

CHENNAI FERROUS INDUSTRIES LIMITED

Ninth Annual Report 2018 - 19

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CHENNAI FERROUS INDUSTRIES LIMITED

CIN:L27310TN2010PLC075626

BOARD OF DIRECTORS

Mr.R. Natarajan	Chairman & Managing Director
Mr. Chandikeshwar Sharma	Director
Mr. Suresh Kedia	Director
Mrs.K. Deepa	Director
Mr. Karthikeyan	Chief Financial Officer
Mr. Ved Prakash	Company Secretary

REGISTERED OFFICE & FACTORY

OPG Nagar, OPG Nagar, Periya Obulapuram village,
Nagarajakandigai, Madharapakkam Road, Gummidipoondi – 601201.
Website: www.chennaiferrous.com

AUDITORS

M/s.S.K GULECHA & ASSOCIATES
Chartered Accountants,
No.374, Mint Street, Adinath Arcade,
2nd Floor, Sowcarpet, Chennai-600079.

BANKERS

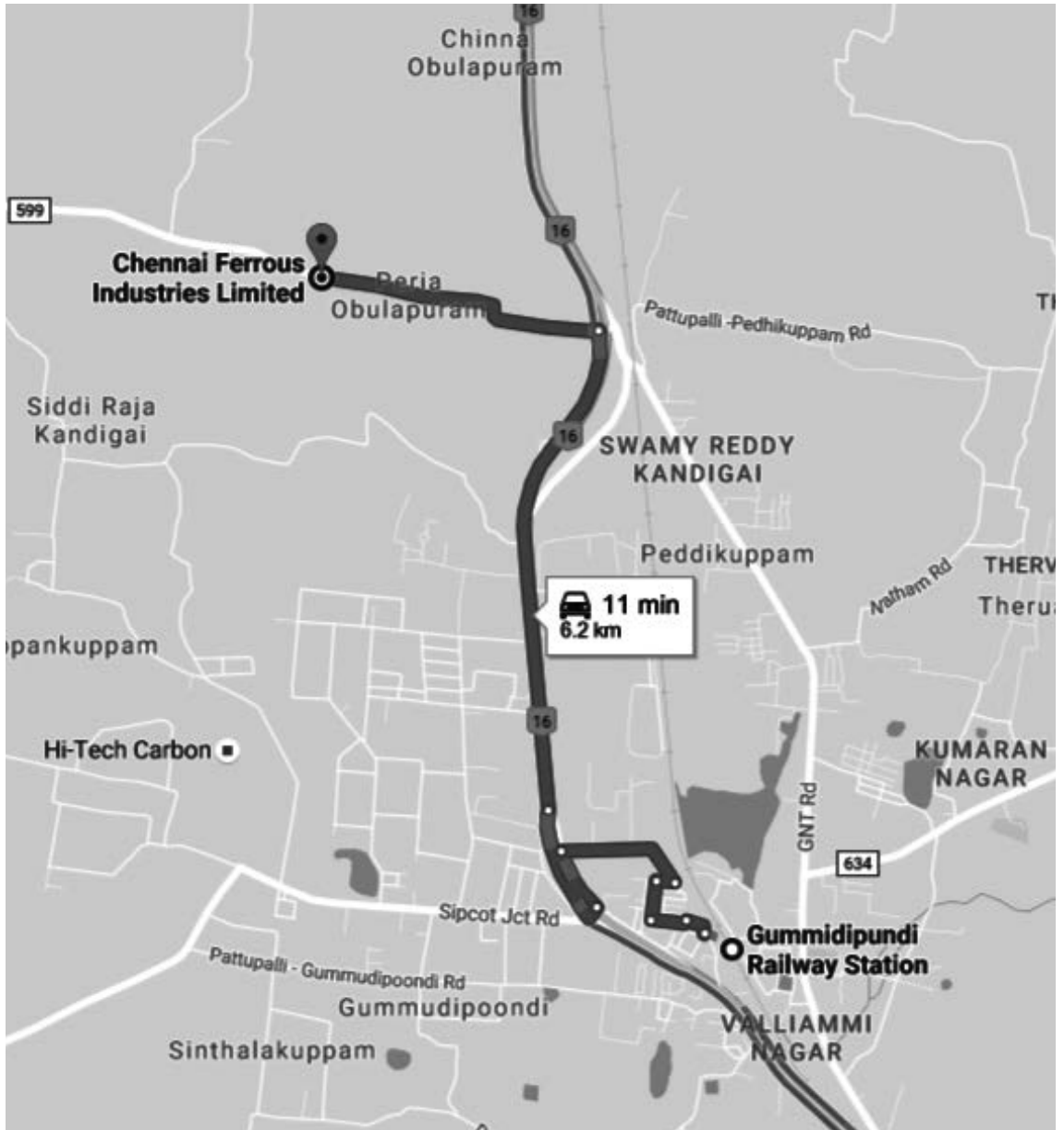
State Bank of India,
115, Oriental House,
Broadway, Chennai - 600 108

SHARE TRANSFER AGENT

Cameo Corporate Services Limited
No.1, Subramanian Building
Club House Road, Chennai – 60002.

RouteMap to AGM Venue

OPG Nagar, Periya Obulapuram Village, Nagaraja Kandigai, Madharapakkam Road,
Gummidipoondi, Thiruvallur-601201, Tamil Nadu



Nearest Land mark :

Mularoad Junction, Thurapallam, Gummidipoondi, Thiruvallur-600 021, Tamil Nadu

Distance from Gummidipoondi : Railway Station - 6.2 km

NOTICE

Notice is hereby given that the Ninth Annual General Meeting (AGM) of Chennai Ferrous Industries Limited will be held on Monday, 30th September 2019, at 2.00 P.M. at the registered office of Company situated at OPG Nagar, Periya Obulapuram village, Nagaraja kandigai, Madharapakkam Road, Gummidipoondi – 601201, to transact the following business:

ORDINARY BUSINESS

- 1. Adoption of Standalone Financial statements comprising of Director's Report, Auditor's report, Balance sheet, Profit and Loss A/c , Cash Flow Statement and other relevant documents.**

To receive, consider and adopt the Audited Standalone Financial statements comprising of Director's Report, Auditor's report, Balance sheet and Profit and Loss A/c, Cash Flow Statement and all other relevant documents of the Company for the financial year ended 31st March, 2019 .

- 2. Appointment of Mrs. K. Deepa as a Director liable to retire by rotation**

To appoint a Director in place of Mrs. K. Deepa (DIN: 07140954) who retires by rotation and being eligible, offers herself for re-appointment.

(By Order of the Board)
For Chennai Ferrous Industries Limited,

Date : 5th September 2019
Place : Chennai

R.Natarajan
Chairman and Managing Director
DIN: 00595027

1) Voting by Members:

In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its Members the facility to cast their votes electronically, through e-voting services provided by National Securities Depository Limited (“NSDL”), on resolutions set forth in this Notice. The Members may cast their votes using an electronic voting system from a place other than the venue of the Annual General Meeting (“remote e-voting”). Instructions for remote e-voting are given herein below. The Resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the Annual General Meeting.

The facility for voting through electronic voting system or ballot paper shall be made available at the Annual General Meeting and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Annual General Meeting.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

Members can opt for only one mode of voting, i.e. either by e-voting or voting at Annual General Meeting. In case Members cast their vote through both the modes, voting done by e-voting shall prevail and votes cast at Annual General Meeting shall be treated as invalid.

The Board of Directors has appointed Mr.M.K.Madhavan, Proprietor, M/s. M.K.Madhavan & Associates, Practicing Company Secretaries, as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.

Remote E- Voting Procedure

In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

Open the PDF File viz; “GREL e-voting.pdf” attached to the e-mail, using your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password provided in the PDF is an initial password.

Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>

Click on Shareholder – Login

Insert user ID and password as initial password/PIN noted in step (i) above. Click Login.

Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Please make a note of the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

Select “EVEN” of “Chennai Ferrous Industries Limited”.

Now you are ready for remote e-voting as Cast Vote page opens.

Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.

Upon confirmation, the message “Vote cast successfully” will be displayed.

Once you have voted on the resolution, you will not be allowed to modify your vote Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letters. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to cs.madhavanmk@gmail.com with a copy marked to evoting@nsdl.co.in.

In case a Member receives physical copy of the Notice of AGM[for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote E-Voting Event Number)	USER ID	PASSWORD/PIN

Please follow all steps from Sl. No. 2 to Sl. No. 11 above, to cast vote.

Other Instructions

The e-voting period commences on 27th September 2019 (10:00 a.m. IST) and ends on, 29th September 2019 (5:00 p.m. IST). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on 21st September 2019, i.e. the cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the member shall not be allowed to change it subsequently or cast vote again.

You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

The voting rights of Members shall be in proportion to their share(s) of the paid up equity share capital of the Company as on the cut-off date i.e. on 21st September 2019 and as per the Register of Members of the Company. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting through ballot form.

Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of Annual General Meeting and holding shares as of the cut-off date, i.e. 21st September 2019 , may obtain the login ID and password by sending a request at evoting@nsdl co.in. However, if you are already registered with NSDL for remote e-voting,

then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using “Forget User Details/ Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or contact NSDL at the following Toll Free No. 1800-222-990 or email at evoting@nsdl.co.in.

Please note, only a person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of voting, either through remote e-voting or voting at the Annual General Meeting through e-voting or ballot paper

All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9:00 a.m. to 5:00 p.m.) on all working days, and including the date of the Annual General Meeting of the Company.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the Meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same and declare the result of the voting forthwith.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMEN IN THE NINTH ANNUAL GENERAL MEETING

[Pursuant to Regulations 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2)]

Mrs. Deepa

Name of the Director	Mrs. Deepa
Category	Non-Executive Non independent Director
Director Identification Number (DIN)	07140954
Date of birth	27.02.1979
Date of appointment/ re-appointment	31.03.2015
Qualifications	Master of Business Administration - Human Resources
Expertise in specific functional areas	General Management and Administration
Directorships held in other companies	Nil
Chairmanships/ Memberships of statutory committees across Companies	Nil
Details of shareholding (both own or held by/for other persons on a beneficial basis), if any, in the Company	Nil

Notes:

1. A member entitled to attend and vote at this AGM is entitled to appoint a proxy to attend and Vote in the meeting instead of him/her and the proxy need not be a member of the company.
2. Pursuant to section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. Proxies, in order to be effective, must be complete and received at the registered office of the Company at OPG Nagar, Periya Obulapuram village, Nagaraja kandigai, Madharapakkam Road, Gummidipoondi – 601201 not less than 48 hours before the commencement of this Annual General Meeting.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
4. Members/ Proxies/ Authorized Representatives attending the meeting are requested to bring their copy of the Annual Report for reference at the meeting and also the attendance slip duly filled in for easy identification of attendance at the meeting.
5. The Register of Members and Share Transfer Books of the Company will be closed from 23rd September, 2019 to 30th September 2019 (both days inclusive) for the purpose of Annual General Meeting for the financial year 2018-19.
6. Members holding shares in Physical Form are requested to furnish their address / or changes in address if any with Registrar & Transfer Agent of the Company, M/s.Cameo Corporate Services Limited, Chennai, quoting their Folio number and number of Shares held. Members holding shares in Electronic Form may communicate their change of Address to their respective Depository Participants.
7. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.chennaiferrous.com (under 'Investors' section). Members holding shares in physical form may submit the same to the Registrar & Transfer Agent. Members holding shares in electronic form may submit the same to their respective depository participant.
8. Section 20 of the Companies Act, 2013, permits service of documents on Members by a company through electronic mode. Therefore in accordance with the Companies Act, 2013 read with the Rules framed thereunder, the Annual Report 2018-19 is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depository Participant unless any Member has requested for a physical copy of the Report. For Members who have not registered their e-mail addresses, physical copies of the Annual Report 2018- 189 are being sent by the permitted mode. Members may note that the Annual Report 2018-19 will also be available on the Company's website i.e. [www. Chennaiferrous. Com](http://www.Chennaiferrous.Com).

DIRECTORS' REPORT

Dear Members,

The Directors take pleasure in presenting the Ninth Annual Report together with its financial statements for the year ended 31st March 2019.

FINANCIAL HIGHLIGHTS

The financial highlights for the year under review are as follows:

(Amount in Rupees)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Sales (Net of Excise Duty) and other income	72,878,369	13,19,57,149
Profit /(loss) after Interest & Depreciation	133,189	(25,644,540)
Provision for Tax		-
Profit /(loss) after Tax	133,189	(25,644,540)
Add: Taxation Adjustments of Previous Years	-	-
Add: Balance of Profit brought from previous year	(392,402,076)	(36,6757,536)
Profit available for Appropriation	133,189	(25,644,540)
APPROPRIATIONS	-	-
Equity Dividend Proposed (Final)	-	-
Dividend Distribution Tax (Final)	-	-
Transfer to General Reserve	-	-
Balance Carried Forward	(486,207,969)	(392,402,076)

OPERATIONS

During the year, in view of the slowdown in the business segment the company is unable to operate temporarily. The Company has taken adequate steps to rejuvenate the plant operations in the current year.

DIVIDEND

The Board of Directors has not recommended any dividend for the financial year ended 31st March 2019.

TRANSFER TO RESERVES

Transfer of profit to the General Reserve did not arise during the financial year.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis report that forms part of this Report as giving an overview of Industry and company's future operations is enclosed as **Annexure- I**.

CODE OF CONDUCT

The Board has formulated a Code of Conduct for Directors and Senior Management of the Company. A Declaration affirming the compliance of Code of Conduct is provided as **Annexure II**.

NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE THE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

The Company has no Subsidiaries, Joint Ventures or Associate Companies. During the year no companies have become or ceased to be the Subsidiaries, Joint Ventures or Associate Companies of the Company.

DIRECTOR(S) AND KEY MANAGERIAL PERSONNEL

At the ensuing AGM, Mrs. Deepa (Non-Executive Non Independent Director), retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, Mr Ved Prakash has been appointed as Company Secretary, Compliance Officer and Key Managerial Person of the company w.e.f 05.03.2019.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of its knowledge and ability, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- the Directors had prepared the annual accounts on a going concern basis; and
- the Directors had laid down internal financial control to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD EVALUATION

The Nomination and Remuneration Committee and the Board of Directors of the Company had laid down the process and criteria for annual performance evaluation of the Board, its Committees and individual Directors. For the year the Board of Directors have carried out an evaluation of its own performance, its Committees and that of its individual Directors in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Details of the same are given in the Report on Corporate Governance annexed hereto.

MEETINGS OF THE BOARD

During the year under review, Seven (7) Board Meetings were held the details of meetings have been provided in the Corporate Governance report that forms part of this Report.

CORPORATE GOVERNANCE

Pursuant to the provisions of Regulation 34 read with point C & E of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 a separate Report on Corporate Governance for the financial year ended 31st March 2019 along with the Auditor's Certificate on its compliance is enclosed and forming part of this Report as **Annexure III**

Bombay Stock exchange (BSE) vide its Circular No. LIST/COMP/12/2019-20 dated 14/05/2019 titled Clarification on Annual Secretarial Audit Report and Annual Secretarial Compliance Report for listed entities and their material subsidiaries, the provisions of Regulation 24A regarding the companies seeking exemption for Non-Applicability Certificate for Corporate Governance Report are not required to submit any other document or disclosure of Annual Secretarial Compliance Certificate.

The Company is fulfilling the following criteria laid down under the Regulation 15(2) of SEBI (LODR) Regulation, 2015 ie

- (1) The paid up equity share capital not exceeds Rs. 10.00 crore; and
- (2) The net worth is also not exceeding Rs. 25.00 crore,

as on the last day of the previous financial year as on 31/03/2018

The Net Worth of the Company is below Rs.25 Crores as on 31/03/2018. Since the Company is falling under the criteria as laid down under Regulations 15(2) of SEBI (LODR) Regulation, 2015,

your company vide its letter dated 24.05.2019 submitted letter to BSE seeking exemption for applicability of submission of Certificate for Corporate Governance Report, any other document or disclosure and Annual Secretarial Compliance Certificate.

However, your company has provided the above reports voluntarily for this year.

AUDIT COMMITTEE

The Board of Directors has constituted its Audit Committee. The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 read with the rules made thereunder and Regulation 18 and 21 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of Committee along with Meetings held during the year are given in the Corporate Governance Report that forms part of this Report.

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. S.K. Gulecha & Associates, Chartered Accountants, Chennai were appointed as statutory auditors from the conclusion of the Fifth Annual General Meeting (AGM) held on 30th September 2015 till the conclusion of the Tenth Annual General Meeting (AGM) of the Company to be held in the year 2020.

There are no qualifications, reservation or adverse remark or disclaimer made by the auditors in their report and thus the explanations or comments by the Board does not arise.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as **Annexure IV**.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS HELD BY THE COMPANY

Pursuant to the provisions of Section 186 of the Companies Act, 2013 read with the rules made thereunder, particulars of loans, guarantees and investments covered under are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS

The Company has formulated a Policy on dealing with Related Party Transactions. The Policy is disclosed on the website of the Company.

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

during the year were in the ordinary course of business and on an arms' length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. However, pursuant to the provisions of Regulation 23 (2) of the SEBI (LODR) Regulations, 2015, prior approval of the Audit Committee was sought for entering into the Related Party Transactions.

During the year, the Company had not entered into any contract / arrangement / transactions with Related Parties which could be considered as material in terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In accordance with Accounting Standard 18, the Related Party Transactions are disclosed in the notes to the Financial Statements.

The Corporate Governance Report contains relevant details on the nature of Related Party Transactions (RPTs) and the policy formulated by the Board on Material RPTs. Particulars of Contracts or Arrangements with Related Parties referred to in Section 188(1) of the Companies Act, 2013 is furnished in accordance with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC - 2 as **Annexure V**.

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

As required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, particulars regarding conservation of energy, technology absorption, foreign exchange earnings and outgo are annexed to this report as **Annexure VI**.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The company has formulated an internal controls policy. In the opinion of Board, It is adequate to mitigate risks and provided reasonable assurance that operations/transactions are efficient and assets are safeguarded.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

During the year under review, there has been no material changes and commitments affecting the financial position of the Company.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return as provided under Section 92(3) of the Companies Act, 2013 in the prescribed Form MGT - 9 is annexed herewith as **Annexure VII**.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s.M. K. Madhavan & Associates, a firm of Company Secretaries in Practice, to

undertake the Secretarial Audit of the Company for the financial year 2018-19.

The Secretarial Audit Report for the financial year 2018-19, is annexed herewith as **Annexure VIII**.

REMUNERATION POLICY

The Remuneration policy of the Company comprising appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters has been provided in the Corporate Governance Report.

DEPOSITS

During the year, the Company has not accepted any "Deposits", as defined under the Companies Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORY BODIES/ COURTS

During the financial year under review, no significant or material orders were passed by the Regulatory/ Statutory Authorities or the Courts which would impact the going concern status of the Company and its future operations.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The company is not covered under section 135 of the Companies Act, 2013 and formulation of CSR policy and constitution of a CSR committee did not arise.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The Company has a vigil mechanism / "Whistle Blower Policy", which is available on the website of the Company, namely www.gitarenewable.com

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the financial year 2018-19, no complaint was reported to the Company.

CEO/ CFO CERTIFICATION:

Mr. R. Natarajan, Chairman and Managing Director and Mr.V.Kumar, Chief Financial Officer have certified to the Board in terms of Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements Regulations), 2015 were laid before the Board at its meeting held on 14th August 2019.

ACKNOWLEDGEMENT:

Your directors place on record their great appreciation of the fine efforts of all Executives and Employees of the Company which were instrumental in attaining considerable financial position in a difficult year. The Board takes this opportunity to sincerely thank all its stakeholders namely, shareholders, customers, suppliers/ contractors, bankers, employees, Government agencies, local authorities, and the immediate society for their un-stinted support and co-operation during the year

**For and behalf of Board of Directors of
Chennai Ferrous Industries Limited,**

Date : 5th September 2019
Place : Chennai

**R.Natarajan
Chairman and Managing Director
DIN: 00595027**

Annexure - I

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company has one business segment namely generation of power from wind and waste heat recovery system. This segment is reported in accordance with the Accounting Standard 17 issued by the Companies (Accounting Standards), Rules, 2006.

The pace of economic growth of this segment namely generation of power slowed down leading to lower growth in demand for power in India. Due to meager generation of power from wind mills, the operation of wind mills has not been commercially found to be viable. Considering the same the company disposed off the wind mills during the year 2016. The waste heat recovery plant at Gummidipoondi has not generated optimum power during the year. Volatility in prices, Increase in cost of production, lack of availability of raw materials at affordable prices, environmental concerns continuous rise in cost of production, regional demand & supply inequalities, demonetization, fluctuation in INR Value against global currencies and reforms have impacted significantly the Indian Power Generation sector and resulted sharp fall in demand which ultimately impacted on profit of the Company during the year.. The high cost and short supply of power in India may hamper the Power sector production level.

The general factors like continuous Demand for power, Lack of other energy sources, volatile raw materials prices, and policy reforms by the Government, Inexpensive import of raw materials from neighboring countries resulted in lowering prices and making the market highly competitive which affected the profitability if the company during the year We are expecting some progress in the operations of the company in future.

The management has initiated steps to revive the company with various other business opportunities with positive economic outlook and improvement in industrial growth in forthcoming years.

**For and behalf of Board of Directors of
Chennai Ferrous Industries Limited,**

Date : 5th September 2019
Place : Chennai

**R.Natarajan
Chairman and Managing Director
DIN: 00595027**

CODE OF CONDUCT

As per Regulation 26(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 all members of the Board & Senior Management Personnel have affirmed compliance with the code of conduct for the year ended 31st March 2019.

**For and behalf of Board of Directors of
Chennai Ferrous Industries Limited,**

Date : 5th September 2019
Place : Chennai

**R.Natarajan
Chairman and Managing Director
DIN: 00595027**

ANNEXURE - III**REPORT ON CORPORATE GOVERNANCE**

(For the Financial Year 2018-19)

1. Company's philosophy on code of Governance:

The prime objective of practicing good corporate governance at Chennai Ferrous Industries Limited is to promote an inclusive growth by protecting the interests and enhancing the trust of shareholders, customers, suppliers, creditors, employees, government agencies and the society. In order to achieve this objective, Chennai Ferrous Industries Limited follows the principles of equity, fairness transparency, disclosure, independent supervision, healthy competition, promotion of health, safety and welfare, production of quality products and services, compliance with all relevant laws, rules and regulations and adopt the principles that suit the changing eras and desires of the Business, Society and the Nation as a whole.

2. BOARD OF DIRECTORS**Composition of the Board**

The Board has been constituted in conformity with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

The Company has an optimum combination of Executive Directors and Non – Executive Directors including one Women Director prescribed as under

Sl. No	Name of the Director	Executive / Non-Executive	Non-Independent/ Independent
1	Mr. R.Natarajan	Chairman and Managing Director; Executive Director	Non-Independent Director
2	Mr.Chandikeshwar Sharma	Non-Executive Director	Independent Director
3	Mr. Suresh Kedia	Non-Executive Director	Independent Director
4	Mrs. Deepa	Non-Executive Director	Non-Independent Director

The Chairman of the Board is an Executive Director and is not a promoter of the company There are two Independent Directors which is more than half of the Board. The Managing Director is not liable to retire by rotation. All the other non-independent directors retire by rotation and in general, seek re-appointment at the Annual General Meeting.

Non-executive Director Mrs.Deepa retires by rotation and being eligible seeks re- appointment at the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting of the company.

Mr. Chandikeahwar Sharma was re- appointed as Independent Director of the company.

All the Independent Directors have given the declarations pursuant to Section 149(7) of the Act affirming that they meet the criteria of independence as provided in sub section (6) of Section 149 of Companies Act 2013.

None of the independent Director of the Company serves in more than 7 listed companies as Independent Director and holds office of whole-time director in any listed company.

Letter of Appointments together with the terms thereto were issued to Independent directors and have been posted on the Company website.

None of the Directors on the Board holds directorships in more than ten public companies.

Further, none of them is a Member of more than ten committees or Chairman of more than five Committees across all public companies in which he/ she is a director. The necessary disclosures regarding Committee positions have been made by the Directors.

None of the Directors hold any shares in the Company as on 31st March 2019. None of the Directors are related to each other.

As required under the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, none of the directors hold directorship in more than 20 public companies, nor membership of board committees (Audit, Nomination and Remuneration, Stakeholders Relationship committees) in excess of 10 and chairmanship of afore- mentioned committees in excess of 5.

Name of the Directors	Number of directorships, Committee Memberships and Committee Chairmanship held in other Companies [#]		
	Directorships	Memberships	Chairmanships
Mr. R.Natarajan	3	4	0
Mr. Suresh Kedia	3	6	2
Mr. Chandikeshwar Sharma	3	4	2
Mrs. Deepa	1	2	2

[#] Only in public companies

3. Board Meetings:

The names and categories of Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting are prescribed as under

Name of the Directors	DIN	Category	Attendance at Board Meeting		Attendance at last AGM held on 28.09.2018
			Held	Attended	
Mr. R. Natarajan	00595027	Executive Non-Independent Director	7	7	Yes
Mr. Chandikeshwar Sharma	06598312	Non-Executive Independent Director	7	3	Yes

Mr. Suresh Kedia	06596808	Non-Executive Independent Director	5	5	Yes
Mrs. Deepa	07140954	Non-Executive Non-Independent Director	7	7	Yes

Number of Board Meeting	7
Board Meeting dates	30 th May 2018, 8 th May 2018, 14 th August 2018, 4 th September 2018, 14 th November 2018, 12 th February 2019, 5 th March 2019.

The interval between two consecutive Board Meetings did not exceed one hundred and twenty days. No Board meeting was conducted through video conferencing or other audio visual means. The necessary quorum was present for all the meetings.

During the year 2018-19, information as mentioned in Schedule II Part A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 has been placed before the Board for its consideration.

As per Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company has laid down a detailed policy/ programme for familiarisation of Independent Directors. During the year, the Board was regularly apprised with the operations of the Company by the Management. The Directors of the Company regularly updated on any information which has a direct impact on the Company as well as regulatory changes. Details of the Familiarisation Policy is available on the website of the Company, viz, www.gitarenewable.com

4. COMMITTEES OF THE BOARD

The Company has in place the following committees namely,:

- A Audit Committee
- B Nomination and Remuneration Committee
- C Stakeholders' Relationship Committee

A. AUDIT COMMITTEE

The Audit Committee provides an insight to the Board on the effectiveness of accounting, auditing and reporting practices of the Company. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act 2013.

The Chairman of the Audit Committee, Mr. Chandikeshwar Sharma was present at the Eighth Annual General Meeting held on 28th September 2018.

