefit Plan :

Notes to Financial Statements for the year ended 31st March, 2012

Notes 28 ADDITIONAL NOTES ON ACCOUNTS (contd.)

i. Reconciliation of Opening and Closing balances of the Present Value of the Defined Benefit Obligation :

(₹ in Lacs)

	Gratuity	
	31-03-2012	31-03-2011
a. Present Value of Defined Benefit Obligation at the beginning of the year	25.10	18.50
b. Interest Cost	2.00	1.48
c. Current Service Cost	8.41	5.97
d. Actuarial Losses/(Gains)	(4.84)	-
e. Benefits Paid	-	(0.86)
f. Present Value of Defined Benefit Obligation at the close of the year	30.67	25.09

ii. Changes in the Fair Value of Plan Assets and reconciliation thereof :

a. Fair Value of Plan Assets at the beginning of the year	26.56	17.52
b. Add : Expected Return on Plan Assets	3.04	2.10
c. Add/(Less) : Actuarial Losses/(Gains)	-	-
d. Add : Contributions	7.93	6.94
e. Less : Benefits Paid	-	-
f. Fair Value of Plan Assets at the close of the year	37.53	26.56

iii. Amount recognised in the Balance Sheet including a reconciliation of the present value of the Defined Obligation in (i) and the Fair Value of the Plan Assets in (ii) to Assets and Liabilities recognised in the Balance Sheet :

a. Present Value of Defined Benefit Obligation	30.67	25.09
b. Less : Fair Value of Plan Assets	37.53	26.56
c. Present Value of Funded Obligation	6.86	1.47
d. Net (Liability)/Assets recognised in the Balance Sheet	(6.86)	(1.47)

iv. Amount recognised in the Profit and Loss Account are as follows :

a. Current Service Cost	8.41	5.97
b. Interest Cost	2.00	1.48
c. Expected return on Plan Assets	(3.04)	(2.10)
d. Actuarial Losses/(Gains)	(4.84)	(0.86)
e. Past Service Costs	-	-
f. Effect of curtailment/settlement	-	-
g. Recognised in the Profit and Loss Account	2.53	4.49

v. Broad Categories of Plan Assets as a percentage of Total Assets as at 31st March, 2012

Qualifying Insurance Policy	YES	YES
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vi. Actuarial Assumptions as at the Balance Sheet date :

a. Discount Rate	8.00%	8.00%
b. Salary Escalation Rate	5.00%	3.15%

vii. The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

28.10 Segment Reporting

The Company's business activity primarily falls within a single business segment i.e. Iron & Steel business. However, the Company also generates power from its Captive Power Plant, which is entirely consumed in Iron & Steel manufacturing unit without any sale to third party. The details of such unit generated are shown below. Hence, there are no additional disclosure to be made under AS - 17.

Notes to Financial Statements for the year ended 31st March, 2012

Notes 28 ADDITIONAL NOTES ON ACCOUNTS (contd.)

Particulars	Year Ended	Year Ended
	31-03-2012	31-03-2011
Unit Generated (KWH)	721.85	764.14

28.11 Related Parties disclosure as per AS - 18

A. Name of the Related Parties with whom the Company had transactions during the year :-

Name of the Related Party	Relationship
Rohit Patni	Director - KMP
Ankit Patni	Director - KMP
Suresh Kumar Patni	Director - KMP
Sarita Patni	Relative of KMP
Suanvi Trading & Investment Co. Pvt. Ltd.	Control of KMP
Vasupujya Enterprises Pvt. Ltd.	Control of KMP
Poddar Mech Tech Services Pvt. Ltd.	Control of KMP
Impex Metal & Ferro Alloys Ltd.	Control of KMP
Divine Trading Co. Pvt. Ltd.	Control of KMP
Invesco Finance Pvt. Ltd.	Control of KMP
Impex Ferro Tech Ltd.	Control of KMP
Rohit Ferro-Tech Ltd.	Control of KMP
Marble Arch Properties Pvt. Ltd.	Control of KMP
SKP Aviation Services Ltd.	Control of KMP
SKP Overseas PTE Ltd.	Control of KMP
VNG Mercantiles Pvt. Ltd.	Control of KMP
Arthodock Vinimay Pvt. Ltd.	Control of KMP
Nucore Exports Pvt. Ltd.	Control of KMP
Shreyansh Leafin Pvt. Ltd.	Control of KMP
Whitestone Suppliers Pvt. Ltd.	Control of KMP
Sarita Steel and Power Ltd.	Control of KMP