The composition of the Audit Committee and the details of meetings attended by the Members during FY 2018-19, are given below

Name of the members	Independent / Non Independent	Position	Audit Committee	
			Held	Attended
Mr. Chandikeshwar Sharma	Non-Executive Independent Director	Chairman	4	4
Mr. Suresh Kedia	Non-Executive Independent Director	Member	4	4
Mr.R. Natarajan	Executive Non-Independent Director	Member	4	4

No. of Audit Committee meetings held during the 4 year

Dates of Audit Committee Meeting

30th May 2018, 14th August 2018,
14th November 2018, 12th February
2019

The interval between two consecutive Audit Committee Meetings did not exceed one hundred and twenty days. No meeting was conducted through video conferencing or other audio visual means. The necessary quorum was present for all the meetings.

B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee periodically reviews the size and composition of the Board, formulate the criteria determining qualifications, positive attributes and independence of a Director, recommend candidates to the Board, evaluates Board Performance, reviews and makes recommendations to the Board on the remuneration of the Key Managerial Personnel and Directors.

The Nomination and Remuneration committee of the Company is constituted in line with the provisions of Regulation 19 SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013. Majority of the committee members are Independent.

The Chairman of the Nomination and Remuneration Committee, Mr Suresh Kedia was present at the Eighth General Meeting held on 28th September 2018.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by the Directors during FY 2018-19, are given below

Name of the members	Independent / Non Independent	Position	No. of meetings	
			Held	Attended
Mr. Suresh Kedia	Non-Executive Independent Director	Chairman	1	1
Mr. Chandikeshwar Sharma	Non-Executive Independent Director	Member	1	1
Ms. Deepa	Non-Executive Non-Independent Director	Member	1	1

No. of Nomination and Remuneration Committee 1
meetings held during the year

Nomination and Remuneration Committee 12th February 2019
Meeting date

The necessary quorum was present for all the meetings.

Remuneration Policy:

The company has framed a remuneration policy in view of retaining suitable employees with remuneration commensurate with size of the company, nature the business and nature of duties and responsibilities of the employee. The Board of the company may fix remuneration to Directors and Key Managerial Personnel on the recommendation of the Nomination and Remuneration committee.

The Company has not paid sitting fees to any Non-executive Directors/Independent Directors.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with section 178 of the Companies Act 2013 for review of various information/ data pertaining to the stakeholders' and redressal/ resolution of stakeholders' grievances

The Chairman of the Stakeholders' Relationship Committee Mrs. Saraswathi was present at the Eighth General Meeting held on 28th September 2018.

The composition of the Stakeholders' Relationship Committee and the details of meetings attended by the Directors during FY 2018-19 are given below:

Sl.No	Name of the members	Category	Position	No. of meetings attended
1	Mrs. Deepa	Non-Executive Non-Independent Director	Chairman	5
2	Mr. R.Natarajan	Executive Non- Independent Director	Member	5
3	Mr. Suresh Kedia	Non-Executive-Independent Director	Member	5

No. of Stakeholders Relationship Committee 5
meetings held during the year

Stakeholders' Relationship Committee 27th April 2018, 30th May 2018, 14th August 2018,
Meeting date 14th November 2018, 12th February 2019

Report on number of shareholder complaints received and resolved by the Company during the year ended 31st March 2019.

No. of complaints pending as on April 1, 2018	0
No. of complaints identified and reported during FY 2018-19	0
No. of Complaints disposed of during the year ended March 31, 2019	0
No. of pending complaints as on March 31, 2019	0

5. INDEPENDENT DIRECTORS' MEETING:

During the year under review, one Meeting of Independent Directors held on 12th February 2019 inter alia, to:

- i. Review the performance of Non-Independent Directors and the Board of Directors as a whole;
- ii. Review the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- iii. Assess the quality, content and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the said meeting.

6. GENERAL MEETINGS

Details of Annual General Meeting for Financial Year 2017-18, 2016-17 and 2015-16.

Year	Date	Time	Venue
2015-2016	30.09.2016	2.00 P.M	OPG Nagar, Periya Obulapuram Village, Nagaraja Kandigai, Madaharapakkam Road, Gummidipoondi – 601201.
2016-2017	30.09.2017	2.00 P.M	OPG Nagar, Periya Obulapuram Village, Nagaraja Kandigai, Madaharapakkam Road, Gummidipoondi – 601201.
2017-18	28.09.2018	2.00 P.M	OPG Nagar, Periya Obulapuram Village, Nagaraja Kandigai, Madaharapakkam Road, Gummidipoondi – 601201.

No Extra-Ordinary General Meeting of the shareholders was held during the year.

No resolution was passed by Postal Ballot.

Special Resolutions passed in previous three Annual General Meetings:

- At the Annual General Meeting held on 28th September 2018 the following special resolutions were passed for approval for

- ♦ Leasing of property
- ♦ Reclassification of certain Shareholders from Promoter Group category to Public category

The company has already filed the requisite application for reclassification of promoters as public category under Regulation 31A of Listing Regulations 2015 with the Bombay Stock Exchange. The application is still pending for approval from the Stock Exchange due to some procedural delays.

- ♦ Appointment of Mr. Chandikeshwar Sharma as an Independent Director
- At the Annual General Meeting held on 30th September 2017 the following special resolutions were passed for approval for
 - A. Re-appointment of Chairman and Managing Director – Mr.R.Natarajan
 - B. Re-appointment of Independent Director –Mr.Suresh Kedia
- At the Annual General Meeting held on 30th September 2016 no special resolutions were passed

7. MEANS OF COMMUNICATION

The quarterly unaudited Standalone financial Results and Annual audited Standalone financial Results of the Company are published in “Trinity Mirror”- the English Daily and “Makkal Kural” - Tamil Daily. The quarterly unaudited Standalone financial Results and Annual audited Standalone financial Results , the shareholding pattern, Corporate Governance, Reconciliation of Share capital Audit, Report on Investor Complaints, Compliance Certificates as per Regulation 7(2) and Regulation 40(9) of SEBI Listing Obligations and Disclosure Requirements)Regulations 2015 are properly reported with Stock Exchange and are available in the Bombay Stock Exchange website www.bseindia.com and the Company’s website www.gitarenewable.com

Notice of General Meeting including Attendance slip, proxy form and polling paper are sent to all the shareholders by Registered Post or Speed post or Courier or through e-mail System. Annual Report is sent by Book post or email system or both at the desire of shareholders.

Further to the compliance of Regulation 46 of SEBI Listing Obligations and Disclosure Requirements, all the basic information about the Company is made available in the company’s Website www.gitarenewable.com at all times at no cost for the benefit of all stakeholders concerned

8. GENERAL SHAREHOLDER INFORMATION

9 th Annual General Meeting	Date	30 th September 2019
	Time	2.00 P.M.
	Venue	OPG Nagar, Periya Obulapuram Village, Nagaraja Kandigai, Madaharapakkam Road,Gummidipoondi - 601201
Financial Year	2019-20	

Financial Calendar	Financial Reporting for the quarter ending 30th Jun 2019- Latest by 15th Aug 2019 30th Sep 2019 –Latest by 15th Nov 2019 31st Dec 2019– Latest by 15th Feb 2020 31st Mar 2020 –Latest by 30th May 2020
Dates of Book closure	From 23rd September 2019 to 30th September 2019 (both days inclusive)
Dividend Payment	Nil
Listing on Stock Exchanges	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001
Depository Participant	National Securities Depository Limited Central Depository Services Limited
Stock Code –Equity Share ISIN Code Scrip Code Security ID	INE 777001016 539011 CHENFERRO
Listing on Stock Exchange (overseas)	Nil
Plant Location Rolling & Furnace Mills	OPG Nagar, Periya Obulapuram Village, Nagaraja Kandigai, Madaharapakkam Road, Gummidipoondi – 601201.

9. Stock market price data

High/Low of monthly Market Price of the Company's Equity Shares traded on the Bombay Stock Exchange; Mumbai during the financial year 2018-19 is furnished below:

Months	Open Price (Rs)	High Price (Rs)	Low Price (Rs)	Close Price	No. of Shares
April 2018	8.15	8.28	7.87	8.28	24502
May 2018	8.69	15.83	8.69	13.77	10546
June 2018	13.5	13.5	12.47	12.47	409
July 2018	12.23	12.23	11.76	11.76	3736
August 2018	11.53	11.53	7.59	7.59	1640
September 2018	7.59	7.59	5.6	5.6	1822
October 2018	5.33	5.8	5.33	5.8	1886
November 2018	6.09	6.09	6	6.09	400
December 2018	6	6	6	6	22
January 2019	6.1	6.1	6.1	6.1	300
February 2019	6.1	6.1	6.1	6.1	12
March 2019	6	6	5.7	5.7	507

10 Share transfer system

The Company has engaged M/s. Cameo Corporate Services Limited, Chennai to carry out the transfer related activities. Authorized signatories are approving the transfer on periodical basis. All valid transfers are affected within stipulated days.

Share certificates received at Registered Office are also sent to Registrars and Share Transfer Agents for doing the needful. In case of electronic transfers, the bye laws of Depositories are complied with.

No. of shares received for transfer /Transmission/Transposition up to 31st March 2019 is 47,607 and shares pending for transfer as on 31st March 2019 is NIL.

Registrar and Transfer Agents	Cameo Corporate Services Limited Subramanian Building No.1, Club House Road Ph: 044-28460390 (6 lines) E-Mail: cameo@cameoindia.com
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11. Distribution of Shareholders

Share or Debenture holding	Share or Debenture holders		Share or Debenture amount	
Rs.	Number	% of total	Rs.	% of total
10 - 5000	4980	97.4750	1594170	4.4227
5001 - 10000	48	0.9395	340440	0.9444
10001 - 20000	20	0.3914	249770	0.6929
20001 - 30000	7	0.1370	164160	0.4554
30001 - 40000	4	0.0782	131810	0.3656
40001 - 50000	7	0.1370	318810	0.8844
50001 - 100000	9	0.1761	656400	1.8210
100001 - And Above	34	0.6654	32589530	90.4132
Total :	5109	100	36045090	100

12. Categories of shareholders as on 31st March 2019

Sl. No.	Category	No. of shares held	Percentage of holding
A.	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP		
1.	INDIAN		
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY	1025228	28.4429
b.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0.0000

Sl. No.	Category	No. of shares held	Percentage of holding
c.	BODIES CORPORATE	1029792	28.5695
d.	FINANCIAL INSTITUTIONS/ BANKS	0	0.0000
e.	ANY OTHER		
	SUB - TOTAL (A)(1)	2055020	57.0124
2.	FOREIGN		
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/FOREIGN INDIVIDUALS)	0	0.0000
b.	BODIES CORPORATE	250000	6.9357
c.	INSTITUTIONS	0	0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0.0000
e.	ANY OTHER		
	DIRECTORS/RELATIVE NRI	250000	6.9357
		250000	6.9357
	SUB - TOTAL (A)(2)	500000	13.8715
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	2555020	70.8839
B.	PUBLIC SHAREHOLDING		
1.	INSTITUTIONS		
a.	MUTUAL FUNDS/UTI	0	0.0000
b.	FINANCIAL INSTITUTIONS/BANKS	0	0.0000
c.	CENTRAL GOVERNMENT/STATE GOVERNMENT(S)	0	0.0000
e.	INSURANCE COMPANIES	0	0.0000
f.	FOREIGN INSTITUTIONAL INVESTORS	0	0.0000
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0.0000
h.	QUALIFIED FOREIGN INVESTOR	0	0.0000
i.	ANY OTHER		
	SUB - TOTAL (B)(1)	0	0.0000
2.	NON-INSTITUTIONS		
a.	BODIES CORPORATE	632241	17.5402
b.	INDIVIDUALS -		

Sl. No.	Category	No. of shares held	Percentage of holding
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	222541	6.1739
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	119784	3.3231
c.	QUALIFIED FOREIGN INVESTOR	0	0.0000
d.	ANY OTHER		
	CLEARING MEMBERS	896	0.0248
	HINDU UNDIVIDED FAMILIES	56703	1.5731
	NON RESIDENT INDIANS	15264	0.4234
	OTHERS	2060	0.0571
		74923	2.0785
	SUB - TOTAL (B)(2)	1049489	29.1160
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	1049489	29.1160
	TOTAL (A)+(B)	3604509	100.0000
C.	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED		
	Promoter and Promoter Group	0	0.0000
	Public	0	0.0000
	TOTAL CUSTODIAN (C)	0	0.0000
	GRAND TOTAL (A)+(B)+(C)	3604509	100.0000

Mode of Holding	No. of Holders	Percentage of No. of Holders	No. of shares	Percentage of No. of shares
Physical	2823	55.27	321823	8.93
NDSL	1571	30.74	2402826	66.66
CDSL	715	13.99	879860	24.41

13. Demat of Shares:

The physical form of trading is also available to the shareholders. Electronic Holding by Members comprises of 44.73 % as on 31st March 2019 of the paid up share capital of the company held through National Securities Depository Limited and Central Depository Services Limited. The company appointed Cameo Corporate Services Limited as Registrar & Transfer Agent and

entered into an agreement for availing depository services.

Request to Shareholders

The Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014 requires the company to keep the Register of Members in Form No.MGT-1. As compared to the existing Register of Members under the old Act, the new Law calls for certain additional information to be recorded. In order that the company is facilitated to comply with same, shareholders are requested to send the following information for updating their records in our Register of Members: Name of the member, Folio/ DP ID – Client ID, Email address, Permanent Account Number (PAN), CIN (in the case of company), unique Identification Number, Father's/ Mother's/ Spouse's name, Occupation, Status, Nationality, In case of minor, name of guardian and date of birth of minor, Instructions, if any for sending Notice etc.

Investor query/address for correspondence:

The Compliance officer

Chennai Ferrous Industries Limited,

Survey No. 180& 181 OPG Nagar, Periya Obulapuram Village, Nagaraja Kandigai, Madharapakkam Road,

Gummidipoondi – 601201

Ph: 044 27991450 Fax: 044 27991450

E-mail: investor@gitarenewable.com

Shareholders holding shares in electronic mode should address all their correspondence to:

M/s. Cameo Corporate Services Limited

Subramanian Building No.1, Club House Road Chennai- 600 002 Ph: 044-28460390 (6 lines)

E-Mail: cameo@cameoindia.com

E-mail: investor@chennaiferrous.com

Shareholders holding shares in electronic mode should address all their correspondence to:

M/s. Cameo Corporate Services Limited

Subramanian Building No.1, Club House Road Chennai- 600 002

Ph: 044-28460390 (6 lines)

E-Mail: cameo@cameoindia.com

**For and behalf of Board of Directors of
Chennai Ferrous Industries Limited,**

R.Natarajan

Chairman and Managing Director

DIN: 00595027

Date : 5th September 2019

Place : Chennai

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the members of CHENNAI FERROUS INDUSTRIES LIMITED

1. We have examined the compliance of conditions of corporate governance by Chennai Ferrous Industries Limited for the year ended 31st March 2019 as stipulated in Regulation 17 to 27 and 34(3) read with Schedule - V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of conditions of corporate governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Corporate Governance Certificate issued by the Institute of Company Secretaries of India and was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations to the extent applicable to it.
4. 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.

Place: Chennai

Date: 5th September 2019

For S.K Gulecha & Associates

Chartered Accountants

FRN: 013340S

SANDEEP KUMAR GULECHA

Proprietor

(Membership Number: 226263)

ANNEXURE - IV

Statement pursuant to Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:
 - Not applicable since no remuneration was paid.
2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:
 - No increase in remuneration during the year.
3. The percentage increase in the median remuneration of employees in the financial year:
 - No increase in remuneration during the year:
4. The number of permanent employees on the rolls of company:
 - 3 (which includes 1 Director)
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
 - No change in , parameters for any variable component of remuneration availed by the directors
6. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration
 - Not Applicable
7. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company:
 - No increase in remuneration of Key Managerial Personnel.
8. The key remuneration in excess of the highest paid director during the year:
 - NIL
9. Affirmation that the remuneration is as per the remuneration policy of the company:
 - Remuneration is as per the remuneration policy of the company.

**For and behalf of Board of Directors of
Chennai Ferrous Industries Limited,**

Date : 5th September 2019
Place : Chennai

**R.Natarajan
Chairman and Managing Director
DIN: 00595027**

ANNEXURE - V**Form No. AOC-2****[Pursuant to section 134(3)(h) of the Companies Act 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]**

Form for disclosure of particulars of contracts / arrangements entered into by the Com- pany with related parties referred to in section 188 (1) of the Companies Act, 2013 includ- ing certain arm`s length transactions under third proviso thereto:

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

Chennai Ferrous Industries Limitedhas not entered into any contract/ arrangement or transaction with its related parties which is not at arm`s length during the financial year 2018-19.

2. Details of material contracts or arrangements or transactions at arm`s length basis:

a	Name(s) of the related party and nature of relationship	Nil
b	Nature of contracts/arrangements/transactions	
c	Duration of the contracts / arrangements/transactions	
d	Salient terms of the contracts or arrangements or transactions including the value, if any	
e	date(s) of approval by the Board, if any:	
f	Amount paid as advances, if any:	

**For and behalf of Board of Directors of
Chennai Ferrous Industries Limited,**

Date : 5th September 2019

Place : Chennai

**R.Natarajan
Chairman and Managing Director
DIN: 00595027**

ANNEXURE - VI**INFORMATION UNDER SECTION 134 (3) (M) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014.****A. CONSERVATION OF ENERGY**

- i. The steps taken or impact on conservation of energy
 - ♦ Regularly monitoring & analyzing energy consumption
- ii. The steps taken by the company for utilizing alternate sources of energy-NIL
- iii. The capital investment on energy conservation equipments– NIL

B. TECHNOLOGY ABSORPTION

- i. the efforts made towards technology absorption in financial year 2018-19 : NIL
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution in financial year 2018-19 : NIL
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a. the details of technology imported	NIL
b. the year of import	Not Applicable
c. whether the technology been fully absorbed	Not Applicable
d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof and	NIL

- iv. the expenditure incurred on Research and Development in financial year 2018-19 : NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows in financial year 2018-19: NIL

**For and behalf of Board of Directors of
Chennai Ferrous Industries Limited,**

Date : 5th September 2019
Place : Chennai

**R.Natarajan
Chairman and Managing Director
DIN: 00595027**

ANNEXURE-VII**Form No.MGT-9****EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31st March, 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN:L27310TN2010PLC075626
- ii) Registration Date : **May 07, 2010**
- iii) Name of the Company: **CHENNAI FERROUS INDUSTRIES LIMITED**
- iv) Category / Sub-Category of the Company: Company Limited by Shares /
Non -Government Company
- v) Address of the registered office and contact details:
**OPG Nagar Periya Obulapuram Village, Nagaraja Kandigai,
Madharapakkam Road, Gummidipoondi – 601 201
E-Mail : Investor@chennaiferrous.com**
- vi) Whether listed company : Yes - Bombay Stock Exchange (BSE)
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:
**Cameo Corporate Services Ltd
No.1, Subramanian Building
Club House Road, Chennai – 60002**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl.No	Name and Description of main Products/Services	NIC Code of the Product / Service	% total turnover of the company
1	Manufacture of Sponge Iron	27120	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – NA

Sl. No	Name and address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
	-	-	-	-	-

IV.SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP									
1.	INDIAN									
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY	968028	57200	1025228	28.4429	1025228	0	1025228	28.4429	0.0000
b.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	BODIES CORPORATE	1029792	0	1029792	28.5695	1029792	0	1029792	28.5695	0.0000
d.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	SUB - TOTAL (A)(1)	1997820	57200	2055020	57.0124	2055020	0	2055020	57.0124	0.0000
2.	FOREIGN									
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	BODIES CORPORATE	0	250000	250000	6.9357	0	250000	250000	6.9357	0.0000
c.	INSTITUTIONS	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	DIRECTORS/RELATIVE NRI	250000	0	250000	6.9357	250000	0	250000	6.9357	0.0000
		250000	0	250000	6.9357	250000	0	250000	6.9357	0.0000
	SUB - TOTAL (A)(2)	250000	250000	500000	13.8715	250000	250000	500000	13.8715	0.0000

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	2247820	307200	2555020	70.8839	2305020	250000	2555020	70.8839	0.0000
B.	PUBLIC SHAREHOLDING									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	INSURANCE COMPANIES	0	0	0	0.0000	0	0	0	0.0000	0.0000
f.	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
i.	ANY OTHER									
	SUB - TOTAL (B)(1)	0	0	0	0.0000	0	0	0	0.0000	0.0000
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	631377	864	632241	17.5402	631698	790	632488	17.5471	0.0068
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	161306	61235	222541	6.1739	164444	59824	224268	6.2218	0.0479
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	119784	0	119784	3.3231	119784	0	119784	3.3231	0.0000

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	ANY OTHER									
	CLEARING MEMBERS	896	0	896	0.0248	0	0	0	0.0000	-0.0248
	HINDU UNDIVIDED FAMILIES	56691	12	56703	1.5731	55937	12	55949	1.5521	-0.0209
	NON RESIDENT INDIANS	6040	9224	15264	0.4234	5803	9137	14940	0.4144	-0.0089
	OTHERS	0	2060	2060	0.0571	0	2060	2060	0.0571	0.0000
		63627	11296	74923	2.0785	61740	11209	72949	2.0238	-0.0547
	SUB - TOTAL (B)(2)	976094	73395	1049489	29.1160	977666	71823	1049489	29.1160	0.0000
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	976094	73395	1049489	29.1160	977666	71823	1049489	29.1160	0.0000
	TOTAL (A)+(B)	3223914	380595	3604509	100.0000	3282686	321823	3604509	100.0000	0.0000
C.	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED									
	Promoter and Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
	TOTAL CUSTODIAN (C)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	GRAND TOTAL (A)+(B)+(C)	3223914	380595	3604509	100.0000	3282686	321823	3604509	100.0000	0.0000

(ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year	Pledged Shares at beginning of the Year	Pledged Shares at end of the Year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares			
1	AVANTIKA GUPTA .	318260	8.8294	0.0000	325391	9.0273	0.0000	0.1978	0	0
1	AVANTIKA GUPTA MS	2701	0.0749	0.0000	2701	0.0749	0.0000	0.0000	0	0
2	TAMILNADU PROPERTY DEVELOPERS LTD	300000	8.3229	0.0000	300000	8.3229	0.0000	0.0000	0	0
3	TAMILNADU ENTERPRISES AND INVESTMENT PRIVATE LTD	251937	6.9894	0.0000	251937	6.9894	0.0000	0.0000	0	0
4	RADIANT SOLUTIONS PRIVATE LTD	250000	6.9357	0.0000	250000	6.9357	0.0000	0.0000	0	0
5	AMEENA BEGUM S .	250000	6.9357	0.0000	250000	6.9357	0.0000	0.0000	0	0
6	DHANVARSHA ENTERPRISES AND INVESTMENTS PVT. LIMITED	157475	4.3688	0.0000	157475	4.3688	0.0000	0.0000	0	0
7	GOODFAITH VINIMAY PRIVATE LIMITED	125155	3.4721	0.0000	125155	3.4721	0.0000	0.0000	0	0
8	ARVIND GUPTA	122377	3.3951	0.0000	122377	3.3951	0.0000	0.0000	0	0
8	ARVIND GUPTA	10000	0.2774	0.0000	10000	0.2774	0.0000	0.0000	0	0
9	SUDHA GUPTA MRS	116230	3.2245	0.0000	116230	3.2245	0.0000	0.0000	0	0
9	SUDHA GUPTA .	52350	1.4523	0.0000	67350	1.8684	0.0000	0.4161	0	0
9	SUDHA GUPTA	5000	0.1387	0.0000	5000	0.1387	0.0000	0.0000	0	0

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year	Pledged Shares at beginning of the Year	Pledged Shares at end of the Year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares			
10	RENU DEVI JALAN	100000	2.7743	0.0000	100000	2.7743	0.0000	0.0000	0	0
11	SRI HARI VALLABHAA ENTERPRISES AND INVESTMENTS PVT. LIMITED	85907	2.3833	0.0000	85907	2.3833	0.0000	0.0000	0	0
12	ABHISHEK SARAFF	73712	2.0449	0.0000	73712	2.0449	0.0000	0.0000	0	0
13	ASSAM MERCANTILE COMPANY LIMITED	65643	1.8211	0.0000	65643	1.8211	0.0000	0.0000	0	0
14	VANDANA GUPTA MRS.	50344	1.3966	0.0000	0	0.0000	0.0000	-1.3966	0	0
14	VANDANA GUPTA .	5000	0.1387	0.0000	55344	1.5354	0.0000	1.3966	0	0
15	SATYA NARAIN GUPTA JT1 : RAMESH KUMAR JT2 : LAKSHMI DEVI	47200	1.3094	0.0000	0	0.0000	0.0000	-1.3094	0	0
16	INDIAN CORPORATE BUSINESS CENTRE LTD	43675	1.2116	0.0000	43675	1.2116	0.0000	0.0000	0	0
17	GITADEVI MRS	28725	0.7969	0.0000	28725	0.7969	0.0000	0.0000	0	0
18	ALOK GUPTA MR	14934	0.4143	0.0000	14934	0.4143	0.0000	0.0000	0	0
18	ALOK GUPTA .	5000	0.1387	0.0000	5000	0.1387	0.0000	0.0000	0	0
19	ROOP CHAND BETALA JT1 : RATNA BETALA	12500	0.3467	0.0000	12500	0.3467	0.0000	0.0000	0	0

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year	Pledged Shares at beginning of the Year	Pledged Shares at end of the Year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares			
20	RAVI GUPTA MR	10100	0.2802	0.0000	10100	0.2802	0.0000	0.0000	0	0
21	RAVI KUMAR GUPTA .	10008	0.2776	0.0000	10008	0.2776	0.0000	0.0000	0	0
22	RAJESH KUMAR GUPTA	10000	0.2774	0.0000	0	0.0000	0.0000	-0.2774	0	0
23	SAMRIDHI GUPTA MS	9340	0.2591	0.0000	9340	0.2591	0.0000	0.0000	0	0
24	ARVIND GUPTA.MR	7131	0.1978	0.0000	7131	0.1978	0.0000	0.0000	0	0
25	RAJESH KUMAR GUPTA	7131	0.1978	0.0000	0	0.0000	0.0000	-0.1978	0	0
26	KANISHK GUPTA .	5000	0.1387	0.0000	0	0.0000	0.0000	-0.1387	0	0
27	NIVEDITA GUPTA	1250	0.0346	0.0000	1250	0.0346	0.0000	0.0000	0	0
28	ARVIND KUMAR GUPTA	625	0.0173	0.0000	625	0.0173	0.0000	0.0000	0	0
29	NIVEDITA GUPTA	274	0.0076	0.0000	274	0.0076	0.0000	0.0000	0	0
30	SUBHASH CHANDRA SARAFF	36	0.0009	0.0000	36	0.0009	0.0000	0.0000	0	0
31	SATYA NARAIN GUPTA JT1 : LAXMI DEVI GUPTA JT2 : RAMESH KUMAR GUPTA	0	0.0000	0.0000	47200	1.3094	0.0000	1.3094	0	0