*KMP means Key Managerial Personnel

B. Transaction with Related Parties during the year :-

(₹ in Lacs)

Nature of Transactions	Nature	31-03-2012	31-03-2011
Purchases			
Impex Metal & Ferro Alloys Ltd.	Control of KMP	157.49	123.59
Rohit Ferro-Tech Ltd.	Control of KMP	1,322.11	456.17
Impex Ferro Tech Ltd.	Control of KMP	344.53	242.47
SKP Overseas Pte Ltd.	Control of KMP	1,231.71	0.00
		3,055.84	822.23
Sale			
Impex Metal & Ferro Alloys Ltd.	Control of KMP	927.35	935.48
Rohit Ferro-Tech Ltd.	Control of KMP	5,760.41	792.61
Impex Ferro Tech Ltd.	Control of KMP	1,026.63	87.32
		7,714.39	1,815.41
DEPB License Sale			
Rohit Ferro-Tech Ltd.	Control of KMP	0.00	7.62
Impex Metal & Ferro Alloys Ltd.	Control of KMP	19.29	0.00
		19.29	7.62
DEPB License Purchase			
Impex Ferro Tech Ltd.	Control of KMP	0.00	20.71
		0.00	20.71

Notes to Financial Statements for the year ended 31st March, 2012

(₹ in Lacs)

Nature of Transactions	Nature	31-03-2012	31-03-2011
Notes 28 ADDITIONAL NOTES ON ACCOUNTS (contd.)			
Purchase of Fixed Assets			
Sarita Steel & Power Ltd.	Control of KMP	3.00	0.00
		3.00	0.00
Loan Received			
VNG Mercantiles Pvt. Ltd.	Control of KMP	0.00	2,357.50
Arthodock Vinimay Pvt. Ltd.	Control of KMP	200.00	420.00
Nucore Exports Pvt. Ltd.	Control of KMP	0.00	1,045.00
Shreyansh Leafin Pvt. Ltd.	Control of KMP	1,233.00	502.00
Whitestone Suppliers Pvt. Ltd.	Control of KMP	100.00	1,985.00
		1,533.00	6,309.50
Loan Repaid/Converted into Share Application Money			
Invesco Finance Pvt. Ltd.	Control of KMP	0.00	160.00
Poddar Mech Tech Services Pvt. Ltd.	Control of KMP	0.00	80.00
Suanvi Trading & Investment Co. Pvt. Ltd.	Control of KMP	0.00	100.00
Vasupujya Enterprises Pvt. Ltd.	Control of KMP	0.00	90.00
VNG Mercantiles Pvt. Ltd.	Control of KMP	146.00	2,536.50
Arthodock Vinimay Pvt. Ltd.	Control of KMP	200.00	420.00
Nucore Exports Pvt. Ltd.	Control of KMP	0.00	1,045.00
Shreyansh Leafin Pvt. Ltd.	Control of KMP	1,233.00	502.00
Whitestone Suppliers Pvt. Ltd.	Control of KMP	155.00	1,930.00
		1,734.00	6,863.50
Advance Given			
SKP Overseas Pte Ltd.	Control of KMP	0.00	290.22
		0.00	290.22
Rent Paid			
Marbel Arch Properties Pvt. Ltd.	Control of KMP	6.00	2.00
Divine Trading Co. Pvt. Ltd.	Control of KMP	0.00	0.72
		6.00	2.72
Lease Rent			
Sarita Steel & Power Ltd.	Control of KMP	1.28	0.00
		1.28	0.00
Sitting Fees			
Suresh Kumar Patni	KMP	0.43	0.45
		0.43	0.45
Remuneration			
Ankit Patni	KMP	53.87	36.00
Rohit Patni	KMP	24.00	24.00
		77.87	60.00

C. Outstanding Balances as on 31st March, 2012

Nature of Transactions		31-03-2012	31-03-2011
Sundry Creditors			
Impex Ferro Tech Ltd.		122.13	149.71
Impex Metal & Ferro Alloys Ltd.		45.24	6.76
Rohit Ferro-Tech Ltd.		0.00	272.42
		167.37	428.89
Sundry Debtors			
Impex Ferro Tech Ltd.		0.00	20.13
Impex Metal & Ferro Alloys Ltd.		0.00	0.00
Rohit Ferro-Tech Ltd.		42.86	17.58
		42.86	37.71

Notes to Financial Statements for the year ended 31st March, 2012

(₹ in Lacs)

Nature of Transactions	31-03-2012	31-03-2011
Notes 28 ADDITIONAL NOTES ON ACCOUNTS (contd.)		
Advance Taken		
Impex Ferro Tech Ltd.	396.84	0.00
Impex Metal & Ferro Alloys Ltd.	0.00	39.05
	396.84	39.05
Advance Given		
SKP Overseas Pte Ltd.	0.00	290.22
Rohit Ferro-Tech Ltd.	592.71	0.00
Impex Steel Ltd.	0.00	11.24
	592.71	301.46
Security Deposit		
Marble Arch Properties Pvt. Ltd.	110.00	110.00
	110.00	110.00
Rent Payable		
Marbel Arch Properties Pvt. Ltd.	0.56	1.80
Sarita Steel & Power Ltd.	1.15	0.00
Divine Trading Co. Pvt. Ltd.	0.00	0.58
	1.71	2.38
Investment in Equity Shares		
SKP Power Ventures Ltd.	1.00	1.00
SKP Aviation Services Ltd.	1.00	1.00
	2.00	2.00
Share Application (Pending Allotment)		
Suresh Kumar Patni	0.00	262.60
Rohit Patni	0.00	320.00
Ankit Patni	0.00	425.00
Sarita Patni	0.00	195.21
Suanvi Trading & Investment Co. Pvt. Ltd.	0.00	662.00
Invesco Finance Pvt. Ltd.	0.00	970.00
Poddar Mech Tech Services Pvt. Ltd.	0.00	2,136.50
Vasupujya Enterprises Pvt. Ltd.	0.00	1,330.00
VNG Mercantiles Pvt. Ltd.	0.00	1,383.00
Arthodock Vinimay Pvt. Ltd.	0.00	780.00
Nucore Exports Pvt. Ltd.	0.00	2,611.31
	0.00	11,075.62

28.12 Earning Per Share

a) Profit After Tax	₹ in Lacs	3,324.09	2,425.01
b) Number of Equity Shares :-			
Total number of Equity Shares in calculating Basic EPS	No. in Lacs	953.76	328.76
Total number of Equity Shares in calculating Weighted Average EPS	No. in Lacs	582.18	328.76
Total number of Equity Shares in calculating Diluted EPS	No. in Lacs	953.76	328.76
c) Basic Earning Per Share (Face value ₹ 10/-)	₹	3.49	7.38
Weighted Average Earning Per Share (Face value ₹ 10/-)	₹	5.71	7.38
Diluted Earning Per Share (Face value ₹ 10/-)	₹	3.49	7.38

28.13 Value of Import - CIF

(₹ in Lacs)

a) Raw Materials	4,099.83	842.92
b) Components & Spare Parts	13.72	22.41
c) Capital Goods	4,276.32	-
TOTAL	8,389.87	865.33

Notes to Financial Statements for the year ended 31st March, 2012

Notes 28 ADDITIONAL NOTES ON ACCOUNTS (contd.)

28.14 Expenditure in Foreign Currency

(₹ in Lacs)

	31-03-2012	31-03-2011
a) Commission Paid	0.99	-
b) Tour & Travelling Expenses	7.13	5.49
c) Legal & Professional Charges	-	1.09
d) Advance for Raw Material	-	295.04
e) Advance for Capital Goods	5.51	258.50
f) Ocean Freight	177.88	-
Total	191.51	560.12

28.15 Earning in Foreign Currency

FOB Value of Exports	140.06	1,066.39
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28.16 Value of Imported & Indigenous Consumption

	For the year ended 31-03-2012		For the year ended 31-03-2011	
	₹ in Lacs	%	₹ in Lacs	%
a) Raw Material Consumed				
Imported	1,158.46	2.11%	321.09	0.80%
Indigenous	53,753.28	97.89%	39,593.06	99.20%
Total	54,911.74	100.00%	39,914.15	100.00%
b) Components & Spare Parts Consumed				
Imported	14.72	1.14%	27.61	2.48%
Indigenous	1,278.49	98.86%	1,084.51	97.52%
Total	1,293.21	100.00%	1,112.12	100.00%

28.17 Particulars on Remittances of Dividend in Foreign Currency

i Number of Non Resident Shareholders	NIL
ii Number of Equity Shares held by them	NIL
iii Amount of Remittance on account of Dividend	NIL

28.18 Previous year's figures have been regrouped/rearranged, wherever considered necessary.

28.19 The figures have been rounded off to nearest lacs.

As per our report of even date.