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

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	AVANTIKA GUPTA .				
	At the beginning of the year 01-Apr-2018	318260	8.8294	318260	8.8294
	At the end of the Year 30-Mar-2019	325391	9.0273	325391	9.0273
1	AVANTIKA GUPTA MS				
	At the beginning of the year 01-Apr-2018	2701	0.0749	2701	0.0749
	At the end of the Year 30-Mar-2019	2701	0.0749	2701	0.0749
2	TAMILNADU PROPERTY DEVELOPERS LTD				
	At the beginning of the year 01-Apr-2018	300000	8.3229	300000	8.3229
	At the end of the Year 30-Mar-2019	300000	8.3229	300000	8.3229
3	TAMILNADU ENTERPRISES AND INVESTMENT PRIVATE LTD				
	At the beginning of the year 01-Apr-2018	251937	6.9894	251937	6.9894
	At the end of the Year 30-Mar-2019	251937	6.9894	251937	6.9894
4	RADIANT SOLUTIONS PRIVATE LTD				
	At the beginning of the year 01-Apr-2018	250000	6.9357	250000	6.9357
	At the end of the Year 30-Mar-2019	250000	6.9357	250000	6.9357
5	AMEENA BEGUM S .				
	At the beginning of the year 01-Apr-2018	250000	6.9357	250000	6.9357
	At the end of the Year 30-Mar-2019	250000	6.9357	250000	6.9357
6	DHANVARSHA ENTERPRISES AND INVESTMENTS PVT. LIMITED				
	At the beginning of the year 01-Apr-2018	157475	4.3688	157475	4.3688
	At the end of the Year 30-Mar-2019	157475	4.3688	157475	4.3688

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
7	GOODFAITH VINIMAY PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2018	125155	3.4721	125155	3.4721
	At the end of the Year 30-Mar-2019	125155	3.4721	125155	3.4721
8	ARVIND GUPTA				
	At the beginning of the year 01-Apr-2018	122377	3.3951	122377	3.3951
	At the end of the Year 30-Mar-2019	122377	3.3951	122377	3.3951
8	ARVIND GUPTA				
	At the beginning of the year 01-Apr-2018	10000	0.2774	10000	0.2774
	At the end of the Year 30-Mar-2019	10000	0.2774	10000	0.2774
9	SUDHA GUPTA MRS				
	At the beginning of the year 01-Apr-2018	116230	3.2245	116230	3.2245
	At the end of the Year 30-Mar-2019	116230	3.2245	116230	3.2245
9	SUDHA GUPTA .				
	At the beginning of the year 01-Apr-2018	52350	1.4523	52350	1.4523
	At the end of the Year 30-Mar-2019	67350	1.8684	67350	1.8684
9	SUDHA GUPTA				
	At the beginning of the year 01-Apr-2018	5000	0.1387	5000	0.1387
	At the end of the Year 30-Mar-2019	5000	0.1387	5000	0.1387
10	RENU DEVI JALAN				
	At the beginning of the year 01-Apr-2018	100000	2.7743	100000	2.7743
	At the end of the Year 30-Mar-2019	100000	2.7743	100000	2.7743
11	SRI HARI VALLABHAA ENTERPRISES AND INVESTMENTS PVT. LIMITED				
	At the beginning of the year 01-Apr-2018	85907	2.3833	85907	2.3833
	At the end of the Year 30-Mar-2019	85907	2.3833	85907	2.3833

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
12	ABHISHEK SARAFF				
	At the beginning of the year 01-Apr-2018	73712	2.0449	73712	2.0449
	At the end of the Year 30-Mar-2019	73712	2.0449	73712	2.0449
13	ASSAM MERCANTILE COMPANY LIMITED				
	At the beginning of the year 01-Apr-2018	65643	1.8211	65643	1.8211
	At the end of the Year 30-Mar-2019	65643	1.8211	65643	1.8211
14	VANDANA GUPTA MRS.				
	At the beginning of the year 01-Apr-2018	50344	1.3966	50344	1.3966
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
14	VANDANA GUPTA .				
	At the beginning of the year 01-Apr-2018	5000	0.1387	5000	0.1387
	At the end of the Year 30-Mar-2019	55344	1.5354	55344	1.5354
15	SATYA NARAIN GUPTA JT1 : RAMESH KUMAR JT2 : LAKSHMI DEVI				
	At the beginning of the year 01-Apr-2018	47200	1.3094	47200	1.3094
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
16	INDIAN CORPORATE BUSINESS CENTRE LTD				
	At the beginning of the year 01-Apr-2018	43675	1.2116	43675	1.2116
	At the end of the Year 30-Mar-2019	43675	1.2116	43675	1.2116
17	GITADEVI MRS				
	At the beginning of the year 01-Apr-2018	28725	0.7969	28725	0.7969
	At the end of the Year 30-Mar-2019	28725	0.7969	28725	0.7969

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
18	ALOK GUPTA MR				
	At the beginning of the year 01-Apr-2018	14934	0.4143	14934	0.4143
	At the end of the Year 30-Mar-2019	14934	0.4143	14934	0.4143
18	ALOK GUPTA .				
	At the beginning of the year 01-Apr-2018	5000	0.1387	5000	0.1387
	At the end of the Year 30-Mar-2019	5000	0.1387	5000	0.1387
19	ROOP CHAND BETALA JT1 : RATNA BETALA				
	At the beginning of the year 01-Apr-2018	12500	0.3467	12500	0.3467
	At the end of the Year 30-Mar-2019	12500	0.3467	12500	0.3467
20	RAVI GUPTA MR				
	At the beginning of the year 01-Apr-2018	10100	0.2802	10100	0.2802
	At the end of the Year 30-Mar-2019	10100	0.2802	10100	0.2802
21	RAVI KUMAR GUPTA .				
	At the beginning of the year 01-Apr-2018	10008	0.2776	10008	0.2776
	At the end of the Year 30-Mar-2019	10008	0.2776	10008	0.2776
22	RAJESH KUMAR GUPTA				
	At the beginning of the year 01-Apr-2018	10000	0.2774	10000	0.2774
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
23	SAMRIDHI GUPTA MS				
	At the beginning of the year 01-Apr-2018	9340	0.2591	9340	0.2591
	At the end of the Year 30-Mar-2019	9340	0.2591	9340	0.2591
24	ARVIND GUPTA.MR				
	At the beginning of the year 01-Apr-2018	7131	0.1978	7131	0.1978
	At the end of the Year 30-Mar-2019	7131	0.1978	7131	0.1978

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
25	RAJESH KUMAR GUPTA				
	At the beginning of the year 01-Apr-2018	7131	0.1978	7131	0.1978
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
26	KANISHK GUPTA .				
	At the beginning of the year 01-Apr-2018	5000	0.1387	5000	0.1387
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
27	NIVEDITA GUPTA				
	At the beginning of the year 01-Apr-2018	1250	0.0346	1250	0.0346
	At the end of the Year 30-Mar-2019	1250	0.0346	1250	0.0346
28	ARVIND KUMAR GUPTA				
	At the beginning of the year 01-Apr-2018	625	0.0173	625	0.0173
	At the end of the Year 30-Mar-2019	625	0.0173	625	0.0173
29	NIVEDITA GUPTA				
	At the beginning of the year 01-Apr-2018	274	0.0076	274	0.0076
	At the end of the Year 30-Mar-2019	274	0.0076	274	0.0076
30	SUBHASH CHANDRA SARAFF				
	At the beginning of the year 01-Apr-2018	36	0.0009	36	0.0009
	At the end of the Year 30-Mar-2019	36	0.0009	36	0.0009
31	SATYA NARAIN GUPTA JT1 : LAXMI DEVI GUPTA JT2 : RAMESH KUMAR GUPTA				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	At the end of the Year 30-Mar-2019	47200	1.3094	47200	1.3094

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

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	CHENNAI MATERIAL RECYCLING AND TRADING COMPANY PRIVATE LTD				
	At the beginning of the year 01-Apr-2018	311198	8.6335	311198	8.6335
	At the end of the Year 30-Mar-2019	311198	8.6335	311198	8.6335
2	GLOBE STOCKS AND SECURITIES LTD.				
	At the beginning of the year 01-Apr-2018	163193	4.5274	163193	4.5274
	At the end of the Year 30-Mar-2019	75600	2.0973	75600	2.0973
3	PRJ FINANCE PVT.LTD.				
	At the beginning of the year 01-Apr-2018	60625	1.6819	60625	1.6819
	At the end of the Year 30-Mar-2019	60625	1.6819	60625	1.6819
4	VINOD KUMAR GARG				
	At the beginning of the year 01-Apr-2018	35525	0.9855	35525	0.9855
	At the end of the Year 30-Mar-2019	35525	0.9855	35525	0.9855
5	SANGITA GARG				
	At the beginning of the year 01-Apr-2018	33958	0.9420	33958	0.9420
	At the end of the Year 30-Mar-2019	33958	0.9420	33958	0.9420
6	KARIKISH VYAPAAR PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2018	31137	0.8638	31137	0.8638
	At the end of the Year 30-Mar-2019	31137	0.8638	31137	0.8638

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
7	VINOD KUMAR GARG				
	At the beginning of the year 01-Apr-2018	30453	0.8448	30453	0.8448
	At the end of the Year 30-Mar-2019	30453	0.8448	30453	0.8448
8	D M TRADING PVT LTD				
	At the beginning of the year 01-Apr-2018	28900	0.8017	28900	0.8017
	At the end of the Year 30-Mar-2019	28900	0.8017	28900	0.8017
9	SHAILESH OMPRAKASH JALAN				
	At the beginning of the year 01-Apr-2018	18801	0.5215	18801	0.5215
	At the end of the Year 30-Mar-2019	18801	0.5215	18801	0.5215
10	NIMESH MAHESHBHAI SHAH				
	At the beginning of the year 01-Apr-2018	17500	0.4855	17500	0.4855
	At the end of the Year 30-Mar-2019	17500	0.4855	17500	0.4855
	NEW TOP 10 AS ON (30-Mar-2019)				
11	ROTOFLEX PACKAGING (P) LTD				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	At the end of the Year 30-Mar-2019	87593	2.4300	87593	2.4300

(v) Shareholding of Directors and Key Managerial Personnel : NIL

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
-	-	-	-	-	-

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
· Addition	-	-	-	-
· Reduction	-	-	-	-
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross salary	6,00,000	6,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - Others, specify...	-	-
5.	Others, please specify		
	Total (A)	6,00,000	6,00,000
	Ceiling as per the Act		

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
	Independent Directors	-	-	-	-
	• Fee for attending board / committee meetings	-	-	-	-
	• Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
	Other Non-Executive Directors	-	-	-	-
	• Fee for attending board / committee meetings				
	• Commission				
	• Others, please specify				
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act				

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	*20,967	4,44,000	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit				
	- others, specify...				
5.	Others, please specify	-	-	-	-
	Total	-	*20,967	4,44,000	-

*Part of the Year w.e.f 05.03.2019

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	--	-	-

**For and behalf of Board of Directors of
Chennai Ferrous Industries Limited,**

Date : 5th September 2019
Place : Chennai

**R.Natarajan
Chairman and Managing Director
DIN: 00595027**

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March 2019

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

To,

The Members,

M/s. CHENNAI FERROUS INDUSTRIES LIMITED,

Gummidipoondi

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Chennai Ferrous Industries Limited, (hereinafter called the Company). Secretarial Audit was conducted based on records made available to us, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion/understanding thereon.

1. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we, on strength of those records, and information so provided, hereby report that in our opinion and understandings, the Company, during the audit period covering the financial year ended on 31st March 2019, appears to have complied with the statutory provisions listed hereunder and also in our limited review, the Company has proper and required Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes' book, forms and returns filed and other records maintained by the Company and made available to us, for the financial year ended on 31st March 2019 according to the applicable provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bylaws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI ACT'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- Not applicable as the Company has not granted any Options to its employees during the financial year under review;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- Not applicable as the Company has not issued any debt securities during the financial year under review;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- Not applicable as the Company has not delisted/ propose to delist its shares from any stock exchange during the financial year under review;
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable as the Company has not bought back/ propose to buyback any of its securities during the financial year under review.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2);
- i) The Listing Agreement entered by the Company with BSE Limited in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

During the period under review, we report that

the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. A whole-time Company Secretary was appointed on 05.03.2019 and be acting as Compliance Officer. Submission of ROC/RBI forms, returns and other reporting were made within/beyond time period. Confirmation from Bombay Stock Exchange for the reclassification of certain shareholders from Promoter Group category to Public category is pending.

We further report that, adequate notice, agenda and detailed note are given to all directors to schedule the board meetings in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions were carried unanimously, and the directors' views have been captured and recorded as part of the minutes.

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

We further report that, during the audit period, the Company has obtained its members' approval for the following business events other than ordinary business at the 8th AGM held on 28.09.2018:

Leasing of property (Special Resolution); Reclassification of certain Shareholders from Promoter Group category to Public category (Special Resolution); and Appointment of Mr. Chandikeshwar Sharma as an Independent Director (Ordinary Resolution).

We further report that, our Audit was subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliance by the Company and we are not responsible for any lapses in those compliances on the part of the Company.

**For M K MADHAVAN & ASSOCIATES,
Company Secretaries,**

**M K MADHAVAN
Proprietor,
Membership No.:F8408
C.P.No.: 16796**

Date: 14th May 2019

Place: Chennai

[This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.]