For R. Kothari & Company
Chartered Accountants
FRN : 307069E

For and on behalf of the Board

K. C. Soni
Partner
Membership No. 057620

Suresh Kumar Patni
(Chairman)

Ankit Patni
(Managing Director)

Chandra Kumar Jain
(Company Secretary)

Place : Kolkata

Date : The 30th day of May, 2012

Ankit Metal & Power Limited

Registered Office : 35, Chittaranjan Avenue, 4th Floor, Kolkata - 700 012
Corporate Office : SKP House, 132A, S. P. Mukherjee Road, Kolkata - 700 026

FORM OF PROXY

I/We
of
.....being a Member(s) of the above named Company,
hereby appoint
of
or failing him
ofas my/our proxy to vote for me/us
on my/our behalf at the 10th Annual General Meeting of the Company to be held at "Rotary Sadan", 94/2, Chowringhee Road,
Kolkata - 700 020 on Tuesday, the 25th September, 2012 at 3.00 P.M. and at any adjournment thereof.

Signed thisday of2012

Signature.....

Affix
Revenue
Stamp

Folio No.....

DP ID No.....

Client ID No.....

Note : This Form of Proxy must be deposited at the Corporate Office of the Company, SKP House, 132A, S. P. Mukherjee Road,
Kolkata - 700 026, not less than 48 hours before the time of holding the meeting.

Ankit Metal & Power Limited

Registered Office : 35, Chittaranjan Avenue, 4th Floor, Kolkata - 700 012
Corporate Office : SKP House, 132A, S. P. Mukherjee Road, Kolkata - 700 026

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

I/We hereby record my/our presence at the 10th Annual General Meeting of the above named Company held at "Rotary Sadan",
94/2, Chowringhee Road, Kolkata - 700 020 on Tuesday, the 25th September, 2012 at 3.00 P.M.

Full Name of Member/Proxy
attending the meeting

Full Name of First Holder
(if Joint Holder/Proxy attending).....

Folio No.....

DP ID No.....

Client ID No.

Signature of the Member/Proxy
(To be signed at the time of handing over this slip)

Members who come to attend the meeting are requested to bring their copies of the Annual Report with them.

Corporate Information

Board of Directors

Mr. Suresh Kumar Patni	<i>Non-Executive Chairman</i>
Mr. Ankit Patni	<i>Managing Director</i>
Mr. Rohit Patni	<i>Jt. Managing Director</i>
(Resigned w.e.f. 24th August, 2012)	
Mr. Sanjay Singh	<i>Executive Director</i>
(Appointed w.e.f. 24th August, 2012)	
Mr. Kailash Chand Jain	<i>Independent/Non-Executive Director</i>
Mr. Vijay Kumar Jain	<i>Independent/Non-Executive Director</i>
Mr. Jatindra Nath Rudra	<i>Independent/Non-Executive Director</i>

Company Secretary

Mr. Chandra Kumar Jain

Auditors

M/s. R. Kothari & Company
Chartered Accountants
16A, Shakespeare Sarani, Kolkata - 700 071

Bankers

State Bank of India
Andhra Bank
Syndicate Bank
IDBI Bank Limited
State Bank of Travancore
Indian Overseas Bank
State Bank of Mysore
State Bank of Bikaner & Jaipur
United Bank of India
Allahabad Bank
Corporation Bank
UCO Bank
State Bank of Hyderabad
State Bank of Patiala

Registered Office

35, Chittaranjan Avenue, Kolkata - 700 012
Phone : +91 33 2211 0225/0226, 4064 0021/22

Corporate Office

SKP House,
132A, S. P. Mukherjee Road, Kolkata - 700 026
Phone : +91 33 4016 8000
Fax : +91 33 4016 8107
E-mail : cs@ankitmetal.com
Website : www.ankitmetal.com

Plant Information

Village : Jorehira
Mouza : Burat & Jorehira & Sonpura
P.S. : Chattna
Dist. : Bankura, West Bengal

Disclaimer

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Book Post



If undelivered, please return to :
Ankit Metal & Power Limited
SKP House, 132 A, S.P. Mukherjee Road, Kolkata-700 026