ANNEXURE-A

To,
The Members,
M/s. CHENNAI FERROUS INDUSTRIES LIMITED,

Sub.: Secretarial Audit of Chennai Ferrous Industries Limited for the financial year ended 31st March 2019.

This letter forms integral part of our secretarial audit report dated 14th May 2019.

1. Management's Responsibility:

It is the responsibility to maintain secretarial record by the Company and devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the system are adequate and operate effectively.

2. Auditor's Responsibility:

- a. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
- b. The Compliance of the provisions of corporate and other applicable laws, rules and regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- c. We believe that audit evidence and information obtained from the Company's management is reasonably adequate and appropriate to provide a reasonable basis for our opinion.
- d. We have not verified the correctness and appropriateness of financial records and books of accounts and other such information/records of the Company, which were outside our agreed scope.
- e. We have obtained necessary Management representations about the compliance of laws, rules and regulations and other relevant corporate actions, etc.,

3. Disclaimer:

The Secretarial Audit is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 14.05.2019
Place: Chennai

**For M K MADHAVAN & ASSOCIATES,
Company Secretaries,**

**M K MADHAVAN
Proprietor,
Membership No.:F8408
C.P.No.: 16796**

Independent Auditors' Report

To the Members of CHENNAI FERROUS INDUSTRIES LIMITED

Report on the audit of the Ind As financial statements

Opinion

We have audited the accompanying Ind As financial statements of Chennai Ferrous Industries Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the Statement of Profit and Loss including statement of other comprehensive income, statement of cash flows and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind As financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit (or Loss)* including other Comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind As financial statements of the current period. These matters were addressed in the context of our audit of the Ind As financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the Ind As financial statements and our auditor's report thereon.

Our opinion on the Ind As financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind As financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these Ind As financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards (Ind-As) specified under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind As financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind As financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Ind As financial statements

Our objectives are to obtain reasonable assurance about whether the Ind As financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind As financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind As financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind As financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind As financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind As financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence,

and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss including the statement of comprehensive income, the cash flow statement and statement of changes in equity dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian accounting standards (Ind-As) specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid/provided by the company to its directors in accordance with the provisions of section 197 read with schedule V to the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- a The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note ___ to the financial statements;
 - b The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - c There were no accounts which were required to be transferred, to the Investor Education and Protection Fund by the Company

Place: Chennai

Date: May 28, 2019

For S.K GULECHA & ASSOCIATES

Chartered Accountants

FRN: 013340S

SANDEEP KUMAR GULECHA

Proprietor

Membership No. 226263

Annexure “A” to the Independent Auditor’s Report*

(Referred to in paragraph 1 under ‘Report on other legal and regulatory requirements’ section of our report to the members of Chennai Ferrous Industries Limited of even date)

1.	In respect of the Company’s fixed assets:	
	(a)	The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
	(b)	The Company has a program of verification to cover all the items of fixed assets in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification has been carried on by the management during the year. Accordingly, we were unable to comment on whether any material discrepancies were noticed on such verification and whether they are properly dealt with in the financial statements.
	(c)	According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
2.	The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.	
3.	According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.	
4.	In our opinion and according to information and explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of sections 185 and section 186 of the Companies Act, 2013 except applicability of interest on the loans and advances given. The company has not charged any interest on the advances given under the proviso of Section 186.	
5.	In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.	
6.	We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the same.	
7.	In respect of statutory dues:	

	(a)	<p>According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.</p> <p>According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable</p>				
	(b)	<p>According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute, except as per details below:</p>				
		Statute	Nature of dues	Amount (Rs.in lakhs)	Period to which the amount relates	Forum where the dispute is pending
		NIL				
8	In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institutions or banks or any government. or any debenture holders during the year. The Company does not have any dues to debenture holders during the year.					
9.	The term loans taken during the year have been applied for the purposes for which those are raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).					
10.	To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.					
11.	According to the information and explanations given by the management, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013					
12.	The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.					

13.	According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14	According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.
15	According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
16	According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Chennai

Date: May 28, 2019

For S.K GULECHA & ASSOCIATES

Chartered Accountants

FRN: 013340S

SANDEEP KUMAR GULECHA

Proprietor

Membership No. 226263

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of Chennai Ferrous Industries Limited of even date)

Report on the internal financial controls over financial reporting under clause (i) of sub - section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Chennai Ferrous Industries Limited (“the Company”) as at March 31, 2019, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s responsibility for internal financial controls

The board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial control system over financial reporting.

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

Place: Chennai

Date: May 28, 2019

For S.K GULECHA & ASSOCIATES

Chartered Accountants

FRN: 013340S

SANDEEP KUMAR GULECHA

Proprietor

Membership No. 226263

CHENNAI FERROUS INDUSTRIES LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note No.	As at 31 March, 2019	As at 31 March, 2018
(1) ASSETS			
Non-current assets			
Property, Plant and Equipment	5	104,278,452	116,651,830
Capital work-in-progress		-	-
Investment Property		-	-
Other Intangible assets		-	-
Financial Assets			
(i) Investments	6	239,080,306	46,892,470
(ii) Trade receivables		-	-
(iii) Loans	7	10,127,570	72,186,656
(iv) Others (to be specified)		-	-
Deferred tax assets (net)		-	-
Other non-current assets		-	-
		353,486,328	235,730,956
(2) Current assets			
Inventories	8	15,189,598	25,819,636
Financial Assets			
(i) Investments			-
(ii) Trade receivables	9	55,820,148	163,489,818
(iii) Cash and cash equivalents	10	24,220,852	6,692,710
(iv) Loans	11	4,360,266	28,240,248
(v) Others (to be specified)		-	-
Current Tax Assets (Net)		-	-
Other current assets	12	3,491,577	7,468,976
		103,082,441	231,711,388
Total Assets		456,568,769	467,442,344
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	3A	36,045,090	36,045,090
Other Equity			
Retained Earnings	3B	(311,745,405)	(217,939,513)
FVTOCI Reserve			-
		(275,700,315)	(181,894,423)

Particulars	Note No.	As at 31 March, 2019	As at 31 March, 2018
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
(i) Borrowings		320,550,000	39,300,000
(ii) Trade payables		-	-
(iii) Other financial liabilities (to be specified)		-	-
Provisions		-	171,522
Deferred tax liabilities (Net)		25,749,633	25,749,633
Other non-current liabilities		-	-
		346,299,633	65,221,155
Current liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade payables		325,579,022	583,784,219
(iii) Other financial liabilities		50,772,137	-
Other current liabilities	4	9,618,292	331,394
Provisions		-	-
Current Tax Liabilities (Net)		-	-
		385,969,451	584,115,612
Total Equity and Liabilities		456,568,769	467,442,344

Significant Accounting Policies 2
Additional Information to financial statements 20

Accompanying notes are an integral part of the Financial Statements

As Per our report of Even Dated
For S.K. Gulecha & Associates
Chartered Accountants
Firm Registration.No.013340S

For Chennai Ferrous Industries Limited

R Natarajan
Director
DIN: 00595027

Deepa
Director
DIN: 07140954

Sandeep Kumar Gulecha
Proprietor (Membership.No: 226263)
Place: Chennai
Date: 28.05.2019

Ved Prakash
Company Secretary

K.Karthikeyan
Chief Financial Officer

CHENNAI FERROUS INDUSTRIES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2019

Particulars		Note No.	For the year ended 31 March, 2019	For the year ended 31 March, 2018
1	Revenue from operations (gross)	13	68,778,833	143,711,777
	Less: Excise duty		-	12,701,388
	Revenue from operations (net)		68,778,833	131,010,389
2	Other income	14	4,099,536	946,760
3	Total revenue		72,878,369	131,957,149
4	Expenses			
	(a) Cost of materials consumed	15	7,918,689	126,731,623
	(b) Purchases of stock-in-trade		-	-
	(c) Changes in inventories of F.G, W.I.P and stock-in-trade	16	-	8,600,550
	(d) Employee benefits expense	17	1,850,141	1,452,315
	(e) Finance costs	18	13,297,135	229,381
	(f) Depreciation and amortisation expense	5	12,373,381	12,525,972
	(g) Other expenses	19	37,305,834	8,061,849
	Total expenses		72,745,180	157,601,689
5	Profit before exceptional and tax		133,189	(25,644,540)
6	Exceptional items		-	-
9	Profit / (Loss) before tax		133,189	(25,644,540)
10	Tax expense:			
	(a) Current tax expense		-	-
	(b) Deferred Tax		-	-
			-	-
	Profit (Loss) for the period from continuing operations		133,189	(25,644,540)
	Discontinuing Operations			
	Profit/(loss) from discontinued operations		-	-
	Tax expense of discontinued operations		-	-
	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
	Profit/(loss) for the period (IX+XII)		133,189	(25,644,540)
	Other Comprehensive Income			
	A Re measurement of defined benefit plans		-	-
	Income tax effect		-	-

Particulars	Note No.	For the year ended 31 March, 2019	For the year ended 31 March, 2018
		-	-
B Measurement of financial assets through OCI		(93,939,082)	-
Income tax effect		-	-
		(93,939,082)	-
Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(93,805,893)	(25,644,540)
Earnings per equity share (for continuing operation):			
(1) Basic		(26.02)	(7.11)
(2) Diluted		(26.02)	(7.11)
Earnings per equity share (for discontinued operation):			
(1) Basic		-	-
(2) Diluted		-	-
Earnings per equity share (for discontinued & continuing operations)			
(1) Basic		(26.02)	(7.11)
(2) Diluted		(26.02)	(7.11)

Significant Accounting Policies

2

Additional Information to financial statements

20

Accompanying notes are an integral part of the Financial Statements

As Per our report of Even Dated
For S.K. Gulecha & Associates
Chartered Accountants
Firm Registration.No.013340S

For Chennai Ferrous Industries Limited

R Natarajan
Director
DIN: 00595027

Deepa
Director
DIN: 07140954

Sandeep Kumar Gulecha
Proprietor (Membership.No: 226263)
Place: Chennai
Date: 28.05.2019

Ved Prakash
Company Secretary

K.Karthikeyan
Chief Financial Officer

CHENNAI FERROUS INDUSTRIES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

Particular	Year Ended 31 March, 2019 (Amount in Rs.)		Year Ended 31 March, 2018 (Amount in Rs.)	
A.CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit before Tax And Extradinary Items		133,189		(25,644,540)
Add:				
Depreciation	12,373,381		12,525,972	
Interest Expenses	13,297,135	25,670,516	229,381	12,755,353
Operating Profit before Working Capital Changes		25,803,705		(12,889,188)
Adjustments for movement in Working Capital:				
- (Increase)/Decrease in Inventories	10,630,038		114,801,419	
- (Increase)/Decrease in Trade Receivable	107,669,670		(13,282,641)	
Short Term Loans & Advances (Asset)	23,879,982		(854,315)	
Other Current Assets	3,977,399		13,434,070	
Other Financial Liabilities	50,772,137			
Trade Payables	(258,205,196)		4,076,950	
Other Current Liabilities	9,286,898		(792,281)	
		(51,989,072)		117,383,202
		(26,185,367)		104,494,014
Less: Direct Taxes Paid		-		-
Net Cash Flow Operating activities (A)		(26,185,367)		104,494,014
B.CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets			-	
Purchase of Shares	(286,126,918)		(45,643,070)	
Long Term loans & advance (Assets)	62,059,086		24,189	
Net Cash Flow Investing activities (B)		(224,067,832)		(45,618,881)

Particular	Year Ended 31 March, 2019 (Amount in Rs.)		Year Ended 31 March, 2018 (Amount in Rs.)	
C.CASH FLOW FROM FINANCING ACTIVITIES:				
Interest Paid	(13,297,135)		(229,381)	
Movement in Long Term Liabil. (Customer Advances)	281,250,000		(53,996,839)	
Long Term Provisions	(171,522)		22,503	
Net Cash Flow From Financing activities (C)		267,781,343		(54,203,717)
Net Increase in cash Equivalents (A)+(B)+(C)		17,528,142		4,671,417
Cash & Cash Equivalents (Opening Balance)	6,692,710		2,021,293	
Cash & Cash Equivalents (Closing Balance)	24,220,852		6,692,710	
Net Increase/ (Decrease) in Cash & Cash Equivalents		17,528,142		4,671,417

As Per our report of Even Dated
For S.K. Gulecha & Associates
Chartered Accountants
Firm Registration.No.013340S

For Chennai Ferrous Industries Limited

R Natarajan
Director
DIN: 00595027

Deepa
Director
DIN: 07140954

Sandeep Kumar Gulecha
Proprietor (Membership.No: 226263)
Place: Chennai
Date: 28.05.2019

Ved Prakash
Company Secretary

K.Karthikeyan
Chief Financial Officer

NOTES TO ACCOUNTS AS ON MARCH 31, 2019**Note 1:**

Notes attached to and forming part of the Balance Sheet as at 31-03-2019 and the Profit and Loss account for the period ended on that date:

1. Corporate Information:

Chennai Ferrous Industries Limited (the company) incorporated under the Companies Act, 1956, in the year 2010, is manufacturer of Sponge Iron and allied products. The company's shares are listed on the Bombay Stock Exchange Limited and the shares are traded regularly.

2. Significant Accounting Policies:**2.1 Basis of preparation**

The financial statements of the company have been prepared in accordance with Indian accounting standards (Ind AS) as notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

2.2 Use of Estimates

The preparation of the financial statements in conformity with IND AS requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. The Company believes that the estimates used in the preparation of the financial statements as prudent and reasonable. Accounting estimates could change from period to period. Actual results could differ from those estimates.

2.3 Revenue Recognition:

- i) Revenue is recognized to the extent that is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
- ii) Sale of products is recognized when the significant risk and reward of ownership of the goods have been passed to the buyer. Revenue is measured at fair value of the consideration received or receivable, after deduction of any taxes or duties collected on behalf of the government which are levied on sales such as VAT, GST, etc.
- iii) Dividend income, if any, is recognized when the company's right to receive dividend is established by the reporting date.
- iv) Interest income from financial assets is recognized at the effective interest rate applicable on initial recognition.
- v) Scrap sales is recognized at the fair value of consideration received or receivable upon transfer of significant risk and rewards. It comprises of invoice value of goods and after deducting applicable taxes on sale.

2.4 Depreciation:

Depreciation on Tangible assets is provided on the straight line method over the useful lives of assets as per the rates specified under Schedule II of the Companies Act, 2013 on pro-rata basis.

2.5 Property, Plant and Equipment (PPE) :

- i) Property, Plant and Equipment are stated at cost of acquisition net of accumulated depreciation/amortization and impairment losses if any, except free hold land which is carried at cost less impairment losses if any. The cost comprises purchase prices, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.
- ii) The Company identifies the significant parts of plant and equipment separately which are required to be replaced at intervals. Such parts are depreciated separately based on their specific useful lives. The cost of replacement of significant parts are capitalized and the carrying amount of replaced parts are de-recognized. When each major inception/ overhauling is performed, its cost is recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection/ overhauling (as distinct from physical parts) is de- recognized.
- iii) Other expenses on fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts that does not meet the capitalization criteria in accordance with IND AS 16 are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.
- iv) PPEs are eliminated from the financial statements on disposal or when no further benefit is expected from its use or disposal. Gains or losses arising from disposal of plant, property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of such assets are recognized in the statement of profit and loss.

2.6 Impairment of Non – Financial Assets:

- i) The carrying values of non-financial assets are reviewed for impairment at each Balance Sheet date, if there is any indication of impairment based on internal and external factors.
- ii) Non-financial assets are treated as impaired when the carrying amount of such asset exceeds its recoverable value. After recognition of impairment loss, the depreciation /amortization for the said assets is provided for remaining useful life based on the revised carrying amount, less its residual value if any, on straight line basis.
- iii) An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.
- iv) An impairment loss is reversed when there is an indication that the impairment loss may no longer exist or may have decreased.

2.7 Foreign Exchange Transactions:

Foreign Currency Transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the reporting date exchange rates are recognized in the statement of Profit and Loss. Non- monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rates at the time of transaction.

During the year, the company has not entered into any foreign exchange contract under review.

2.8 Borrowing Cost:

All borrowing costs are charged to revenue except to the extent they are attributable to qualifying assets, which are capitalized. During the year under review, there was no borrowing attributable to qualifying assets and hence no borrowing cost was capitalized.

2.9 Segment Accounting:

The company is principally engaged in a single business segment viz., Manufacture of Sponge Iron.

2.10 Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve Months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has evaluated and considered its operating cycle as 12 months.

Deferred tax assets/ liabilities are classified as non-current assets/ liabilities.

2.11 Inventories:

- i) Inventories are valued at cost or net realizable value whichever is lower. Cost includes the cost incurred in bringing the inventories to their present location and condition.
- ii) Raw materials, stores and spares are valued at cost or net realizable value whichever is lower. Cost includes the cost incurred in bringing the inventories to their present location and condition. For cost calculation of Raw materials as it is not ordinarily interchangeable specific identification method is used. For cost calculation of stores and spares weighted average method is used.

- iii) For valuation of finished goods / stock-in-process, cost includes material, direct labour, overheads (other than abnormal amount of wasted materials, storage costs, selling and Administrative overheads) wherever applicable.

2.12 Taxes on Income:

- Provision for current tax is made in accordance with the Income Tax Act, 1961.
- In accordance with the IND AS 12, Deferred Tax Liability / Asset arising from timing differences between book and income tax profits is accounted for at the current rate of tax to the extent these differences are expected to crystallize in later years. However, Deferred Tax Assets are recognized only if there is a reasonable / virtual certainty of realization thereof.

5.12 Provisions and Contingencies:

Provisions involving a substantial degree of estimation in measurement are recognized 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 recognized but are disclosed in the accounts by way of a note. Contingent assets are neither recognized nor disclosed in the financial statements contingencies are recorded when it is probable that a liability will be incurred and the amounts can reasonably be estimated.

Differences between the actual results and estimates are recognized in the year in which the results are known materialized.

5.13 Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

5.13.1 Financial Asset

- i) Financial assets comprise of investments in Equity, Trade Receivables, Cash and Cash Equivalents and Other Financial Assets.
- ii) Depending on the business model (i.e) nature of transactions for managing those financial assets and its contractual cash flow characteristics, the financial assets are initially measured at fair value and subsequently measured and classified at:
 - a) Amortized cost; or
 - b) Fair value through Other Comprehensive Income (FVTOCI); or
 - c) Fair value through Profit or Loss (FVTPL)
 - d) Amortized cost represents carrying amount on initial recognition at fair value plus or minus transaction cost.

iii) The Company classifies its financial assets for measurement as below:-

Basis of Measurement	Financial Assets
Amortized Cost	Trade Receivables, Loan and advances given to employees and related parties, deposits and other advances recoverable in cash or kind.
FVTOCI	Investment in Equity instruments
FVTPL	Forward exchange contracts

- iv) The company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset or part thereof, the difference between the carrying amount measured at the date of recognition and the consideration received including any new asset obtained less any new liability assumed shall be recognized in the statement of profit and Loss.
- v) The company assesses at each balance sheet date whether the financial asset or group of financial assets is impaired. IND AS 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

5.13.2 Financial Liability

- i) Financial liabilities comprise of Borrowings from Banks, Trade payables, Derivative financial instruments, financial guarantee obligation and other financial liabilities.
- ii) The Company measures its financial liabilities as below:

Basis of measurement	Financial Liability
Amortised Cost	Borrowings, trade payables, interest accrued, unclaimed / disputed dividends, security deposits and other financial liabilities not for trading.
FVTPL	Foreign exchange forward contracts being derivative contracts do not qualify for hedge accounting under IND AS 109.

- iii) Financial liabilities are derecognised when and only when it is extinguished (i.e) when the obligation specified in the contract is discharged or cancelled or expired.
- iv) Upon de-recognition of its financial liabilities or part thereof, the difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid including any non-cash assets transferred or liabilities assumed is recognized in the Statement of Profit and Loss.

5.20 Fair value measurement

- i) Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

- ii) The fair value of an asset or a liability is measured / disclosed using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.
- iii) All assets and liabilities for which fair value is measured are disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are unobservable.

- iv) For assets and liabilities that are recognised in the Balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period (i.e) based on the lowest level input that is significant to the fair value measurement as a whole.
- v) For the purpose of fair value disclosures, the company has determined the classes of assets and liabilities based on the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.
- vi) The basis for fair value determination for measurement and / or disclosure purposes is detailed below:

a. Investments in Equity

The fair value is determined by reference to their quoted prices at the reporting date. In the absence of the quoted price, the fair value of the equity is measured using generally accepted valuation techniques.

b. Forward exchange contracts

The fair value of forward exchange contracts is based on the quoted price if available; otherwise it is estimated by discounting the difference between contractual forward price and current forward price for the residual maturity of the contract using government bond rates.

c. Non-derivative financial liabilities

The fair value of non-derivative financial liabilities viz, borrowings are determined for disclosure purposes calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Notes forming part of the financial statements**Note 3 Share capital**

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
(a) Authorised				
3750000 Equity shares of Rs.10 each				
- Opening Balance	3,750,000	37,500,000	3,750,000	37,500,000
- Increase during the Year	-	-	-	-
- Closing Balance	3,750,000	37,500,000	3,750,000	37,500,000
(b) Issued, Subscribed and Fully paid-up				
Movement in the Equity Shares				
Opening Balance	3,604,509	36,045,090	3,604,509	36,045,090
Add: Issued during the year	-	-	-	-
Less: Cancelled during the year	-	-	-	-
Closing Balance	3,604,509	36,045,090	3,604,509	36,045,090
(c) Share Application Money			-	-
TOTAL		36,045,090		36,045,090

Notes:**(a) Movement of shares**

Authorised Capital, Issued, Subscribed and fully paid up capital:

There is no movement of shares outstanding at the beginning and at the end of the reporting period

(b) Terms / rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10/- per share.

Each holder of equity share is entitled to one vote per share

The details of Share Holders holding more than 5% of shares in the Company are given below

Name of the shareholders	As at 31 March, 2019		As at 31 March, 2018	
	No of Shares	% of shareholding	No of Shares	% of shareholding
Chennai Material Recycling and Trading Company Limited	311,198	8.63	311,198	8.63
Avantika Gupta	328,092	9.10	320,961	8.90
Tamilnadu Enterprises & Investments Private Limited	251,937	6.99	251,937	6.99
Tamilnadu Property Developers Private Limited	300,000	8.32	300,000	8.32
Radiant Solutions Private Limited	250,000	6.94	250,000	6.94
Ameena Begum	250,000	6.94	250,000	6.94
Sudha Gupta	188,580	5.23	173,580	4.82

Statement of Changes in Equity for the period ended March 31st, 2019

Note No 3A. Equity Share Capital

(Amount in Rupees)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
36,045,090	-	36,045,090

Note No 3B. Other Equity 31.03.2019

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			General Reserve	Securities Premium Reserve	Retained Earnings								
Balance at the beginning of the reporting period	-	-	174,462,564	-	(392,402,076)	-	-	-	-	-	-	-	(217,939,512)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	174,462,564	-	(392,402,076)	-	-	-	-	-	-	-	(217,939,512)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	(93,805,893)	-	-	-	-	-	-	-	(93,805,893)
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period	-	-	174,462,564	-	(486,207,969)	-	-	-	-	-	-	-	(311,745,405)

Note No 3B. Other Equity 31.03.2018

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			General Reserve	Securities Premium Reserve	Retained Earnings								
Balance at the beginning of the reporting period	-	-	174,462,564	-	(366,757,536)	-	-	-	-	-	-	(192,294,972)	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	
Restated balance at the beginning of the reporting period	-	-	174,462,564	-	(366,757,536)	-	-	-	-	-	-	(192,294,972)	
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer to retained earnings	-	-	-	-	(25,644,540)	-	-	-	-	-	-	(25,644,540)	
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	
Balance at the end of the reporting period	-	-	174,462,564	-	(392,402,076)	-	-	-	-	-	-	(217,939,512)	

Note 4 Other current liabilities

Particulars	As at 31 March, 2019	As at 31 March, 2018
(i) EPF & ESI Payable	26,165	20,634
(ii) Salary Payable	222,617	110,588
(iii) Statutory Liabilities	7,620,647	41,916
(iv) Provision for Employee Benefit	353,356	98,256
(v) Others	1,395,507	60,000
Total	9,618,292	331,394

(Amount in Rs)

Note 5 - FIXED ASSETS

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS AT 01.04.2018	ADD.	DEL.	COST AS AT 31.03.2019	UP TO 31.03.2018	FOR THE PERIOD	DEL.	UP TO 31.03.2018	AS AT 31.03.2018	AS AT 31.03.2017
Land Free Hold	17,562,794	-	-	17,562,794	-	-	-	-	17,562,794	17,562,794
Factory Buildings	58,929,891	-	-	58,929,891	22,020,811	1,868,078	-	23,888,888	35,041,003	36,909,080
Plant & Machinery	165,048,778	-	-	165,048,778	103,073,585	10,447,588	-	113,521,172	51,527,606	61,975,193
Electrical Installations	17,818,721	-	17,818,721	-	17,818,721	-	17,818,721	-	-	-
Office Equipments	1,597,265	-	-	1,597,265	1,597,265	-	-	1,597,265	-	-
Furniture & Fittings	523,266	-	-	523,266	505,442	17,823	-	523,266	-	17,824
Vehicle	419,911	-	-	419,911	232,974	39,892	-	272,865	147,046	186,937
TOTAL	261,900,627	-	-	244,081,906	145,248,796	12,373,380	17,818,721	139,803,455	104,278,450	116,651,830
Previous Year	261,900,627	-	-	244,081,906	132,722,824	12,525,972	17,818,721.00	127,430,075	116,651,830	129,177,802

Note 6 Non Current Investment

Particulars	As at 31 March, 2019	As at 31 March, 2018
Trade Investment		
Investment in unquoted Equity Shares, Fully Paid Up 60000 Equity Shares of Rs.10/- each of OPG Renewable Energy Private Limited	-	600,000
Trade Investment (Stated at Cost)		
Investment in unquoted Equity Shares, Fully Paid Up 10000 Equity Shares of Rs.10/- each of OPGE - C CLASS	100,000	-
Trade Investment		
Investment in unquoted Equity Shares, Fully Paid Up 23,650 Equity Shares of Rs.34/- each of OPG Energy Private Limited	804,100	496,400
Trade Investment (Stated at Cost)		
Investment in unquoted Equity Shares, Fully Paid Up 38,745 Equity Shares of Rs.81/- each of GOOD FAITH VINIMAY PVT. LTD	3,138,345	-
Trade Investment		
Investment in unquoted Equity Shares, Fully Paid Up 1,02,360 Equity Shares of Rs.127/- each of OPG Industries Private Limited	-	12,999,720
Trade Investment		
Investment in unquoted Equity Shares, Fully Paid Up 20,195 Equity Shares of Rs.126/- each of OPG Metals Private Limited	2,544,570	15,296,400
Trade Investment (Stated at Cost)		
Investment in quoted Equity Shares, Fully Paid Up 1,52,672 Equity Shares of Rs.2023.50 /- each of LUX Industries Limited	214,993,341	-

Particulars	As at 31 March, 2019	As at 31 March, 2018
Trade Investment Investment in unquoted Equity Shares, Fully Paid Up 5,38,460 Equity Shares of Rs. 32.50/- each of Veea Fiscal Services Private Limited	17,499,950	17,499,950
Total	239,080,306	46,892,470

Note 7 Long-term loans and advances

Particulars	As at 31 March, 2019	As at 31 March, 2018
(Unsecured and Considered good)		
(i) Capital Advance	6,673,692	6,673,692
(ii) Other Deposits	218,578	62,277,664
(iii) Security Deposits	3,235,300	3,235,300
Total	10,127,570	72,186,656

Note 8 Inventories

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Raw Materials	8,621,788	16,540,477
(b) Finished Goods		-
(c) Stores & Spares	6,567,810	9,279,159
Total	15,189,598	25,819,636

Note 9 Trade Receivable

Particulars	As at 31 March, 2019	As at 31 March, 2018
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	55,820,148	163,489,818
Total	55,820,148	163,489,818

Note 10 Cash and cash equivalents

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Cash on hand	504014.58	31,094
(b) Balances with banks		
(i) In current accounts	22,525,676	5,542,961
(ii) In Deposit accounts	1,191,162	1,118,655
Total	24,220,852	6,692,710
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 C.F.S	24,220,852	6,692,710

Note 11 Short Term Loans & Advances

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Supplier Advances	-	25,576,248
(b) Loans & Advances	4,360,266	2,664,000
Total	4,360,266	28,240,248

Note 12 Other Current Assets

Particulars	As at 31 March, 2019	As at 31 March, 2018
(a) Balance with GST & Excise Authorities	25,680	7,024,907
(b) Balance with VAT Authorities		-
(c) T.D.S	3,331,601	3,806
(d) Others	134,296	440,263
Total	3,491,577	7,468,976

Note 13 Revenue from operations

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(a)	<u>Sale of Goods:</u> - Manufacturing Items	2,223,566	143,711,777
(b)	Other Operating Income	66,555,267	-
	Total	68,778,833	143,711,777

Note 14 Other Income

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(a)	Profit from Sale of Share Investment	1,738,505	248,000
(b)	Interest Received	38,554	38,235
(c)	Dividend Received	305,724	-
(d)	Liability No longer required written back	2,016,753	660,525
	Total	4,099,536	946,760

Note 15 Cost of Materials Consumed

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(a)	Opening stock	16,540,477	122,236,925
(b)	Add: Purchases	-	21,035,175
		16,540,477	143,272,100
(c)	Less: Closing Stock	8,621,788	16,540,477
	Total	7,918,689	126,731,623

Note 16 Changes in inventories of finished goods, work-in-progress and stock-in-trade

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	<u>Inventories at the end of the year:</u>		
	Stock-in-trade		-
			-
	<u>Inventories at the beginning of the year:</u>		
	Stock-in-trade	-	8,600,550
		-	8,600,550
	Net (increase) / decrease	-	8,600,550

Note 17 Employee Benefit Expenses

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(a)	Salary and Wages	1,508,734	1,233,440
(b)	Contribution to EPF & ESI	150,048	141,606
(c)	Employee Benefit	109,577	-
(d)	Staff Welfare	81,782	77,269
	Total	1,850,141	1,452,315

Note 18 Finance Costs

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(a)	Bank Charges	9,588	11,727
(b)	Interest on Other	13,287,547	217,654
	Total	13,297,135	229,381

Note 19 Other expenses

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
A. Material & Manufacturing Expenses		
Stores and Spares Consumed	2,711,349	719,573
Freight Charges	-	215,900
B. Repairs & Maintenance		
Building Repairs and Maintenance	182,612	32,006
Computer Maintenance	19,945	13,850
Machinery Maintenance	271,588	1,704,630
Vehicle Maintenance	2,550	156,424
C. Administrative Expenses		
Bad Debts	31,276,321	-
Directors Remuneration	608,000	600,000
Filing Fees	5,252	-
Insurance	119,241	165,363
Postage Expenses	59,619	39,210
Printing and Stationery	107,198	120,854
Professional & Consultancy	472,270	322,726
Payment to Auditors		
i) As Statutory Audit Fees	45,000	42,000
ii) As Tax Audit Fees	20,000	18,000
Rates & Taxes	739,215	1,105,931
Listing Fees / Share Transfer Charges	405,463	339,736
Telephone Expenses	14,759	24,591
Travelling & Conveyance	212,302	249,760

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
D. Selling & Distribution Expenses		
Rebates & Discounts	-	1,693,627
Advertisement Expenses	33,150	497,668
Total	37,305,834	8,061,849

Note No 20: Additional Information to the Financial Statements

- (i) Contingent liability not provided for:
- (a) Counter Guarantees furnished to the bank Rs.5,73,455/- (Previous year Rs. 5,38,527/-)
- (b) Towards outstanding Letter of Credit Nil (Previous year Nil) on account of import of raw materials.
- (ii) Estimated amount of contracts remaining to be executed on capital accounts and not provided for Rs.13,59,00,000/- (Previous year Rs.13,59,00,000/- pertaining to resulting company) and for others is nil.
- (iii) Claims against the Company not acknowledged as Debt Rs. Nil. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil. Contingent liabilities not provided for: Nil
- (iv) Employee Benefits :
- (a) Defined Contribution plan:
Contribution to defined contribution plan recognized as expenses for the year 2018-19 accordingly an amount of Rs. 1,50,048/-(previous year Rs.1,41,606/-) is debited towards contribution to PF & ESI.
- (b) Defined Benefit plan:
As per the explanations given by the management of the company except for gratuity there are no other plans for the employees of the company. The present value of gratuity obligation is determined during the year based on actuarial valuation using projected unit credit method. Accordingly, provision of Rs. NIL has been made.

	Particulars	2018-19 (Amount in Rs.)	2017-18 (Amount in Rs.)
I	Expenses recognized in the statement of profit and loss for the year ended		
	1. Current Service Cost	88,669	65,793
	2. Interest Cost/ Interest on obligation	20,908	14,236
	3. Expected return on plan assets	-	-
	4. Net Actuarial (gains)/losses	-	(612)
	5. Total Expenses	1,09,577	80,029
II	Net Asset/(Liability) recognized in the balance sheet as on 31-03-2019		
	1. Present Value of funded Obligations	-	-
	2. Present Value of unfunded Obligations	4,20,898	2,69,778
	3. Fair Value of plan assets as at 31-03-2018	-	-
	4. Unrecognized past service cost	-	-
	5. Net liability as at 31-03-2019	4,20,898	2,69,778
III	<u>Changes in Benefit obligations during the year ended</u>		
	1. Present Value of Defined Benefit Obligation at the beginning of the year	2,69,778	2,16,361
	2. Current Service Cost	88,669	65,793
	3. Interest Cost	20,908	14,236
	4. Actuarial (Gains)/losses	67,543	(612)
	5. Benefit payments	(26,000)	(26,000)
	6. Present Value of Defined Benefit Obligation at the end of the year	4,20,898	2,69,778
IV	<u>Changes in Asset during the year ended</u>		
	1. Plan assets at the beginning of the year	-	-
	2. Expected return on plan assets	-	-
	3. Contribution by the Employer	-	-
	4. Actual Benefits paid	-	-
	5. Actuarial gains/(losses)	-	-
	6. Plan assets at the end of the year	-	-

V	<u>Category of Plan Assets:</u>	Nil	Nil
	Government of India Securities		
	High Quality Corporate Bonds		
	Equity Shares of Listed Companies Property		
	Funds Managed by Insurer		
	Bank Balance		
VI	<u>Principal Actuarial Valuation</u>	7.75%	7.70%
	1.Discount Rate		
	2.Expected rate of Return on plan assets	-	-
	3.Annual Increase in Salary Costs	7.25%	7.25%
	4.Mortality Table	IALM(2006- 08)	ILAM(2006- 08)
		Ult.	Ult.
	5.Withdrawal Rate	5% at younger ages reducing gradually to 1% at older ages	5% at younger ages reducing gradually to 1% at older ages
VII	<u>Table Showing Surplus/ (Deficit)</u>		
	Defined Benefit Obligation	4,20,898	2,69,778
	Plan Assets	-	-
	Surplus/ (Deficit)	(4,20,898)	(2,69,778)

- (v) There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2019 which is on the basis of such parties having been identified by the management and relied upon by the auditors.
- (vi) Company has circularized/sought confirmation of balance letters to/from sundry debtors & advance parties / sundry creditors. In the absence of negation, the balances appearing the books are taken as confirmed.
- (vii) Value of Raw Materials and Spare Parts Components consumed

Year	2018-19		2017-18	
	Particulars	Amount in Rs.	%	Amount in Rs.
Imported			6,27,89,476	49.27
Raw Material	79,18,689	100	6,39,42,147	50.73
Spares	27,11,349		7,19,573	

- (viii) CIF Value of Imports: Nil (Previous year: Rs. Nil)
- (ix) The company has earned an income towards marketing service done by it amounting to Rs 6,65,55,267/- during the course of the year.
- (x) Earnings in Foreign Currency Rs. Nil (Previous year Rs. Nil) Expenditure in Foreign Currency Rs. Nil (Previous year Nil)
- (xii) RELATED PARTY DISCLOSURES

Details of related parties including summary of transactions entered into by the Branch during the year ended 31 March 2019 are summarized below:

Names of related parties and description of relationship:	
Key management personnel	Mr. R Natarajan
Other Related Party	
	Gita Renewable Energy Limited

Note: Related party relationship is as identified by the Company and relied upon by the Auditors

Related party transactions:

Particulars	Amount	Amount Outstanding as on 31.03.2019
Directors Salary – R Natarajan	6,08,000/-	52,000 /-
Advance Returned – Gita Renewable	59,24,569/-	NIL

(xiii) SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH 2019.

(a) Business Segment:

The Company operates in Single Business Segment of 'Sponge Iron'. Therefore, the Company is of the view that the disclosure requirement of Accounting Standard AS-17 issued by the Institute of Chartered Accountants of India is not applicable to the Company.

xiii)	Earnings Per Share:	2018-19	2017-18
a)	Weighted Average No. of Equity Shares of Rs.10/- each		
	I. No. of Shares at the beginning of the year	36,04,509	36,04,509
	II. No. of Shares at the end of the year	36,04,509	36,04,509
	Weighted average number of equity shares outstanding during the year	36,04,509	36,04,509

xiii)	Earnings Per Share:	2018-19	2017-18
b)	Net profit After Tax available for equity shareholders (Rs.)	(9,38,05,893)	(2,56,44,540)
c)	Basic and Diluted earnings per share (Rs.)	(26.02)	(7.11)

(xiv) Previous year figures:

Previous year's figures have been regrouped /reclassified wherever necessary to correspond with the current year's classification / disclosure.

As Per our report of Even Dated
For S.K. Gulecha & Associates
Chartered Accountants
Firm Registration.No.013340S

For Chennai Ferrous Industries Limited

R Natarajan
Director
DIN: 00595027

Deepa
Director
DIN: 07140954

Sandeep Kumar Gulecha
Proprietor (Membership.No: 226263)
Place: Chennai
Date: 28.05.2019

Ved Prakash
Company Secretary

K.Karthikeyan
Chief Financial Officer

CHENNAI FERROUS INDUSTRIES LIMITED

Registered Office: OPG Nagar, Periya Obulapuram village, Nagaraja kandigai, Madharapakkam Road,
Gummidipoondi – 601201

CIN: L27310TN2010PLC075626

FORM MGT 11

PROXY FORM

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

Name of the Member (s)	:
Registered Address	:
E-mail Id	:
Folio No/ Client Id	:
DP ID	:

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

1. Name :
Address :
E-mail Id :
Signature :

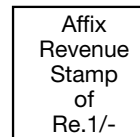
or failing him

2. Name :
Address :
E-mail Id :
Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 9th Annual General Meeting of the Company, to be held on Monday 30th September 2019 at 2.00 p.m. at Survey No.180 & 181 OPG Nagar, Periya Obulapuram village, Nagaraja kandigai, Madharapakkam Road, Gummidipoondi – 601201 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Financial Statements
2. Re-appointment of Director subject to Retire by Rotation

Signed this day of 2019.



(Signature of Member)

Signature of Proxy holder(s)

Note :

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

CHENNAI FERROUS INDUSTRIES LIMITED

Registered Office: OPG Nagar, Periya Obulapuram village, Nagaraja kandigai, Madharapakkam Road,
Gummidipoondi – 601201

CIN: L27310TN2010PLC075626

FORM MGT-12 POLLING PAPER

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

9th ANNUAL GENERAL MEETING

Date : 30.09.2019 (Monday)
Time : 2.00 P.M
Place : OPG Nagar, Periya Obulapuram village, Nagaraja kandigai, Madharapakkam Road,
Gummidipoondi – 601201.

BALLOT PAPER

1. Name of the First Named Shareholder (In block letters)	:
2. Postal address	:
3. Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	:
4. Class of Share	:

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my
assent or dissent to the said resolution in the following manner:

Sl. No:	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
1	Adoption of Financial Statements			
2	Re-appointment of Director subject to Retire by Rotation			

Place:

(Signature of Shareholder)

Date:

