



**AANCHAL ISPAT LIMITED**

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**2014 - 2015  
Annual Report**









# Contents

<b>TOPIC</b>	<b>PAGE</b>
<b>MANAGEMENT DISCUSSION AND ANALYSIS REPORT</b>	<b>01</b>
<b>REPORT ON CORPORATE GOVERNANCE</b>	<b>04</b>
<b>AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 52 OF THE SME LISTED COMPANY AS PER BSE SME LISTING AGREEMENT</b>	<b>16</b>
<b>BOARD REPORT</b>	<b>17</b>
<b>COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES</b>	<b>21</b>
<b>FORM NO. MGT 9 (ANNEXURE TO BOARD REPORT)</b>	<b>25</b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>38</b>
<b>REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS</b>	<b>39</b>
<b>REPORTS UNDER THE COMPANIES (AUDITOR'S REPORT) ORDER, 2015 (CARO 2015)</b>	<b>40</b>
<b>FINANCIAL STATEMENTS</b>	<b>42</b>
<b>NOTICE TO THE MEMBERS</b>	<b>63</b>

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry Structure and Developments

The Indian steel sector enjoys advantages of domestic availability of raw materials and cheap labour. Iron ore is also available in abundant quantities. This provides major cost advantage to the domestic steel industry.

The steel industry reflects the overall economic growth of an economy in the long term as demand for steel is derived from other sectors like automobiles, consumer durables and infrastructure.

While steel continues to have a stronghold in traditional sectors such as construction, housing and ground transportation, special steels are increasingly being used in engineering industries such as power generation, petrochemicals and fertilisers.

The Indian steel industry is very modern with state-of-the-art steel mills. It has always strived for continuous modernisation and up-gradation of older plants and higher energy efficiency levels.

These features of the industry have made India the world's fourth largest producer of steel and the country is poised to move to second position in steel production in the next 10 years.

### Government Initiatives

- The Government of India is aiming to scale up steel production in the country to 300 MT by 2025 from 81 MT in 2013-14.
- The Ministry of Steel has announced to invest in modernisation and expansion of steel plants of Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL) in various states to enhance the crude steel production capacity in the current phase from 12.84 MTPA to 21.4 MTPA and from 3 MTPA to 6.3 MTPA respectively.
- The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs 200 crore (US\$ 31.67 million).
- Some of the other recent government initiatives in this sector are as follows:
- An Inter-Ministerial Group (IMG) has been setup in the Ministry of Steel for effective coordination and expediting implementation of various investment projects in the steel sector.
- A Project Monitoring Group (PMG) has been constituted under the Cabinet Secretariat to fast track various clearances/resolution of issues delaying the investments in the sector.
- To increase domestic value addition and improve iron ore availability for domestic steel industry, duty on export of iron ore has been increased to 30 per cent.
- Rates of Import Duty on Long & Flat steel products have been enhanced from 5 per cent to 7.5 per cent in the Union Budget for 2014-15.

### Global Scenario

- In 2014, the world crude steel production reached 1665 million tonnes (mt) and showed a growth of 1% over 2013.
- China remained the world's largest crude steel producer in 2014 (823 mt) followed by Japan (110.7 mt), the USA (88.2 mt) and India (86.5 mt) at the 4<sup>th</sup> position.
- WSA has projected Indian steel demand to grow by 6.2% in 2015 and by 7.3% in 2016 as compared to global steel use growth of 0.5% and 1.4% respectively. Chinese steel use is projected to decline in both these years by 0.5%.
- Per capita finished steel consumption in 2014 is estimated at 217 kg for world and 510 kg for China by WSA.

## Domestic Scenario

- The Indian steel industry has entered into a new development stage from 2007-08, riding high on the resurgent economy and rising demand for steel.
- Rapid rise in production has resulted in India becoming the 3rd largest producer of crude steel in 2015 and the country continues to be the largest producer of sponge iron or DRI in the world.
- As per the report of the Working Group on Steel for the 12th Five Year Plan, there exist many factors which carry the potential of raising the per capita steel consumption in the country. These include among others, an estimated infrastructure investment of nearly a trillion dollars, a projected growth of manufacturing from current 8% to 11-12%, increase in urban population to 600 million by 2030 from the current level of 400 million, emergence of the rural market for steel currently consuming around 10 kg per annum buoyed by projects like Bharat Nirman, Pradhan Mantri Gram Sadak Yojana, Rajiv Gandhi Awaas Yojana among others.
- At the time of its release, the National Steel Policy 2005 had envisaged steel production to reach 110 million tonnes (mt) by 2019-20. However, based on the assessment of the current ongoing projects, both in greenfield and brownfield, the Working Group on Steel for the 12th Five Year Plan has projected that domestic crude steel capacity in the country is likely to be 140 mt by 2016-17 and has the potential to reach 149 mt if all requirements are adequately met.
- The National Steel Policy 2005 is currently being reviewed keeping in mind the rapid developments in the domestic steel industry (both on the supply and demand sides) as well as the stable growth of the Indian economy since the release of the Policy in 2005.

All these measures have led to a rise in confidence among investors, developers and end users which are expected to have a positive impact on the future. It will create a better environment for growth of Iron & Steel Industry, backed by a strong economy and consumer confidence.

## Opportunities and Threats

### Opportunities for growth of Iron and Steel in Private Sector

#### The New Industrial Policy Regime

The New Industrial policy opened up the Indian iron and steel industry for private investment by (a) removing it from the list of industries reserved for public sector and (b) exempting it from compulsory licensing. Imports of foreign technology as well as foreign direct investment are now freely permitted up to certain limits under an automatic route. Ministry of Steel plays the role of a facilitator, providing broad directions and assistance to new and existing steel plants, in the liberalized scenario.

#### The Growth Profile

(i) *Steel* : The liberalization of industrial policy and other initiatives taken by the Government have given a definite impetus for entry, participation and growth of the private sector in the steel industry. While the existing units are being modernized/expanded, a large number of new steel plants have also come up in different parts of the country based on modern, cost effective, state-of-the-art technologies. In the last few years, the rapid and stable growth of the demand side has also prompted domestic entrepreneurs to set up fresh Greenfield projects in different states of the country.

Crude steel capacity was 109.85 mt in 2014-15 and India, which emerged as the 3rd largest producer of crude steel in the world in 2015 as per ranking released by the WSA, has to its credit, the capability to produce a variety of grades and that too, of international quality standards. The country is expected to become the 2nd largest producer of crude steel in the world soon, provided all requirements for creation of fresh capacity are adequately met.

(ii) *Pig Iron*: India is also an important producer of pig iron. Post-liberalization, with setting up several units in the private sector, not only imports have drastically reduced but also India has turned out to be a net exporter of pig iron. The private sector accounted for 91% of total production for sale of pig iron in the country in 2014-15. The production for sale of pig iron has increased from 1.6 mt in 1991-92 to 9.7 mt in 2014-15.



(iii) **Sponge Iron:** India is the world's largest producer of sponge iron with a host of coal based units, located in the mineral-rich states of the country. Over the years, the coal based route has emerged as a key contributor and accounted for 90% of total sponge iron production in the country. Capacity in sponge iron making too has increased over the years and stood at 46.23 mt in 2014-15.

#### **Threat:**

#### **Risks and concerns**

The process of Risk Management in the Company identifies inherent risks in its operations and records residual risk after taking specific risk mitigation steps. The Company has identified and categorized risks in the area of Operations, Finance and Marketing, Regulatory Compliances and Corporate matters. Wherever possible and necessary, appropriate insurance cover is taken for financial risk mitigation.

On the Financial front, the Company has not borrowed any amount in foreign currency however the foreign exchange fluctuation may affect the prices of raw material and other allied inputs, but at present the Company is not importing its Raw Material or other allied inputs. Such Raw Materials and other allied inputs are abundantly available in the domestic market. Credit Policy of the Company is primarily based on the customer profile. The Management does not perceive any major technological, environmental and/or financial risks for the Company in the near future.

#### **Discussion on financial performance with respect to operation performance and Outlook**

Your Company is engaged in Iron & Steel.

The revenue from operations of your Company for the year ended 31<sup>st</sup> March, 2015 is Rs. 190.74 Crores which was marginally higher than the revenue from operation of the previous year that is, Rs. 190.55 crores. The Profit after Tax stood at Rs. 0.39 Crores which was lower than the Profit after Tax for the previous year, Rs. 0.77 Crores. The reason for decrease in profit is due to Change in depreciation Method (change as per Companies Act, 2013) & Onetime expenses incurred for the listing procedure, as Company has gone for SME listing on BSE on 10th December, 2014 for 80,04,000 equity shares for at a price of Rs. 20 each (Face value Rs.10 plus a share premium of Rs.10).

#### **Internal control systems and their adequacy**

Aanchal Ispat Limited has an adequate system of internal control, commensurate with the size and nature of its business to ensure that the resources of the Company are used efficiently and effectively, all assets are safeguarded and protected against loss from unauthorised use or disposition whatsoever and the transactions are authorised, recorded and reported correctly, financial and other data are reliable for preparing financial information and other data and for maintaining accountability of assets. The internal control is supplemented by extensive programme of internal audits, review by management, documented policies, guidelines and procedures. The Audit Committee of the "Board" continuously reviews the significant observations, if any, of the internal and Statutory Auditors on financials

#### **Human Resource and Industrial Relation**

Your Company's business is managed by a team of competent and passionate leaders, capable of enhancing your Company's standing in the sector.

#### **Cautionary Statement**

The Management Discussion and Analysis Report may contain certain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. Actual results may differ materially from these expressed in the statement as important factors could influence the Company's operations such as Government policies, local, political and economic development, risk inherent to the Company and such other factors.

## REPORT ON CORPORATE GOVERNANCE

### CORPORATE GOVERNANCE

Sound Corporate Governance practices are guided by culture, conscience and mindset of an organization and are based on principles of openness, fairness, professionalism, transparency and accountability with an aim to build confidence of its various stakeholders and paving way for its long-term success. Achievement of excellence in good Corporate Governance practices requires continuous efforts and focus on its resources, strengths and strategies towards ensuring fairness and transparency in all its dealings with its stakeholders including society at large.

### COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

At Aanchal Ispat Limited, corporate governance has always been a focal point of attention with emphasis on the complete well-being of all constituents. Good corporate governance encompasses law, procedures, practices and implicit rules that determine the management's ability to take sound and informed business decisions vis-à-vis all its stakeholders i.e. shareholders, creditors, employees and the state. The Company's philosophy on corporate governance envisages attainment of the highest level of transparency, accountability, integrity and equity in all facets of its operations and in its interaction with stakeholders.

The Board of Directors of your Company is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a pivotal role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to the best practices across the globe.

### BOARD OF DIRECTORS

#### Composition of Board of Directors

The Company has an optimum composition of Board of Directors in conformity with Clause 52 of the SME Listing Agreement with the BSE Limited. The Board as on 31<sup>st</sup> March, 2015 consists of 4 Directors out of which 2 Directors are Independent Directors. The Composition of the Board of Directors as on March 31, 2015 is as under:

Sl. No.	Name	Designation	Category
1	Mr. Mukesh Goel	Managing Director	Executive
2	Mr. Manoj Goel	Director	Non-Executive
3	Mr. Sudhir Kumar Budhia *	Director	Non-Executive Independent
4	Mr. Mukesh Agarwal *	Director	Non-Executive Independent

\*Appointed as Independent Director to hold office for a period of 5 (Five) consecutive years from the date of the 19th Annual General Meeting (AGM) held on September 15, 2014, in accordance with the Companies Act, 2013 & the Listing Agreement with Stock Exchanges .

\*\* The Company is in the process of identifying a suitable candidate for the position of the Woman Director in the Company in compliance with the provisions of section 149(1) of the Companies Act 2013 along with rule 3 of The Companies (Appointment and Qualification of Directors) Rule, 2014 and shall comply with the same at the earliest.

### Board Meetings & Procedure

The Board ensures that the Company's reporting and disclosure practices meet the highest standards of Corporate Governance and that the business practices followed by the Company are oriented towards meeting obligations towards various stakeholders and enhancing shareholders value.

The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from normal business. The Agenda of the meeting is circulated well in advance to the Board members backed by comprehensive background information to enable them to take appropriate decisions.

All the Directors have made necessary disclosures regarding directorship / committee positions occupied by them in other companies in accordance with revised Clause 52 of the SME Equity Listing Agreement with the Stock Exchanges and Companies Act, 2013

### Appointment of Directors

The Board has formulated the Nomination and Remuneration Policy of Directors, Key Managerial Personnel (KMPs) and other employees in terms of the provisions of the Companies Act, 2013 and the Listing Agreement. The said Policy outlines the appointment criteria and qualifications, the term / tenure of the Directors on the Board of the Company and the matters related to their remuneration.

### Responsibilities

The Board looks at strategic planning and policy formulation. The Board meets at least once in every quarter to review the Company's operations and the maximum time gap between any two meetings is not more than 120 (One Hundred Twenty) days.

The Managing Director is responsible for corporate strategy, planning, external contacts and Board matters. The senior management personnel heading respective divisions are responsible for all day-to-day operations-related issues, profitability, productivity, recruitment, and employee retention for their divisions.

### Independent Directors (IDs)

In accordance with the provisions of Companies Act, 2013 and clarifications/ circulars issued from time to time, the Company has appointed Mr. Sudhir Kumar Budhia (DIN: 02869779) and Mr. Mukesh Agarwal (DIN: 06954595) as Independent Directors on 30th day of July, 2014 and 1st day of September, 2014 respectively who are not liable to retire by rotation.

### Number and dates of Board Meetings held during the year

Ten Board meetings were held during the financial year as detailed below -

Sl. No.	Date of Board Meeting	Total strength of the Board	No. of Directors present
1.	May 5, 2014	2	2
2.	July 7, 2014	2	2
3.	August 12, 2014	3	3
4.	August 25, 2014	3	3
5.	September 1, 2014	3	3
6.	September 3, 2014	4	4
7.	September 6, 2014	4	4
8.	December 6, 2014	4	4
9.	December 22, 2014	4	4
10.	March 28, 2015	4	4

The maximum time gap between any two meetings was less than 120 days as stipulated under Clause 52 of the SME Equity Listing Agreement.

Attendance at aforesaid Board Meetings, at the last Annual General Meeting and the number of Directorships and Committee Memberships / Chairmanship in other Companies of each of the Directors as on March 31, 2015 are below:-

Name of Directors	Attendance at		Number of other Directorships as on March 31, 2015 <sup>(1)</sup>	No. of Membership(s) / Chairmanship(s) of Board Committees in other companies as on March 31, 2015 <sup>(2)</sup>
	Board Meeting	AGM		
Mr. Mukesh Goel	10	Yes	3	Nil
Mr. Manoj Goel	10	Yes	3	Membership - 3 Chairman - Nil
Mr. Sudhir Kumar Budhia	8	Yes	1	Membership - 3 Chairman - 1
Mr. Mukesh Agarwal	5	Yes	1	Membership - 3 Chairman - 2

<sup>(1)</sup> Excluding Alternate Directorships and Directorships in the Foreign Companies, Section 8 Companies and Private Limited Companies.

<sup>(2)</sup> Includes only Audit Committee, Stakeholders' Relationship Committee and Remuneration Committee. None of the Directors on the Board is a Member of more than 10 Board-level Committees or Chairman of more than 5 such Committees as specified in Clause 52 of the SME Equity Listing Agreement, across all the companies in which he is a Director.

None of the Independent Directors is acting as an Independent Director in more than 7 listed companies

#### COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles as a part of good governance practice. The minutes of the meetings of all the Committees are placed before the Board for review.

The Board has currently established the following Committees:

- Audit Committee
- Stakeholders Relationship Committee
- Nomination & Remuneration Committee

#### Audit Committee

The Audit Committee was constituted vide Board resolution dated September 6, 2014 pursuant clause 52 of the SME Equity Listing Agreement. All the Members of the Audit Committee are financially literate and have accounting or related financial management expertise. The constitution of the Audit Committee as on 31.03.2015 is as follows:

Sl. No.	Name	Category	Designation
1.	Mr. Sudhir Kumar Budhia	Non-Executive Independent	Chairman
2.	Mr. Mukesh Agarwal	Non-Executive Independent	Member
3.	Mr. Manoj Goel	Non-Executive Non Independent	Member

The Chairman of the Audit Committee is an Independent Director and the Company Secretary acts as the Secretary to the Committee. The Chairman of the Audit Committee attended the previous Annual General Meeting held on 5<sup>th</sup> September, 2014.

The Committee's composition and its terms of reference meet the requirements of Section 177 of the Companies Act, 2013 and Clause 52 of the SME Equity Listing Agreement.

The terms of reference of our Audit Committee include all matters specified for Audit Committee in Section 177 of the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014 and Listing Agreement with the Stock Exchanges.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Audit Committee, reasons for disagreement shall have to be minuted in the Board Meeting and the same has to be communicated to the shareholders. The chairman of the committee has to attend the Annual General Meetings of our Company to provide clarifications on matters relating to the audit.

The Audit Committee is required to meet at least four times in a year and not more than four months will elapse between two meetings. The quorum will be either two members or one third of the members of the Audit Committee whichever is greater, but there should be a minimum of two independent members present. Pursuant to the recommendations of audit committee, consent of the Board of Directors of the Company be and is hereby accorded, subject to the approval of Shareholders in General Meeting, to appoint M/s Rajesh Mohan & Associates, (Firm Registration No 323131E) Chartered Accountants, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 25<sup>th</sup> Annual General Meeting to be held in the year 2020, subject to ratification by the shareholders annually.

During the financial year ended March 31, 2015, after listing, Audit Committee met 2 (two) times on 22<sup>nd</sup> December, 2014, 23<sup>rd</sup> March, 2015. The details of the number of meetings held and attendance of the Directors thereat is given herein below:

Name of Directors	No. of Meetings held	No. of Meetings attended
Mr. Sudhir Kumar Budhia	2	2
Mr. Mukesh Agarwal	2	2
Mr. Manoj Goel	2	2

#### Stakeholders' Relationship Committee

As on March 31, 2015, the Committee comprises of 3 Directors, namely:

Sl. No.	Name	Category	Designation
1.	Mr. Mukesh Agarwal	Non-Executive Independent	Chairman
2.	Mr. Sudhir Kumar Budhia	Non-Executive Independent	Member
3.	Mr. Manoj Goel	Non-Executive Non-Independent	Member

The Committee was as Stakeholders' Relationship Committee on 6<sup>th</sup> September, 2014 to align with the requirements of Section 178 of the Companies Act, 2013. The composition and the terms of reference of the Committee meet with the requirements of Clause 52 of the SME Equity Listing Agreement of Bombay Stock Exchange and provisions of the Companies Act, 2013. The Company Secretary acts as a Secretary to the Committee.

The Committee looks into Redressal of Shareholders' / Investors' complaints like transfer of shares, non-receipt of declared dividend, non-receipt of annual report etc., besides complaints from SEBI, Stock Exchanges and Registrar of Companies etc.

During the year under review, no complaints were received by the Company.

The name, designation and address of Compliance Officer of the Company is as under:

Name and Designation	Ms. Babita Kaur Bagga, Company Secretary
Address	National Highway-6, Chamrail, Howrah- 711 114
Contacts	Phone: +913212 246121
E-mail	cs@aanchalispac.com

#### Nomination & Remuneration Committee

The Remuneration Committee was constituted at a meeting of the Board of Directors held on September 6, 2014. The Nomination & Remuneration Committee consists of the following Directors:

The Committee consists of 3 Directors, namely:

Sl. No.	Name	Category	Designation
1.	Mr. Mukesh Agarwal	Non-Executive Independent	Chairman
2.	Mr. Sudhir Kumar Budhia	Non-Executive Independent	Member
3.	Mr. Manoj Goel	Non-Executive Non - Independent	Member

The Committee's constitution and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Clause 52 of the SME Equity Listing Agreement of Bombay Stock Exchange. The Company Secretary acts as a Secretary to the Nomination & Remuneration Committee. The link to the Nomination & Remuneration policy is available at the website of the company [www.aanchalispac.com](http://www.aanchalispac.com).

#### Remuneration policy

The success of the organization in achieving good performance and good governing practices depends on its ability to attract and retain individuals with requisite knowledge and excellence as executive and non-executive Directors.

The Policy on nomination & Remuneration may be accessed on the Company's website at the link: <http://aanchalispac.com/policies.html>.

#### Details of Remuneration to all Directors:

A) The details of remuneration for the Financial Year 2014-15 paid to the Executive Directors and their shareholding in the Company are as under:

Name of the Directors	Category	Remuneration (₹)	No. of shares held as on 31 <sup>st</sup> March, 2015
Mr. Mukesh Goel	Executive	3,60,000	19,94,850
Mr. Manoj Goel	Non-Executive	-	17,16,900

B) The details of sitting fees for the Financial Year 2014-15 paid to the Non-Executive Independent Directors and their shareholding in the Company are as under:

Name of the Directors	Category	Sitting Fees (₹)	No. of shares held as on 31 <sup>st</sup> March, 2015
Mr. Mukesh Agarwal	Non-Executive Independent	18,000	NIL
Mr. Sudhir Kumar Budhia	Non-Executive Independent	24,000	NIL

No commission was paid to Directors during the year ended 31<sup>st</sup> March 2015.

C) Details of Remuneration paid to Mr. Ritesh Shaw CFO of the Company for the financial year 2014-15 are as under: Amount in ₹

Salary	1,50,000.00
Contribution to Provident Fund	-
Contribution to National Pension Fund	-
Bonus and Allowances	-
<b>Total</b>	<b>1,50,000.00</b>

#### INDEPENDENT DIRECTORS' MEETING

During the period under review, Independent Directors' met on 23<sup>rd</sup> March, 2015, inter-alia, to discuss:

- Evaluation of the Performance of the Independent Directors and Board of Directors as a whole;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to perform its duties effectively and reasonably.

All the Independent Directors were present in the meeting.

#### GENERAL BODY MEETINGS:

During the preceding three years, the Company's Annual General Meetings (AGM) were held at National Highway-6, Chamrail, Howrah- 711 114. The date and time of the AGMs & EGMs held during the last three years and special resolutions passed thereat, are as follows:

Year	Day, Date & Time	Special Resolution passed
2014-15	Friday, 5 <sup>th</sup> September, 2014 at 11.30 A.M.	NIL
	1 <sup>st</sup> September, 2014, at 11.00 A.M	Resolution passed for appointment of Mr. Mukesh Agarwal as Independent Director
	30 <sup>th</sup> July, 2014 at 11.00 A.M	Resolution passed for the following purpose: 1. Bonus issue 2. conversion of company into a public company 3. Resolution passed for appointment of Mr. Sudhir Kumar Budhia as Independent Director
2013-14	24 <sup>th</sup> September, 2013 at 1.00 A.M	NIL
2012-13	29 <sup>th</sup> September at 2012 at 1.00 P.M	NIL

- No Special Resolution was passed through postal ballot during the financial year 2014-15.
- None of the business proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through postal ballot.

#### DISCLOSURES

##### 1. Related party transactions

Transactions effected with the related parties are disclosed under Note No. 25 in 'Notes to the Financial Statements' in the Annual Report, in accordance with the requirements of Accounting Standard AS 18 as notified by the Companies (Accounting Standards) Rules, 2006.

A Statement in summary form of transactions with related parties in the ordinary course of business is periodically placed before the Audit Committee for review and recommendation to the Board for their approval. The Company's related party transactions, during the year, are with the associates of the Company. All these transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis.

Besides the transactions reported in the Annual Report as aforesaid, no transaction of material nature has been entered into by the Company with its Directors or Key Managerial Personnel (KMPs) and their relatives that may have a potential conflict with the interests of the Company at large. The Register of Contracts containing transactions, if any, in which Directors are interested, is placed before the Board regularly. The Company has formulated Related Party Transactions (RPT) Policy which provides a framework to regulate transactions between the Company and its related parties based on the laws and regulations applicable to the Company. The said Policy is available on the Company's website [www.aanchalispac.com](http://www.aanchalispac.com).

## 2. Details of non-compliance by the Company

There has been no non-compliance and no strictures/penalties have been imposed on the Company by the Stock Exchanges or the Securities and Exchange Board of India (SEBI) or any statutory authority on any matters related to capital markets during the last three years.

## 3. Accounting treatment in preparation of financial statement

The financial statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and the provisions of the Act (to the extent notified).

## 4. Whistle Blower Policy

The Company has formed a Whistle Blower Policy/ Vigil Mechanism as required under Section 177 of the Companies Act, 2013 and Clause 52 of the SME Equity Listing Agreement. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The said policy may be referred to, at the Company's website at the weblink- <http://www.aanchalispac.com/> under Investor center Column.

None of the officials/personnel of the Company has been denied access to the Audit Committee. The Ombudsman has not received any complaint during the financial year ended 31<sup>st</sup> March, 2015.

## 5. Compliance with Clause 52 of the SME Equity Listing Agreement:

The Company has complied with the mandatory requirements of the Clause 52 of the SME Equity Listing Agreement. The Company has adopted the following non-mandatory requirements of Clause 52 of SME Equity Listing Agreement:

### i. Audit Qualification

The Company is in the regime of unqualified financial statements.

### ii. Reporting of Internal Auditor

The Internal Auditor directly reports to the Audit Committee

### iii. Woman Director

The Company has not appointed Woman Director as required under section 149 (1) of the Companies Act, 2013 read with rules 3 of Companies (Appointment and Qualification) Rules, 2014 but it is in the process of identifying a suitable candidate for the position of the Woman Director in the Company and shall comply with the same at the earliest.



**COMPLIANCE****1. Code Of Conduct**

The Board has laid down the Code of Conduct for its Members and designated Senior Management Personnel of the Company. The Code has been posted on the Company's website. All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

**2. Corporate Governance Compliance**

The Company has complied with the requirements as laid down in Clause 52 of the SME Equity Listing Agreements with the Stock Exchanges for the purpose of Corporate Governance. A certificate has been obtained from M/s R Modi & Co., Chartered Accountants, the Statutory Auditors of the Company.

**3. Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices**

As per the SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has adopted a Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices. All the Directors, employees at the senior management level and other employees and all concerned who could have access to the unpublished price sensitive information of the Company are governed by this Code. The Company has appointed Ms. Babita Kaur Bagga, Company Secretary, as Compliance Officer who is responsible for setting forth procedures, implementation and compliance of the Code of Conduct for trading in Company's securities.

**CEO/CFO CERTIFICATION**

In terms of requirement of Clause 52 of the SME Equity Listing Agreement, CFO of the Company have certified to the Board regarding financial statements for the year ended 31st March, 2015.

**MEANS OF COMMUNICATION**

- i) **Publication of results:** The Company publishes its Half Yearly Result and annual results on the website. The same are also submitted to the Stock Exchanges.
- ii) **News, Releases etc:** All vital information relating to the Company and its performance including financial results are regularly posted on the Company's website at <http://www.aanchalispot.com/>
- iii) **During the year under review, the Company did not make any presentation to institutional investors or to analysts.**

**GENERAL SHAREHOLDER INFORMATION****i. AGM Details**

Date	:	25.09.2015
Time	:	01:00 P.M
Venue	:	National Highway-6, Chamrail, Howrah- 711 114.

**ii. Financial Calendar**

Financial year -1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016  
Financial Reporting for the Year 2015-16:

Particulars	Quarter (Q.E)/ year ending (Y.E)	Tentative Schedule*
Unaudited Financial Results (1 <sup>st</sup> Quarter)	N.A	N.A
Unaudited Financial Results (2 <sup>nd</sup> Quarter) on Half yearly Basis.	Q.E. 30.09.2015	On or before November 14, 2015
Unaudited Financial Results (3 <sup>rd</sup> Quarter)	N.A	N.A
Audited Financial Results (4 <sup>th</sup> Quarter/Annual)	Y.E. 31.03.2016	On or before May 30, 2016

\*tentative and subject to change

- iii. Book closure Dates : (Both days inclusive)  
 iv. Dividend Payment Date : Not Applicable  
 v. Listing on Stock Exchanges : BSE Limited (BSE) - SME PLATFORM

The listing fees for financial year 2015-16 to BSE (SME) have been paid.

- vi. Stock Code : Trading symbol BSE Limited - 538812  
 Demat ISIN No. : ISIN No. : INE322R01014  
 Corporate Identity No. : U27106WB1996PLC076866

- vii. Market Price Data

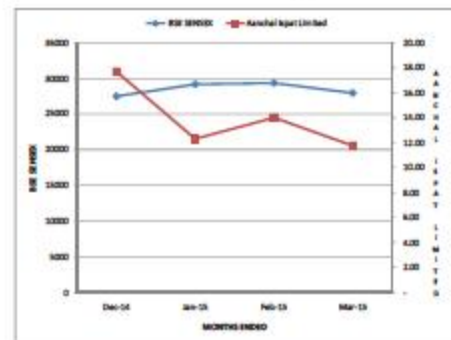
High, Low during each month in the last financial year at BSE :

BSE	BSE	BSE
Month	High (Rs.)	Low (Rs.)
Dec 2014	22.9	16.5
Jan 2015	19.8	12
Feb 2015	15.5	11.1
Mar 2015	16.8	11.2

[Source: This information was compiled from the date available from the websites [www.bsesme.com](http://www.bsesme.com)]

- viii. Performance in comparison to broad based indices:

Comparison with BSE Sensex Graph.



- ix. Registrar and Share Transfer Agent and Share Transfer System

The Company's share transfers are handled by Purva Sharegistry (India) Pvt. Ltd., Registrar and Transfer Agents (RTA).

Purva Sharegistry (India) Pvt. Ltd

No. 9, Shiv Shakti Ind. Estate, Gr. Floor,

J. R. Boricha Marg, Lower Parel, Mumbai-400 011

Tel: +91 22 2301 6761/8261; Fax: +91 22 2301 2517

Website: [www.purvashare.com](http://www.purvashare.com) ; Email: [busicomp@vsnl.com](mailto:busicomp@vsnl.com)

SEBI Regn No. INR000001112

Contact Person: Mr. Rajesh Shah

**x. Share Transfer System**

The shares received in physical mode by the Company / RTA are transferred expeditiously provided the documents are complete and shares under transfer are not under dispute. Confirmation in respect of the request for dematerialization of shares is sent to respective depositories – National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) within stipulated period.

**xi. Reconciliation Of Share Capital Audit**

As stipulated by Securities and Exchange Board of India (SEBI), a Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report is submitted to stock exchanges, NSDL and CDSL and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

**xii. Unclaimed Shares**

In terms of Clause 6(a) of the SME Equity Listing Agreement, there were no unclaimed shares.

**xiii. Transfer Of Unpaid/Unclaimed Equity Dividend To Investors Education & Protection Fund (IEPF)** There was no unpaid/unclaimed Dividend declared and paid last year and hence the provisions of Section 125 of the Companies Act, 2013 do not apply.**xiv. Distribution of Shareholding and shareholding pattern as on 31<sup>st</sup> March 2015**

Distribution of Shareholding- related to shareholding.

Shareholding	Shareholders		Shares	
	Number	% of Total	Number	% of Total
Upto 500	-	-	-	-
501 to 1000	-	-	-	-
1001 to 2000	-	-	-	-
2001 to 3000	-	-	-	-
3001 to 4000	-	-	-	-
4001 to 5000	-	-	-	-
5001 to 10000	323	57.99	1938000	9.29
10001 and above	234	42.01	18915750	90.71
<b>Grand Total</b>	<b>557</b>	<b>100</b>	<b>20853750</b>	<b>100</b>

**Shareholding Pattern**

Sl. No.	Description	No. of shares	Percentage of capital
I.	Promoter and Promoter group	12849750	61.62%
II	Public Shareholding		
1.	Non-Institutions	0	0
a.	Bodies Corporate	15,72,000	7.54%
b.	Individuals	52,56,000	25.20%
c.	HUF	906000	4.34%
II.	Institutional.		
d.	Market Maker -	2,70,000	1.29%
e.	Non Resident Individual	0	0
f.	Clearing Member	0	0
	Sub-total	8,00,4000	38.38%
	Total (I) +(II)	2,08,53,750	100

**xv. Dematerialization of shares and liquidity:**

As on 31<sup>st</sup> March 2015, 20,8,53,750 shares of the Company, aggregating to 100% of the paid up share capital of the Company was held in dematerialized form with the NSDL and CDSL.

**xvi. Outstanding convertible instruments, conversion date and likely impact on equity:**

The Company has not issued any GDRs/ ADRs/Warrants or any Convertible instruments.

**xvii. Plant Locations**

National Highway-6,  
Chamrail,  
Howrah- 711 114.  
Website: [www.aanchalispac.com](http://www.aanchalispac.com)  
Tel: +913212 246121 / [Info@aanchalispac.com](mailto:Info@aanchalispac.com)

**xviii. Address For Correspondence**

For any assistance, queries regarding transfer or transmission of shares, dematerialization, non-receipt of dividend, non-credit of shares in demat account and any other query relating to the shares of the Company and Annual Report, the shareholders may write to the following:

**The Company Secretary**  
Aanchal Ispat Limited  
National Highway-6,  
Chamrail, Howrah- 711 114.  
Website :[www.aanchalispac.com](http://www.aanchalispac.com)  
Tel: +913212 246121  
Email:[cs@aanchalispac.com](mailto:cs@aanchalispac.com)  
Contact Person: Miss Babita Kaur Bagga

**Registrar and Share Transfer Agent**  
PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED  
No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg,  
Lower Parel, Mumbai-400 011  
Tel: +91 22 2301 6761/8261  
Fax: +91 22 2301 2517  
Website: [www.purvashare.com](http://www.purvashare.com)  
Email: [busicomp@vsnl.com](mailto:busicomp@vsnl.com)  
SEBI Regn No. INR000001112  
Contact Person: Mr. Rajesh Shah

**xix. Exclusive e-mail ID for Investors' Grievances**

Pursuant to Clause 50(f) of the SME Equity Listing Agreement, the e-mail id [cs@aanchalispac.com](mailto:cs@aanchalispac.com) has been designated for communicating investors' grievances.

Kolkata

For Aanchal Ispat Limited

Mukesh Goel  
Managing Director

CEO/CFO CERTIFICATION

To  
Board of Directors  
Aanchal Ispat Limited

We have reviewed the financial statements along with the cash flow statement of Aanchal Ispat Limited for the year ended March 31, 2015 and that to the best of our knowledge and belief, we state that:

- (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
1. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;
2. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and necessary steps have been taken to rectify these deficiencies.
3. We have indicated to the Auditors and Audit Committee:
  - (a) Significant changes, if any, in internal control over the financial reporting during the year;
  - (b) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

30/05/2015  
Kolkata

For Aanchal Ispat Limited

Ritesh Shaw  
CFO

**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 52 OF THE SME LISTED COMPANY AS PER BSE SME LISTING AGREEMENT**

To

The Members of Aanchal Ispat Limited.

We have reviewed the implementation of Corporate Governance procedure by the company during the twelve-month period ended 31<sup>st</sup> March, 2015 as stipulated in clause 52 of the SME listed company as per BSE SME listing agreement in India with the relevant records/ documents maintained by the company furnished to us for our review and the report of Corporate Governance as approved by the Board of Directors.

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

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and the management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in clause 52 of the SME listed company as per BSE SME listing agreement of the above-mentioned Listing Agreement.

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

RMODI & CO.  
(Chartered Accountants)  
FIRM REG NO : 327727E

Place: Kolkata  
Dated: 30/05/2015

RAHUL KUMAR MODI  
( PARTNER)  
MEMBERSHIP NO. : 302983

## BOARD REPORT

To the Members,

Your Directors have pleasure in submitting their 20<sup>th</sup> Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2015

### 1. FINANCIAL RESULTS

The Company's financial performance for the year ended 31<sup>st</sup> march, 2015 is summarised below:  
Financial Summary or performance of the company:

PARTICULARS	YEAR ENDED	YEAR ENDED
	31.03.2015	31.03.2014
Net Sales /Income from Business Operations	19067,53,739.00	19037,71,810.29
Other Income	6,06,535.62	17,77,680.54
Total Income	19073,60,274.62	19055,49,490.83
Less Interest	370,04,580.29	386,02,306.71
Profit before Depreciation	12971401.97	16410545.94
Less Depreciation	63,86,003.74	45,50,125.38
Profit after depreciation and Interest	65,85,398.23	118,60,420.56
Less Current Income Tax	32,85,655.02	41,87,930.00
Less Previous year adjustment of Income Tax ,	-	-
Less Deferred Tax	(5,58,340.21)	(10,581.82)
Net Profit after Tax	38,58,083.42	76,83,072.38
Dividend (including Interim if any and final )	-	-
Net Profit after dividend and Tax	38,58,083.42	76,83,072.38
Amount transferred to General Reserve	-	-
Balance carried to Balance Sheet	38,58,083.42	76,83,072.38
Earnings per share (Basic)	0.19	1.79
Earnings per Share (Diluted)	0.19	1.79

### 2. DIVIDEND

No Dividend was declared for the current financial year due to conservation of Profits.

### 3. APPROPRIATIONS

During the financial year 2014-15, no amount has been appropriated to General Reserve.

### 4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There was no unpaid/unclaimed Dividend declared and paid last year and hence the provisions of Section 125 of the Companies Act, 2013 do not apply for the year under review.

### 5. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 52 of the BSE SME Listing Agreement, is presented in a separate section forming part of the Annual Report.

## 6. SHARES

### A. INITIAL PUBLIC OFFER

The company has issued 80,04,000 equity shares of face value of Rs. 10 each ("equity shares") for cash at a price band of Rs. 20 per equity share which includes a share premium of Rs. 10 per equity share aggregating to Rs. 1,600.80 lacs in accordance with the provisions of Section 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (the "Companies Act"), the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the "ICDR Regulations"), the listing agreements entered into by the Company with SME platform of BSE Limited.

### B. BONUS SHARES

The Company has issued 85,66,500 shares of Rs 8,56,65,000/- as Bonus Shares to the existing shareholders of the Company in the proportion of 2 share for every 1 share held in accordance with the provisions of Section 63 of the Companies Act, 2013 read with Rule 14 of the Companies(Share Capital and Debentures), Rules 2014.

### C. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

### D. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

### E. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

## 7. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

## 8. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors wish to present the details of Business operations done during the year under review:

### A. Production and Profitability

Our company has achieved a PAT margin of 0.20% in the current year as against PAT margin of 0.40% in the previous year. There has been a decline in the profitability of the company due to the one-time expenses incurred by the company in the previous year related to Initial Public Offer of its equity shares and secondly for the change in Depreciation method of calculation as per the Companies Act, 2013.

### B. Sales

Our Company's sales stood at Rs. 1,90,67,53,739.00 as compared to Rs. 1,90,37,71,810.29 in the previous year, registering an increase in the top line of the company.

### C. Marketing and Market environment.

Iron & Steel industry is the foundation industry of any economy, especially in developing countries whose material intensity is likely to increase significantly in the future, for infrastructure development and growth in manufacturing sector. India certainly is one such economy that is poised to grow significantly over the next decade with its per capita consumption nearly at one-fourth of the global average. A competitive and efficient domestic steel industry is a pre-requisite for India to succeed in its industrial vision for 'Make in India'. Investments in the steel sector are highly capital intensive and long term in nature, whose economic viability is dependent on the fundamental growth assumptions of the domestic economy. The Government of India aims to triple the steel capacity to 300 million tonnes by 2025. In order to ensure that such capacity is viable to set up and value creating for the stakeholders, it is important to ensure that the ease of doing business is enhanced and the Indian steel industry is not unfairly harmed by low priced subsidised imports from overseas. However, in the month of August 2015, the import duty on Steel (Long



Products) is increased by 2.5%.

**D. Future Prospects including constraints affecting due to Government policies.**

The future of the Indian iron and steel sector looks promising as there is enormous scope for increasing consumption of iron & steel in almost all sectors in India. There is an untapped potential of increasing steel consumption in India; even to reach the comparable developing and lately developed economies like China and other Europe, a quantum jump in steel consumption will be required. India has rich mineral resources. It has abundance of iron ore, coal and many other raw materials required for iron and steel making.

**Unexplored Rural Market** – The Indian rural sector remains fairly unexposed to their multi-faceted use of steel. Enhancing applications in rural areas assumes a much greater significance now for increasing per capital consumption of steel. The usage of steel in cost effective manner is possible in the area of housing, fencing, structures and other possible applications where steel can substitute other materials which not only could bring about advantages to users but is also desirable for conservation of forest resources.

**Export Market Penetration** – It is estimated that world steel consumption will double in next 25 years. Quality improvement of Indian steel combined with its low cost advantages will definitely help in substantial gain in export.

**9. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.**

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report.

**10. INTERNAL FINANCIAL CONTROLS**

Aanchal Ispat Limited has an adequate system of internal control, commensurate with the size and nature of its business to ensure that the resources of the Company are used efficiently and effectively, all assets are safeguarded and protected against loss from unauthorised use or disposition whatsoever and the transactions are authorised, recorded and reported correctly, financial and other data are reliable for preparing financial information and other data and for maintaining accountability of assets. The internal control is supplemented by extensive programme of internal audits, review by management, documented policies, guidelines and procedures. The Audit Committee of the "Board" continuously reviews the significant observations, if any, of the internal and Statutory Auditors on financials.

**11. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

**12. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure I and is attached to this report.

**13. DIRECTORS**

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Manoj Goel, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

During the year under review, the members approved the appointments of Mr. Sudhir Kumar Budhia (DIN: 02869779) and Mr. Mukesh Agarwal (DIN: 06954595) as Independent Directors on 30th day of July, 2014 and 1st day of September, 2014 respectively who are not liable to retire by rotation. The members have also re-appointed Mr. Mukesh Goel as the Managing Director on 12th day of August, 2014 for a term of 5 years and Mr. Manoj Goel was redesignated as the non-executive director w.e.f 3rd day of September, 2014.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Clause 52 of BSE SME Listed Companies.

#### 14. MEETINGS OF BOARD OF DIRECTORS

During the financial year ended 31st March, 2015, Ten Board Meetings were held, details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

#### 15. AUDIT COMMITTEE

During the period under review, the Board of Directors of your Company constituted a Audit Committee in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013.

The Audit Committee consists of the following member's:

Name of the members	Category	Position Held
Mr. Sudhir Kumar Budhia	Non -Executive Independent Director	Chairman of the Audit Committee
Mr. Mukesh Agarwal	Non -Executive Independent Director	Member
Mr. Manoj Goel	Non- Executive Director	Member

The above composition of the Audit Committee consists of independent Directors viz., Mr Sudhir Kumar Budhia and Mr Mukesh Agarwal, who form the majority. All the recommendations made by the Audit Committee were accepted by the Board.

#### 16. VIGIL MECHANISM

The Company has established a vigil mechanism policy through the audit committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: <http://aanchalispot.com/policies.html>.

#### 17. NOMINATION AND REMUNERATION COMMITTEE

During the year under review, the Board of Directors of your Company constituted a Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 52 of the BSE SME Listing Agreement. The composition of the committee is as under:

Name of the members	Category	Position Held
Mr. Mukesh Agarwal	Non -Executive Independent Director	Chairman
Mr. Sudhir Kumar Budhia	Non -Executive Independent Director	Member
Mr. Manoj Goel	Non- Executive Director	Member

## COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Committee has formulated the Nomination and Remuneration Policy which broadly laid down the various principles of remuneration and covers the procedure for selection, appointment and compensation structure of Board members, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) of your Company. The said Policy is available on your Company's website at the link <http://aanchalispat.com/policies.html>.

### 18. PERFORMANCE EVALUATION

The Nomination and Remuneration Committee (NRC) of your Company has formulated and laid down criteria for Performance Evaluation of the Board (including Committees) and every Director (including Independent Directors) pursuant to provisions of Section 134, Section 149 read with Code of Independent Directors (Schedule IV) and Section 178 of the Companies Act, 2013 and the Clause 52 of the SME Listing Agreement covering inter-alia the following parameters namely:

- i) Board Evaluation
- ii) Board Committee Evaluation
- iii) Individual Director Evaluation

Based on these criteria, the performance of the Board, various Board Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee, and Individual Directors (including Independent Directors) was evaluated to be satisfactory.

During the year under review, the Independent Directors of your Company reviewed the performance of Non- Independent Directors and Chairperson of your Company, taking into account the views of Executive Directors and Non-Executive Directors.

### 19. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there were no such employees drawing remuneration in excess of the limits set out in the said rules.

In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

The Nomination and Remuneration Committee has affirmed that the remuneration is as per remuneration policy of the Company.

### 20. KEY MANAGERIAL PERSONNEL (KMPs)

Pursuant to the resolution of the Board of Directors passed at its meeting held on Sep 01, 2014 and Sep 06, 2014 the following executives of the Company are whole-time Key Managerial Persons (KMPs) as on March 31, 2015 in accordance with the provisions of Section 203 of the Companies Act, 2013.

Name	Designation	Effective Date
Ms. Babita Kaur Bagga	Company Secretary	06.09.2014
Mr. Ritesh Shaw	Chief Financial Officer	

### 21. RISK MANAGEMENT POLICY

The process of Risk Management in the Company identifies inherent risks in its operations and records residual risk after taking specific risk mitigation steps. The Company has identified and categorized risks in the area of Operations, Finance and Marketing, Regulatory Compliances and Corporate matters. Wherever possible and necessary, appropriate insurance cover is taken for financial risk mitigation.

On the Financial front, the Company has not borrowed any amount in foreign currency however the foreign exchange fluctuation may affect the prices of raw material and other allied inputs, but at present the Company is not importing its Raw Material or other allied inputs. Such Raw Materials and other allied inputs are abundantly available in the domestic market. Credit Policy of the Company is primarily based on the customer profile. The Management does not perceive any major technological, environmental and/or financial risks for the Company in the near future.

## **22. POLICY ON SEXUAL HARRASEMENT**

Your Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. Your Company in its endeavour to provide a safe and healthy work environment for all its employees has developed a policy to ensure zero tolerance towards verbal, physical, psychological conduct of a sexual nature by any employee or stakeholder that directly or indirectly harasses, disrupts or interferes with another's work performance or creates an intimidating, offensive or hostile environment such that each employee can realize his / her maximum potential. Your Company has put in place a 'Policy on Prevention of Sexual Harassment' as per The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The company maintains an open door for reportees; encourages employees to report any harassment concerns and is responsive to employee complaints about harassment or other unwelcome and offensive conduct. Our board has been empowered to enquire into complaints and to recommend appropriate action, wherever required.

## **23. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable.

## **24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence there are no disclosures.

## **25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All the related party transactions of your Company are entered on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Agreement. There are no materially significant transactions made by the Company with Promoters, Directors or Key Managerial Personnel (KMPs) which have potential conflict with the interest of your Company at large. Members may refer to the notes to the financial statements for details of related party transactions. Since all related party transactions entered into by your Company were in the ordinary course of business and were on an arm's length basis, Form AOC-2 is not applicable to your Company.

## **26. ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure II and is attached to this Report.

## **27. STATUTORY AUDITORS**

M/s R.Modi & Co, Chartered Accountants were appointed as Statutory Auditors for a period of 1 year in the Annual General Meeting held on 25/09/2014.

## **AUDIT QUALIFICATIONS**

There were no qualifications, reservations or adverse remarks made by the Auditors for the year under review.

## **28. SECRETARIAL AUDIT REPORT**

Your Company appointed Ms. Manisha Saraf, member of The Institute of Company Secretaries of India

(Membership No. FCS 7607 Certificate of Practice No. 8207 as the Secretarial Auditor of your Company for FY 2014-15 to conduct the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

There were no qualifications, reservations or adverse remarks made by the Practicing Company Secretary in Secretarial Audit Report MR 3 except as mentioned below:

The Company has not appointed Woman Director as required under section 149 (1) of the Companies Act, 2013 read with rules 3 of Companies (Appointment and Qualification) Rules, 2014 and clause 49(ii)(A)(1) of the Listing Agreement.

The Secretarial Audit Report for the Financial Year 2014-15 forms a part of the Annual Report.

## **29. CORPORATE GOVERNANCE**

A separate section on Corporate Governance and a Certificate from the Auditors of your Company regarding compliance with the requirements of Corporate Governance as stipulated under Clause 52 of the SME Equity Listing Agreement with the Stock Exchanges (revised effective October 01, 2014 vide SEBI Circular nos. IR/CFD/POLICY/CELL/2/2014 dated April 17, 2014 and CIR/CFD/POLICY/CELL/7/2014 dated September 15, 2014), forms part of the Annual Report.

## **30. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) 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 profit and loss of the company for that period;

(c) 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;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. Internal financial control means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

(f) 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.

## **31. ACKNOWLEDGEMENT**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS:**

Managing Director  
Mukesh Goel  
DIN : 00555061

Place:: Kolkata  
Date:30/05/2015

Annexure I

## DISCLOSURE OF THE PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER COMPANIES (ACCOUNTS) RULES, 2014.

## A) CONSERVATION OF ENERGY:

I) The steps taken or impact on conservation of energy	NIL
II) The steps taken by the Company for utilising alternate sources of energy	
III) The capital investment on energy conservation equipment	

## B) TECHNOLOGY ABSORPTION:

I) Efforts made towards technology absorption	NIL
II) Benefits derived like product improvement, cost reduction, product development or import substitution	
III) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year), following information may be furnished: (a) Technology imported. (b) Year of import. (c) Whether technology been fully absorbed (d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof	Not Applicable
IV) The expenditure incurred on research or development	Not Applicable

## C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

	FY 2014-15 (Rs.)	FY 2013-14 (Rs.)
Foreign Exchange earned in terms of actual inflows	NIL	NIL
Foreign Exchange outgo in terms of actual outflows	NIL	NIL

**FORM NO. MGT 9 (ANNEXURE TO BORD REPORT)****EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:			
1	CIN	L27106WB-1996PLC076866	
2	Registration Date	30-01-1996	
3	Name of the Company	AANCHAL IS-PAT LIMITED	
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARE	
5	Address of the Registered office	MOUZA-CHAM-RAIL, NATIONAL HIGHWAY 6 LILUAH, HOW-RAH- 711114	
6	Contact details of the company	<a href="mailto:cs@aanchalispat.com">cs@aanchalispat.com</a> <a href="http://www.aanchalispat.com">www.aanchalispat.com</a>	
7	Whether listed company	LISTED	
8	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Shareregistry (India) Pvt. Ltd. Unit no. 9, Shiv Shakti Ind. Estt. J.R. Boricha marg, Opp. Kasturba Hospital Lane Lower Parel (E) Mumbai 400 011	
9	Contact details of the Registrar & Transfer Agent	<a href="mailto:Busicomp@gmail.com">Busicomp@gmail.com</a> <a href="http://www.purvashare.com">www.purvashare.com</a>	

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY		
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)		
S. No.	Name and Description of main products / services	NIC Code of the Product/ service
1	Manufacturing of TMT Bars and structurals	24311
2	Trading of iron & Steel products	N.A
3		

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES			
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate
1	NIL	NIL	NIL

2	NIL			NIL			NIL
3							
<b>IV. SHARE HOLDING PATTERN</b>							
(Equity share capital breakup as percentage of total equity)							
<b>(i) Category-wise Share Holding</b>							
Category of Shareholders Demat	No. of Shares held at the beginning of the year [As on 1-April-2014]			No. of Shares held at the end of the year [As on 31-March-2015]			
	Physical	Total	% of Total Shares	Demat	Physical	Total	
<b>A. Promoters</b>							
<b>(1) Indian</b>							
a) Individual/ HUF	1267250		12,67,250	29.59%	3801750		38,01,750
b) Central Govt			-				-
c) State Govt(s)			-				-
d) Bodies Corp.	3016000		30,16,000	70.41%	9048000		90,48,000
e) Banks / FI			-				-
f) Any other			-				-
<b>Sub Total (A) (1)</b>	<b>42,83,250</b>		<b>42,83,250</b>	<b>100.00%</b>	<b>1,28,49,750</b>	<b>-</b>	<b>1,28,49,750</b>
<b>(2) Foreign</b>							
a) NRI Individuals			-				-
b) Other Individuals			-				-
c) Bodies Corp.			-				-
d) Any other			-				-
<b>Sub Total (A) (2)</b>	<b>-</b>		<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL (A)</b>	<b>42,83,250</b>		<b>42,83,250</b>	<b>100.00%</b>	<b>1,28,49,750</b>	<b>-</b>	<b>1,28,49,750</b>
<b>B. Public Shareholding</b>							
<b>I. Institutions</b>							
a) Mutual Funds			-				-
b) Banks / FI			-				-
c) Central Govt			-				-
d) State Govt(s)			-				-
e) Venture Capital Funds			-				-
f) Insurance Companies			-				-



g) FIs		-			-
h) Foreign Venture Capital Funds		-			-
i) Others-Market Maker		-	270000		2,70,000
<b>Sub-total (B)(1):-</b>	-	-	2,70,000	-	2,70,000
<b>2. Non-Institutions</b>					
a) Bodies Corp.					
i) Indian		-	1572000		15,72,000
ii) Overseas		-			-
b) Individuals					
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh		-	1650000		16,50,000
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh		-	3606000		36,06,000
c) Others (specify)					
Non Resident Indians		-			-
Overseas Corporate Bodies		-			-
Foreign Nationals		-			-
Clearing Members		-			-
Trusts		-			-
HUF		-	906000		9,06,000
<b>Sub-total (B)(2):-</b>	-	-	77,34,000	-	77,34,000
<b>Total Public (B)</b>	-	-	80,04,000	-	80,04,000
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>		-			
<b>Grand Total (A+B+C)</b>	42,83,250	-	42,83,250	100.00%	2,08,53,750

**(ii) Shareholding of Promoter**

SN	Shareholder's Name No. of Shares % of total Shares of the company	Shareholding at the beginning of the year			Shareholding at the end of the year	
		% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company		
1	MAINA SECURITIES PVT. LTD.	15,80,000	36.89%	Nil	4740000	22.73%
2	PRATIK SUPPLIERS PRIVATE LIMITED	13,76,000	32.13%	Nil	4128000	19.80%

3	Mukesh Goel	6,64,950	15.52%	Nil	1994850	9.57%
4	MANOJ GOEL	5,72,300	13.36%	Nil	1716900	8.23%
5	AANCHAL CEMENT LIMITED	60,000	1.40%	Nil	180000	0.86%
6	Monika Goel	14,000	0.33%	Nil	42000	0.20%
7	Rashmi Goel	11,000	0.26%	Nil	33000	0.16%
8	Sitaram Goyal	5,000	0.12%	Nil	15000	0.07%
	TOTAL	42,83,250	100.00%		1,28,49,750	61.62%

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year			Cumulative Shareholding during the year
				No. of shares	% of total shares	No. of shares	
	At the beginning of the year	01.04.2014			42,83,250	100.00%	42,83,250
	Changes during the year	30.07.2014	Bonus		85,66,500	200.00%	1,28,49,750
					0.00%		
					0.00%		
	At the end of the year	31.03.2015			1,28,49,750	300.00%	1,28,49,750

**(iv) Shareholding Pattern of top ten Shareholders**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year			Cumulative Shareholding during the year
				No. of shares	% of total shares	No. of shares	
1	Name MAINA SECURITIES PVT. LTD.						
	At the beginning of the year	01.04.2014			15,80,000	36.89%	15,80,000
	Changes during the year	30.07.2014	Bonus		31,60,000	73.78%	47,40,000
	At the end of the year	31.03.2015			47,40,000	110.66%	47,40,000
2	Name-PRATIK SUPPLIERS PRIVATE LIMITED						
	At the beginning of the year	01.04.2014			13,76,000	32.13%	13,76,000
	Changes during the year	30.07.2014	Bonus		27,52,000	64.25%	41,28,000

	At the end of the year	31.03.2015		41,28,000	96.38%	41,28,000
3	Name-Mukesh Goel					
	At the beginning of the year	01.04.2014		6,64,950	15.52%	6,64,950
	Changes during the year	30.07.2014	Bonus	13,29,900	31.05%	19,94,850
	At the end of the year	31.03.2015		19,94,850	46.57%	19,94,850
4	Name-MANOJ GOEL					
	At the beginning of the year	01.04.2014		5,72,300	13.36%	5,72,300
	Changes during the year	30.07.2014	Bonus	11,44,600	26.72%	17,16,900
	At the end of the year	31.03.2015		17,16,900	40.08%	17,16,900
5	Name-GUINNESS SECURITIES LIMITED					
	At the beginning of the year	01.04.2014		-	0.00%	-
	Changes during the year	06.12.2014	Allot	4,68,000	10.93%	4,68,000
	At the end of the year	31.03.2015		4,68,000	10.93%	4,68,000
6	Name- YORK FINANCIAL SERVICES PVT. LTD.					
	At the beginning of the year	01.04.2014		-	0.00%	-
	Changes during the year	06.12.2014	Allot	3,66,000	8.54%	3,66,000
	At the end of the year	31.03.2015		3,66,000	8.54%	3,66,000
7	Name-SWARAN FINANCIAL PVT LTD					
	At the beginning of the year	01.04.2014		-	0.00%	-
	Changes during the year	06.12.2014	Allot	3,66,000	8.54%	3,66,000
	At the end of the year	31.03.2015		3,66,000	8.54%	3,66,000
8	Name-GCM SECURITIES LIMITED					
	At the beginning of the year	01.04.2014		-	0.00%	-
	Changes during the year	06.12.2014	Allot	2,70,000	6.30%	2,70,000
	At the end of the year	31.03.2015		2,70,000	6.30%	2,70,000
9	Name-AANCHAL CEMENT LIMITED					

	At the beginning of the year	01.04.2014			60,000	1.40%	60,000
	Changes during the year	30.07.2014	Bonus		1,20,000	2.80%	1,80,000
	At the end of the year	31.03.2015			1,80,000	4.20%	1,80,000
10	Name-SHYAM SUNDER NEWAR						
	At the beginning of the year	01.04.2014			-	0.00%	-
	Changes during the year	06.12.2014	Allot		1,56,000	3.64%	1,56,000
	At the end of the year	31.03.2015			1,56,000	3.64%	1,56,000

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

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year			Cumulative Shareholding during the year
				No. of shares	% of total shares	No. of shares	
1	Name-Mukesh Goel						
	At the beginning of the year	01.04.2014			6,64,950	15.52%	19,94,850
	Changes during the year	30.07.2014	Bonus		13,29,900	31.05%	
	At the end of the year	31.03.2015			19,94,850	46.57%	19,94,850
2	Name-MANOJ GOEL						
	At the beginning of the year	01.04.2014			5,72,300	13.36%	17,16,900
	Changes during the year	30.07.2014	Bonus		11,44,600	26.72%	
	At the end of the year	31.03.2015			17,16,900	40.08%	17,16,900
3	Name-MUKESH AGARWAL						
	At the beginning of the year	01.04.2014			-	0.00%	-
	Changes during the year	-			-	0.00%	-
	At the end of the year	31.03.2015			-	0.00%	-
4	Name-RITESH SHAW						
	At the beginning of the year	01.04.2014			-	0.00%	-
	Changes during the year	-			-	0.00%	-
	At the end of the year	31.03.2015			-	0.00%	-
5	Name-BABITA KAUR BAGGA						

At the beginning of the year	01.04.2014	-	0.00%	-
Changes during the year	-	-	0.00%	-
At the end of the year	31.03.2015	-	0.00%	-
<b>6 Name-SUDHIR KUMAR BUDHIA</b>				
At the beginning of the year	01.04.2014	-	0.00%	-
Changes during the year	-	-	0.00%	-
At the end of the year	31.03.2015	-	0.00%	-
<b>V. INDEBTEDNESS</b>				

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	27,93,52,255.95	2,25,00,000.00		-
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
<b>Total (i+ii+iii)</b>	<b>27,93,52,255.95</b>	<b>2,25,00,000.00</b>		<b>-</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-		-
* Reduction	2,83,562.00	2,25,00,000.00		-
<b>Net Change</b>	<b>2,83,562.00</b>	<b>2,25,00,000.00</b>		<b>-</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	27,90,68,693.95	-		-
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
<b>Total (i+ii+iii)</b>	<b>27,90,68,693.95</b>	<b>-</b>		<b>-</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager
		Name MUKESH GOEL
		Designation MANAGING DIRECTOR

	Gross salary		
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,60,000.00	
	(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)	3,60,000.00	-
	Ceiling as per the Act	4,24,389.18	

**B. Remuneration to other Directors**

SN.	Particulars of Remuneration	Name of Directors		
	Independent Directors	MR.MUKESH AGARWAL	MR.SUDHIR KUMAR BUDHIA	
1	Fee for attending board committee meetings	18,000.00	24,000.00	
	Commission	-	-	
	Others, please specify	-	-	
	Total (1)	18,000.00	24,000.00	-
	Other Non-Executive Directors	MR.MANOJ GOEL		
2	Fee for attending board committee meetings	-		
	Commission	-		
	Others, please specify			
	Total (2)	-	-	-
	Total (B)=(1+2)	18,000.00	24,000.00	-
	Total Managerial Remuneration	18,000.00	24,000.00	
	Overall Ceiling as per the Act	1,00,000.00	1,00,000.00	

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

SN.	Particulars of Remuneration	Name of Key Managerial Personnel		
	Name	NA	MR.RITESH SHAW	MISS.BABITA KAUR BAGGA
	Designation	CEO	CFO	CS

1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		1,50,000.00	1,42,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-	-
2	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-	-
	Stock Option		-	-
3	Sweat Equity		-	-
	Commission		-	-
4	- as % of profit		-	-
	- others, specify		-	-
5	Others, please specify		-	-
	Total	-	1,50,000.00	1,42,000.00

**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]
<b>A. COMPANY</b>				
Penalty		NIL	NIL	NIL
Punishment		NIL	NIL	
Compounding		NIL		
<b>B. DIRECTORS</b>				
Penalty		NIL	NIL	NIL
Punishment		NIL	NIL	
Compounding		NIL	NIL	
<b>C. OTHER OFFICERS IN DEFAULT</b>				
Penalty		NIL	NIL	
Punishment		NIL	NIL	
Compounding		NIL	NIL	

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

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

To,  
The Members,  
AANCHAL ISPAT LIMITED  
Mouza- Chamarail National Highway 6  
Liluah  
Howrah-711114

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

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by Aanchal Ispat Limited ("the Company") as given in Annexure I, for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 1956 ( the Old Act) and the rules made thereunder for the period upto 31<sup>st</sup> March, 2014;
- (ii) The Companies Act, 2013 (the Act) and the rules made thereunder for specified sections notified and came into effect from 12th September, 2013 and sections and Rules notified and came into effect from 1st April, 2014;
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) 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 (Not Applicable to the company during the audit period);
- (vi) 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 (Prohibition of Insider Trading) Regulations, 1992;
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;



2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") were not applicable to the Company under the financial year under report:-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (d) 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;
  - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
3. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure II.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not Applicable to the company during the audit period).
- (ii) The Listing Agreements entered into by the Company with Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- i. The company has not appointed woman director till 31<sup>st</sup> March, 2015 as required under section 149(1) of the Companies Act, 2013 read with Rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014 and clause 49(II)(A)(1) of the listing agreement. The company is in the process of identifying a suitable candidate and complying with the same at the earliest.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

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

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

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

and guidelines.

I further report that during the audit period the company has undertaken events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz,

- i. Issue of 85,66,500 fully paid equity shares by way of bonus shares in the ratio of 2:1 in accordance with provisions of section 63 of Companies Act, 2013.
- ii. The company got listed on BSE SME on 10<sup>th</sup> of December, 2014 and made Initial Public Offering of 80,04,000 equity shares of face value of Rs.10/- each at an issue price of Rs.20/- per equity share.

Place : KOLKATA

Date : 26<sup>th</sup> day of May, 2015

Signature:

Manisha Saraf

Company Secretary in Practice

FCS: 7607

C P No.: 8207

## ANNEXURE-I

**List of documents verified**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March, 2014.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Share Transfer Committee and Stakeholders' Relationship Committee along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. All Statutory Registers.
6. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 299 of the Companies Act, 1956 and 184 of the Companies Act, 2013.
8. Intimations received from directors under the prohibition of Insider Trading Code.
9. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the financial year under report.
10. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report.

## ANNEXURE-II

**List of applicable laws to the Company**

1. Employees Provident Funds & Miscellaneous Act, 1952
2. Employees State Insurance Act, 1948
3. Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981
4. West Bengal Value Added Tax Act, 2003
5. Central Sales Tax Act, 1956
6. Profession, Trade, Callings and Employment Act, 1979
7. Central Excise Act, 1944
8. Factories Act
9. Bureau of Indian Standard
10. Other applicable acts.

**RECOMMENDATIONS FOR BETTER CORPORATE GOVERNANCE:-**

1. The board processes should ensure timely capturing of all relevant information and compliances.
2. Obtain status of compliances with various departments in the quarterly board meeting.
3. Adequate co-ordination with Accounts Department for being proactive regarding related party transactions.
4. Registers to be maintained in soft format to expedite the updation process.
5. Timely information and updates to the Board regarding applicable laws and changes in Companies Act and Listing Agreement.
6. Minutes Book to capture all specific details and discussions including interested directors and voting patterns at the meetings.
7. Notices and agendas to be more elaborate, specific and to be sent through registered post in adequate compliances with the Secretarial Standards.

## INDEPENDENT AUDITOR'S REPORT

TO  
THE MEMBERS OF  
AANCHAL ISPAT LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of Aanchal Ispat Limited, which comprise the Balance Sheet as at 31<sup>st</sup> March 2015, the Statement of Profit and Loss, for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 31 March 2015, and its Profit and its Cash flows for the year ended on that date.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As Required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the Annexure a statement on the matters specified in the Paragraph 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, dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards 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 31/03/2015 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial positions;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and.
  - iii. There has been no amount required to be transferred to the Investor Education and Protection Fund by the Company.

R MODI & CO.  
(Chartered Accountants)  
Firm Reg. No.: 327727E

Place: Kolkata  
Date: 03/05/2015

RANJIT KUMAR MODI  
(Partner)

Membership No.: 062254

## Reports under the Companies (Auditor's Report) Order, 2015 (CARO 2015)

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2015, we report that:

- i. In respect of its assets:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The Company's fixed assets have been physically verified by the management at regular intervals, having regard to the size of the company and the nature of its assets. The management has confirmed that no discrepancies have been found.
- ii. In respect of its inventories:
  - a. The company has also conducted physical verification of inventory at reasonable intervals during the year.
  - b. In our opinion and according to explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - c. The company is also maintaining proper records of inventory and there have been no material discrepancies.
- iii. The company has granted loans, unsecured to companies, firms or other parties covered in the register maintained under section 189 of the companies Act, 2013 ("The Act").
  - a. In respect of loans granted, repayment of the principal amount is as stipulated and the payment of interest have been regular.
  - b. There is no overdue amount of any loans, secured or unsecured to companies, firms or other parties, covered in the registered maintained under section 189 of the Companies Act.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets, purchase of inventory and for the sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
- v. In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the company.
- vii. In respect of statutory dues:
  - a. Undisputed statutory dues including Provident Fund, , Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, duty of customs, duty of excise, value added tax or cess and any other statutory dues with the appropriate authorities though there has been a slight delay in a few cases.
  - b. According to the records of the company, there are no dues of employees state insurance, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and any other statutory dues with the appropriate authorities that have not been deposited on amount of any dispute except following.

Related to	Authority Where Case is Pending	Financial Year	Disputed Amount	Remarks
Excise Duty	Commissioner of Central Excise, Haldia Commissionerate	2007-2008	10,486,754.00	Appeal filed by the company on 13-07-2012 before Customs Excise Service Tax Tribunal
Income Tax	Income Tax Officer, Ward 1(4), Kolkata	2010-2011	10,618,810.00	Appeal filed by the company on 29-04-2014 before Commissioner of Income Tax (Appeal) - 1, Kolkata
Income Tax	Commissioner of Income Tax, Kolkata - 1	2008-2009	1,142,544.00	Appeal filed by the company on 26-05-2014 before Commissioner of Income Tax (Appeals) - 1, Kolkata
Provident Fund	Assistant Provident Fund Commissioner, Howrah	April 2003 to February 2013	259,486.00	Appeal filed by the company on 07-07-2014 before Employees Provident Fund Appellate Tribunal, Ministry Labour & Employment Government of India, New Delhi
Income Tax	DCIT, Circle 3(1), Kolkata	2011-2012	19,278,200.00	Appeal filed by the company on 16-04-2015 before the Commissioner of Income Tax (Appeals) - 1, Kolkata

- c. According to the records of the company there are no amounts that are due to be transferred to Investors Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- viii. The Company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- ix. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks, and debenture holders.
- x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institution. Therefore the para 3(x) of the order is not applicable to the company.
- xi. According to the information and explanations given to us, in our opinion, the terms loans were applied for the purpose of which they were obtained.
- xii. Based upon the audit procedures performed for the purpose of reporting the true and fair nature of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of audit.

R MODI & CO.  
(Chartered Accountants)  
Firm Reg. No.: 327727E

RANJIT KUMAR MODI  
(Partner)  
Membership No.: 062254

Kolkata  
Date: 30/05/2015

## AANCHAL ISPAT LIMITED

Script Code - 538812

STATEMENT OF ASSEST AND LIABILITY

Sl. No	PARTICULARS	SCHEDUL NO.	Figures as at the end of current reporting period 31/03/2015	Figures as at the end of previous reporting period 31/03/2014
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
1	<b>SHARE HOLDERS' FUNDS</b>			
	a) Share Capital	1	20,85,37,500.00	4,28,32,500.00
	b) Reserve and Surplus	2	18,35,06,844.84	18,69,88,343.92
			39,20,44,344.84	22,98,20,843.92
2	<b>NON- CURRENT LIABILITIES</b>			
	a) Long - term borrowings	3	90,68,693.95	3,18,52,255.95
	b) Deffered tax liability	4	71,48,265.01	84,73,328.80
	c) Long Term Provision		5,26,814.00	-
			1,67,43,772.96	4,03,25,584.75
3	<b>CURRENT LIABILITIES</b>			
	a) Short - term borrowings	5	22,69,72,209.35	25,07,34,626.90
	b) Trade Payables	6	24,08,68,233.46	15,18,43,758.99
	c) Other Current Liabilities	7	82,61,421.00	1,03,55,872.62
	d) Short Term Provisions	8	2,10,32,579.59	2,48,89,845.90
			49,71,34,443.40	43,78,24,104.41
	<b>Total Equity &amp; Liabilities</b>		90,59,22,561.20	70,79,70,533.08
<b>II.</b>	<b>ASSETS</b>			
1	<b>NON- CURRENT ASSETS</b>			
	a) Fixed Assets			
	(i) Tangible assets	9	5,85,92,782.31	5,87,79,830.13
	b) Long Term Loans and Advances	10	64,79,911.00	77,05,742.40
	c) Other Non currnet assets	11	2,40,00,000.00	86,00,000.00
			8,90,72,693.31	7,50,85,572.53
2	<b>CURRENT ASSETS</b>			
	a) Inventories	12	25,57,04,281.31	25,96,90,419.74
	b) Trade receivables	13	53,86,50,421.20	35,00,58,800.68
	c) Cash and cash equivalents	14	31,33,573.98	67,37,470.50
	d) Short term loans and advances	15	1,93,61,591.40	1,63,98,269.64
			81,68,49,867.89	63,28,84,960.55
	<b>Total Assets</b>		90,59,22,561.20	70,79,70,533.08

## NOTES:

- The above financial Results have Been prepared on Standalone Basis.
- The above Audited Financials Result after review by the audit Committee where approved by the board of Directors at its meeting held on 30.05.2015
- Revised Schedule III to Companies Act 2013.
- During the year Company has allotted 80,04,000 equity Shares of the Face value Rs.10 each to promoters and Non-promoters.

Date: 30.05.2015

Kolkata

Mr. Ritesh Shaw (CFO)  
Babita Kaur Bagga (CS)

R MODI & CO.  
(Chartered Accountants)  
Firm Reg. No.: 327727E  
RANJIT KUMAR MODI  
(Partner)  
Membership No.: 062254

Manoj Goel  
Director  
DIN- 00554986

Mukesh Goel  
Managing Director  
DIN - 00555061



**AANCHAL ISPAT LIMITED**

Script Code - 538812

**PART-1 STATEMENT OF AUDITED FINNICAL RESULT FOR THE YEAR ENDED 31ST MARCH, 2015**

Amt. (in ₹.)

Sl. No	PARTICULARS	SCHEDULE NO.	Figures as at the end of current reporting period 31/03/2015	Figures as at the end of previous reporting period 31/03/2014
	<b>INCOME</b>			
I.	Revenue From Operations	16	1,90,67,53,739.00	1,90,37,71,810.29
II.	Other Income	17	6,06,535.62	17,77,680.54
III.	<b>TOTAL REVENUE (I+II)</b>		<b>1,90,73,60,274.62</b>	<b>1,90,55,49,490.83</b>
	<b>EXPENSES</b>			
	Cost of raw materials consumed	18	1,24,20,16,743.79	92,93,58,935.85
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	36,28,468.24	(1,02,23,363.74)
	Cost of Goods Traded	20	51,97,41,346.85	83,56,19,046.05
	Employee benefits expenses	21	63,14,008.00	43,76,588.00
	Other Expenses	22	8,56,83,725.48	9,14,05,432.02
	<b>TOTAL</b>		<b>1,85,73,84,292.36</b>	<b>1,85,05,36,638.18</b>
	<b>Earning before interest, tax, depreciation and amortization (EBITDA)</b>		<b>4,99,75,982.26</b>	<b>5,50,12,852.65</b>
	Depreciation and amortization expense	23	63,86,003.74	45,50,125.38
	Finance Cost	24	3,70,04,580.29	3,86,02,306.71
V.	<b>Profit/(loss) before prior period item</b>		<b>65,85,398.23</b>	<b>1,18,60,420.56</b>
	Prior Period Item		-	-
	<b>Profit/(loss) before tax</b>		<b>65,85,398.23</b>	<b>1,18,60,420.56</b>
	<b>Tax expense</b>			
	1. Current Tax		32,85,655.02	41,87,930.00
	2. Deferred Tax	25	(5,58,340.21)	(10,581.82)
	3. Excess/Short Provision for Tax		-	-
	<b>Total Tax expense</b>		<b>27,27,314.81</b>	<b>41,77,348.18</b>
	<b>Profit/(loss) for the year</b>		<b>38,58,083.42</b>	<b>76,83,072.38</b>
	<b>Earnings Per equity Shares [nominal value of share Rs.10] Basic and Diluted</b>	26	<b>0.19</b>	<b>1.79</b>

Date: 30.05.2015

Kolkata

Mukesh Goel

Managing Director

DIN - 00555061

## PART-II SELECTED INFORMATION FOR THE YEAR ENDED 31ST MARCH,2015

A. PARTICULARS OF SHAREHOLDING		Year Ended 31.03.2015	Year Ended 31.03.2014
<b>1 Public Shareholding</b>			
No. Of shares		8004000	N.A
% of shareholding		38.38%	N.A
<b>2 Promoter and Promoter Group Shareholding</b>			
<b>a Pledged / encumbered</b>			
No. Of shares		-	-
% of shares(as a % of Toal Shareholding of Promoter and Promoter Group)		-	-
% of shares(as a % of Toal Sharecapital of the company)		-	-
<b>b Non encumbered</b>			
No. Of shares		12849750	4283250
% of shares(as a % of Toal Shareholding of Promoter and Promoter Group)		100%	100%
% of shares(as a % of Toal Sharecapital of the company)		61.62%	100%
<b>B INVESTORS COMPLAINTS</b>			Year Ended 31.03.2015
Pending at the beginning of the year			-
Received during during the year			-
Disposed of during the year			-
Remaining unresolved at the end of the period			-

Manoj Goel  
Director

Mukesh Goel  
Managing Director

R MODI & CO.  
(Chartered Accountants)  
Firm Reg. No.: 327727E

Mr. Ritesh Shaw (CFO)  
Babita Kaur Bagga (CS)

RANJIT KUMAR MODI  
(Partner)

Membership No.: 062254

Place: Kolkata  
Date: 30/05/2015

## AANCHAL ISPAT LIMITED

NATIONAL HIGHWAY 6, CHAMRAIL

HOWRAH - 711114

## CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2015

Amt. (in ₹.)

	For the Period ended 31st March, 2015	For the Period ended 31st March, 2014
<b>Cash Flow From Operating Activities</b>		
Net Profit Before Tax	65,85,398.23	1,18,60,420.56
Adjustments for:		
Depreciation	63,86,003.74	45,50,125.38
Interest & Finance Charges	3,70,04,580.29	3,86,02,306.71
Interest Income	4,37,692.62	(6,35,892.62)
Operating Profit Before Working Capital Changes	5,04,13,674.88	5,43,76,960.03
Adjustments for:		
Increase/(decrease) in trade payables	8,90,24,474.47	(2,40,72,739.76)
Increase/(decrease) in short term provision	(38,57,266.31)	59,47,850.40
Increase/(decrease) in other current liabilities	(20,94,451.62)	(3,02,45,586.38)
Increase/(decrease) in long term provision	5,26,814.00	-
Decreases/(Increase) in trade receivables	(18,85,91,620.52)	2,91,09,073.54
Decreases/(Increase) in trade inventories	39,86,138.42	(6,46,55,162.89)
Decreases/(Increase) in long term loans and advances	12,25,831.40	2,01,80,084.87
Decreases/(Increase) in short term loans and advances	(29,63,321.76)	1,00,53,793.61
Decreases/(Increase) in other non current asset	(1,54,00,000.00)	(44,00,000.00)
	(11,81,43,401.92)	(5,80,82,686.60)
Direct Taxes Paid	(32,85,655.02)	(41,87,930.00)
<b>Net Cash from Operating Activities [A]</b>	<b>(7,10,15,382.06)</b>	<b>(78,93,656.58)</b>
<b>Cash Flow from Investing Activities</b>		

Investment	-	7,10,420.00
Purchase of Fixed Assets	(86,80,262.00)	(5,78,989.79)
Interest Income Received	(4,37,692.62)	6,35,892.62
<b>Net Cash Used in Investing Activities [B]</b>	<b>(91,17,954.62)</b>	<b>7,67,322.83</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from Long Term Borrowings (net)	(2,27,83,562.00)	3,13,058.98
Proceeds from Issue of equity Share	16,57,05,000.00	-
Proceeds from Reserve & Surplus	(56,25,000.00)	
Proceeds from short Term Borrowings (net)	(2,37,62,417.55)	2,22,19,424.39
Interest & Financial Charges paid	(3,70,04,580.29)	(3,86,02,306.71)
<b>Net Cash from Financing Activities [C]</b>	<b>7,65,29,440.16</b>	<b>(1,60,69,823.34)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents(A+B+C)</b>	<b>(36,03,896.52)</b>	<b>(2,31,96,157.09)</b>
Cash & Cash Equivalents at the begning of the year	67,37,470.50	2,99,33,627.56
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>31,33,573.98</b>	<b>67,37,470.48</b>
<b>Components of Cash and Cash Equivalents</b>		
Cash on hand	2,56,414.00	13,94,574.80
With Banks on	24,81,938.70	50,28,510.08
Current accounts	3,95,221.28	3,14,385.62

For and on behalf of the Board of Directors

Manoj Goel  
Director

Mukesh Goel  
Managing Director

R MODI & CO.  
(Chartered Accountants)  
Firm Reg. No.: 327727E

Mr. Ritesh Shaw (CFO)  
Babita Kaur Bagga (CS)

RANJIT KUMAR MODI  
(Partner)

Membership No.: 062254

Place: Kolkata  
Date: 30/05/2015

**AANCHAL ISPAT LIMITED**  
**(Formerly: VINITA PROJECTS PRIVATE LIMITED)**

MOUZA- CHAMRAIL, NATIONAL HIGHWAY - 6  
LILUAH, HOWRAH - 711114

**SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the generally accepted accounting principles ("GAAP") in India and comply with the Accounting Standards notified by the Central Government pursuant to Companies (Accounting Standard) Rules, other pronouncements of the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013, to the extent applicable.

**B. USE OF ESTIMATES**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expenses, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

**C. TANGIBLE FIXED ASSETS**

Tangible fixed Assets are stated at cost of acquisition less accumulated depreciation. The cost of tangible fixed assets includes freight, duties and taxes and other incidental expenses related to the acquisition, but exclude duties and taxes that are recoverable subsequently from tax authorities. Borrowing costs directly attributable to acquisition of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

Advances paid towards acquisition of tangible fixed assets and the cost of assets not ready to be put to use before the year-end are disclosed under long term loans and advances and capital work in progress respectively

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

**D. DEPRECIATION, AMORTISATION AND DEPLETION**

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

**E. INVESTMENTS**

Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Non Current investments are stated at cost. Provision for diminution in the value of Non Current investments is made only if such a decline is other than temporary.

**F. Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount (higher of net realizable value and value in use) of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

**G. INVENTORIES**

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost includes all taxes and duties, but excludes duties and taxes that are subsequently recoverable from tax authorities.

The methods of determining cost of various categories of inventories are as follows:

Description	Method of Determining cost
Raw Materials	First in first out
Work in Progress	Lower of Cost or NRV
Finished Goods	Lower of Cost or NRV

#### H. REVENUE RECOGNITION

Revenue from sale of goods is recognised on despatch of goods to customers which corresponds with transfer of all significant risks and rewards of ownership to the buyer. The amount recognized as sale is exclusive of sales tax, trade and quantity discounts.

Dividend income is recognized when unconditional right to receive the payment is established.

Interest income on deposits and interest bearing securities is recognized on the time proportionate method.

#### EXCISE DUTY / SERVICE TAX

Excise duty / Service tax is accounted on the basis of both, payments made in respect of goods cleared / services provided and provisions made for goods lying in bonded warehouses.

#### I. EMPLOYEE BENEFITS

- a) Short term employee benefits (i.e. benefit payable within one year) are recognized in the \_\_\_\_\_ period in which employee services are rendered. These benefits include performance incentive and compensated absences.
- b) Contribution made towards Provident Fund, in accordance with applicable rules/statutes, is charged to revenue.
- c) Based on actuarial valuation necessary provision has been created in the books to meet the liability as per Accounting Standard 15.

#### J. BORROWING COSTS

Borrowing cost comprising interest and finance charges directly attributable to the construction of qualifying assets are capitalized as part of the cost of that asset until the activities necessary to prepare the qualifying asset for its intended use are complete. Other borrowing costs are recognized as an expense in the period in which they are incurred.

#### K. INCOME TAXES

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

#### L. Earnings per share

Basic earnings per share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share amounts are computed after adjusting the effects of all dilutive potential equity shares. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

#### M. Provision and Contingent liabilities

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

Disclosure related to the cases pending against the company –

Issuing Authority	Amount involved	Period	Action taken by the Company
Commissioner of Central Excise, Haldia Commissionerate	1,04,86,754/- (the company has already deposited Rs. 60,00,000/-)	FY 2007-08	Appeal filed by the company on 13.07.2012 before Customs Excise Service Tax Tribunal
Demand notice U/s 156 of the Income Tax Act, 1956 raised by Income Tax Officer, Ward 1(4), Kolkata	Rs. 1,06,18,810/-	FY 2010-11	Appeal filed by the company on 29.04.2014 before Commissioner of Income Tax (Appeals) – I, Kolkata
Order U/s 263 of the Income Tax Act, 1956 raised by Commissioner of Income Tax, Kolkata – I	Rs. 11,42,544/-	FY 2008-09	Appeal filed by the company on 26.05.2014 before Commissioner of Income Tax (Appeals) – I, Kolkata
Order U/s 14B of Employees Provident Fund & Miscellaneous Provisions Act, 1952 raised by Assistant Provident Fund Commissioner, Howrah	Rs. 2,59,486/-	April 2003 to February 2013	Appeal filed by the company on 07.07.2014 before Employees Provident Fund Appellate Tribunal, Ministry Labour & Employment Government of India, New Delhi
Demand notice U/s 156 of the Income Tax Act, 1961 raised by DCIT, Circle 3(1), Kolkata	Rs. 1,92,78,200/-	FY 2011-12	Appeal filed by the company on 16.04.2015 before the Commissioner of Income Tax (Appeals) – I, Kolkata

**N. Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents includes cash and cheques in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

**R MODI & CO.**  
(Chartered Accountants)  
Firm Reg. No.: 327727E

Place: Kolkata  
Date : 30/05/2015

**RANJIT KUMAR MODI**  
(Partner)  
Membership No.: 062254

## AANCHAL ISPAT LIMITED

Script Code - 538812

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

## 1 SHARE CAPITAL

PARTICULARS	31st March 2015		31st March 2014	
	No.	Amt. (in `.)	No.	Amt. (in ₹.)
<b>Authorised</b>				
Equity Shares of Rs. 10/- each	22000000	22,00,00,000.00	5000000	5,00,00,000.00
<b>Issued, Subscribed and Paid up</b>				
Equity Shares of Rs. 10 each fully paid up	20853750	20,85,37,500.00	4283250	4,28,32,500.00
<b>TOTAL</b>		20,85,37,500.00		4,28,32,500.00

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

Equity Shares	31st March 2015		31st March 2014	
	No.	Amt. (in `.)	No.	Amt. (in ₹.)
At the beginning of the reporting period	4283250	4,28,32,500.00	4283250	4,28,32,500.00
Issued during the period	16570500	16,57,05,000.00		
Outstanding at the end of the reporting period	20853750	20,85,37,500.00	4283250	4,28,32,500.00

## 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 shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## C Details of shareholders holding more than 5% shares in the company

Name of Shareholder	31st March 2015		31st March 2014	
	No.	% Holding	No.	% Holding
Mukesh Goel	1994850	10%	664950	16%
Manoj Goel	1716900	8%	572300	13%
Maina Securities Private Limited	4740000	23%	1580000	37%
Pratik Suppliers Pvt. Ltd.	4128000	20%	1376000	32%

D The Company has allotted 85,66,500 fully paid up equity share of face value Rs. 10 each during the year ended march 31, 2015 pursuant to a bonus issue approved by the shareholders. Bonus issue was made utilizing the Share Premium Reserve.

E During the year, the company has made an initial public offer(IPO) of 80,04,000 number of equity share @ Rs. 10 each. The equity share have been priced and allotted at Rs. 20 per equity share(including share premium at Rs.10 per equity share).

The company has raised Rs. 16,00,80,000 out of IPO. The equity share offer to ther public have been allotted on 6th December, 2014 and have been listed in Bombay Stock Exchange(BSE) on 10th Decemder,2014, Accordingly issued and paid up share has increased from Rs. 4,28,32,500 to Rs. 12,28,72,500 and an amount of Rs. 8,00,40,000 has been Credited to Securities premium account. The proceeds of the issue are being utilized for the purpose mentioned in the prospectus/retained in the Bank deposit pending utilization.

**The proceeds of IPO are utilized as under upto 31/03/2015 :-**

Share issue proceeds	16,00,80,000.00
Less : used for the purpose of Business	11,01,80,262.00
Less : IPO Expenses	51,10,359.00
Amount kept in Bank	4,47,89,379.00



## 2 RESERVES &amp; SURPLUS

Amt. (in ₹.)

PARTICULARS	31st March 2015	31st March 2014
General Reserve	36,00,000.00	36,00,000.00
Share Premium Reserve	14,58,67,500.00	15,14,92,500.00
<b>Surplus/(deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	3,18,95,843.92	2,42,12,771.54
Add: Profit/(loss) for the year	38,58,083.42	76,83,072.38
Less: Adjustment due to change in accounting policy		
- Change in opening WDV of Fixed Assets	-24,81,306.08	-
- Change in opening deferred tax	-7,66,723.58	-
<b>Net surplus/(deficit) in the statement of profit and loss</b>	<b>3,40,39,344.84</b>	<b>3,18,95,843.92</b>
<b>TOTAL</b>	<b>18,35,06,844.84</b>	<b>18,69,88,343.92</b>

## 3 LONG TERM BORROWINGS

Amt. (in ₹.)

PARTICULARS	31st March 2015	31st March 2014
<b>TERM LOANS - SECURED</b>		
SCB BANK A/c 47828293	90,68,693.95	93,04,049.87
Vehicle Loan - KVB A/c 3101.717.1200	0.00	48,206.08
<b>LOANS - UNSECURED</b>		
From Others	0.00	2,25,00,000.00
<b>TOTAL</b>	<b>90,68,693.95</b>	<b>3,18,52,255.95</b>

The SME / Lap residence Loan from Standard Chartered Bank carries interest at 15.25% per annum. The loan is repayable in monthly installments of Rs. 147354.00 from the date of first disbursement. The loan is Secured by Property of Director.

## 4 DEFFERED TAX LIABILITY

Amt. (in ₹.)

PARTICULARS	31st March 2015	31st March 2014
Opening balance	84,73,328.80	84,83,910.62
Adjustment due to adoption of Scheme II of Companies Act 2013	-7,66,723.58	-
Net Deferred Tax Assets During the year	-5,58,340.21	-10,581.82
<b>TOTAL</b>	<b>71,48,265.01</b>	<b>84,73,328.80</b>

## 5 SHORT TERM BORROWINGS

PARTICULARS	Amt. (in ₹.)	
	31st March 2015	31st March 2014
<b>SECURED</b>		
Cash Credit - KVB A/c 3101.223.479	22,69,72,209.35	25,07,34,626.90
<b>TOTAL</b>	<b>22,69,72,209.35</b>	<b>25,07,34,626.90</b>

A

Cash Credit from **karur vysya bank** is secured by (a) Hypothecation of present and future stocks of raw materials, work-in-process, finished goods, consumables, stores and spares, book debts, money receivables, right and other movable assets excluding bills purchased/discounted by bank and bills against which advance has been paid which belong to the Company and (b) Second charge and mortgage on immovable properties of the Company.

## 6 TRADE PAYABLE

PARTICULARS	Amt. (in ₹.)	
	31st March 2015	31st March 2014
Trade payables		
- For Goods	21,27,57,769.76	14,20,24,356.86
- For transporter	1,53,76,538.00	82,80,711.00
- For Expenses & Others	1,27,33,925.70	15,38,691.13
<b>TOTAL</b>	<b>24,08,68,233.46</b>	<b>15,18,43,758.99</b>

## 7 OTHER LIABILITIES

PARTICULARS	Amt. (in ₹.)	
	31st March 2015	31st March 2014
<b>Other Liabilities</b>		
Other Out standing Expenses	1,78,350.00	-
Statutory Dues Payable	18,45,481.00	14,55,872.62
Advances from Customers	62,37,590.00	89,00,000.00
<b>TOTAL</b>	<b>82,61,421.00</b>	<b>1,03,55,872.62</b>

## 8 SHORT TERM PROVISION

PARTICULARS	Amt. (in ₹.)	
	31st March 2015	31st March 2014
<b>Short Term Provisions</b>		
Provision for Income Tax	37,87,480.29	74,20,508.82
Provision for excise duty (closing Stock)	1,63,28,080.30	1,65,64,467.08
Provision for service tax (transport)	9,04,870.00	9,04,870.00
Provision for gratuity	12,149.00	-
<b>TOTAL</b>	<b>2,10,32,579.59</b>	<b>2,48,89,845.90</b>

## 9 TANGIBLE AS-SETS

Particulars	Rate of Depreciation	Gross Block										Depreciation		Net Block
		Opening as on 01/04/2014	Additions during the year	Deletions during the year	Closing as on 31/03/2015	Opening as on 01/04/2014	Additional Depreciation (to be adjusted with R&S)	Additions during the year (to be adjusted with P&L)	Closing as on 31/03/2015	WDV as on 31/03/2015	WDV as on 31/03/2014			
Air Conditioner	4.75%	19,16,600.00	-	-	19,16,600.00	10,83,316.80	6,76,220.90	37,381.78	17,96,919.48	1,19,680.52	8,33,283.20			
Camera	4.75%	93,963.00	-	-	93,963.00	7,803.47	-	33,188.03	60,774.97	86,159.53				
Computer	16.21%	7,36,235.00	1,52,724.00	-	8,88,959.00	5,50,590.26	20,780.08	6,80,089.10	2,08,869.90	1,85,644.74				
Electrical & Installation	4.75%	93,15,298.00	3,17,623.00	-	96,32,921.00	47,99,734.79	17,84,305.10	76,97,546.73	19,35,374.27	45,15,563.22				
Factory Shed & Building	3.34%	2,18,64,245.86	22,41,215.00	-	2,41,05,460.86	63,10,366.86	-	69,96,611.86	1,71,08,849.00	1,55,53,879.00				
Hydra JCB	4.75%	7,59,845.00	-	-	7,59,845.00	1,58,050.36	-	3,04,936.78	4,54,908.22	6,01,794.64				
Land & Land Development	0.00%	28,94,531.00	-	-	28,94,531.00	-	-	-	28,94,531.00	28,94,531.00				
Motor Car	9.50%	84,65,577.00	-	-	84,65,577.00	49,79,760.10	-	68,60,511.66	16,05,065.34	34,85,816.91				
Motor Cycle	9.50%	1,62,356.00	-	-	1,62,356.00	62,848.81	-	78,251.89	84,104.11	99,507.19				
Plant & Machinery	4.75%	4,82,06,280.79	59,60,900.00	-	5,41,67,180.79	1,82,02,068.37	-	2,05,06,305.51	3,36,60,875.28	3,00,04,212.42				
Refrigerator W/ Pool	4.75%	16,500.00	-	-	16,500.00	3,070.58	-	14,747.26	1,752.74	13,429.42				
Telephone	4.75%	39,490.00	-	-	39,490.00	5,339.20	-	20,328.31	19,161.69	34,150.81				
Weigh Bridge	4.75%	5,84,600.00	7,800.00	-	5,92,400.00	1,12,741.94	-	1,53,564.73	4,38,835.27	4,71,858.06				
<b>Grand Total</b>		<b>9,50,55,521.65</b>	<b>86,80,262.00</b>	<b>-</b>	<b>10,37,35,783.65</b>	<b>3,62,75,691.52</b>	<b>24,81,306.08</b>	<b>4,51,43,001.34</b>	<b>5,85,92,782.31</b>	<b>5,87,79,830.13</b>				
<b>Previous Year's Total</b>		<b>9,44,76,531.86</b>	<b>5,78,989.79</b>	<b>-</b>	<b>9,50,55,521.65</b>	<b>3,17,25,566.13</b>	<b>-</b>	<b>3,62,75,691.51</b>	<b>5,87,79,830.13</b>	<b>6,27,50,965.74</b>				

NOTE: Depreciation is Calculated on SIM Basis.

**AANCHAL ISPAT LIMITED**  
**NATIONAL HIGHWAY 6, CHAMRAIL**  
**HOWRAH-711114**

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

**10 LONG TERM LOANS & ADVANCES**

Amt. (in ₹.)		
PARTICULARS	31st March 2015	31st March 2014
<b>Unsecured Considered Goods</b>		
Other Advances	45,73,044.00	45,73,044.00
Security Deposites	19,06,867.00	31,32,698.40
<b>TOTAL</b>	<b>64,79,911.00</b>	<b>77,05,742.40</b>

**11 OTHER NON CURRENT ASSETS**

Amt. (in ₹.)		
PARTICULARS	31st March 2015	31st March 2014
Non-current bank balances ( Note 14)	2,40,00,000.00	86,00,000.00
<b>TOTAL</b>	<b>2,40,00,000.00</b>	<b>86,00,000.00</b>

**12 INVENTORIES**

Amt. (in ₹.)		
PARTICULARS	31st March 2015	31st March 2014
Raw materials	8,57,31,598.50	3,15,68,221.65
Traded Goods	1,83,89,960.00	7,22,64,445.00
Finished Goods	14,69,52,722.81	15,05,81,191.05
Stores, Spare Parts and Fuels	46,30,000.00	52,76,562.04
<b>TOTAL</b>	<b>25,57,04,281.31</b>	<b>25,96,90,419.74</b>

**13 TRADE RECEIVABLES**

Amt. (in ₹.)		
PARTICULARS	31st March 2015	31st March 2014
<b>Unsecured</b>		
Debts outstanding for a period not exceeding six Months from due date - considered good	51,25,41,271.20	32,54,47,741.68
Debts outstanding for a period exceeding six Months from due date	2,61,09,150.00	2,46,11,059.00
<b>TOTAL</b>	<b>53,86,50,421.20</b>	<b>35,00,58,800.68</b>

## 14 CASH AND BANK BALANCES

PARTICULARS	Amt. (in ₹.)	
	31st March 2015	31st March 2014
<b>Cash and cash equivalents</b>		
<b>Current</b>		
Current Accounts	3,95,221.28	3,14,385.62
Cash In Hand	2,56,414.00	13,94,574.80
	6,51,635.28	17,08,960.42
<b>Non Current</b>		
<b>Other Bank balances</b>		
Balance with Banks to the extent held as margin money		
Fixed Deposit Including Interest	24,81,938.70	50,28,510.08
Recurring Deposit	2,40,00,000.00	86,00,000.00
	2,64,81,938.70	1,36,28,510.08
Less: Amount disclosed under non current assets ( Note 11)	-2,40,00,000.00	-86,00,000.00
	24,81,938.70	50,28,510.08
<b>GRAND TOTAL</b>	<b>31,33,573.98</b>	<b>67,37,470.50</b>

## 15 SHORT TERM LOANS AND ADVANCES

PARTICULARS	Amt. (in ₹.)	
	31st March 2015	31st March 2014
<b>Advances recoverable in cash or in kind</b>		
Advances to Suppliers	69,58,817.65	10,68,996.55
Other Advances	10,21,700.00	80,00,000.00
Loans to employees		
Advance Tax Including Tax deducted at Source	47,252.00	28,01,548.65
Balance with Excise & Vat Authorities	1,13,33,821.75	45,27,724.44
	-	-
<b>TOTAL</b>	<b>1,93,61,591.40</b>	<b>1,63,98,269.64</b>

## AANCHAL ISPAT LIMITED

Script Code - 538812

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

## 16 REVENUE FROM OPERATIONS

Amt. (in ₹.)

PARTICULARS	31st March 2015	31st March 2014
Finished Goods	1,33,07,49,628.00	1,05,27,01,516.00
Traded Goods	57,03,08,711.00	78,04,35,172.10
Trading Others	56,95,400.00	7,06,35,122.19
	-	
<b>REVENUE FROM OPERATIONS (NET)</b>	<b>1,90,67,53,739.00</b>	<b>1,90,37,71,810.29</b>

## 17 OTHER INCOME

Amt. (in ₹.)

PARTICULARS	31st March 2015	31st March 2014
Interest Income On		
Bank Deposits	4,37,692.62	6,35,892.62
Others	1,68,843.00	11,41,787.92
<b>TOTAL</b>	<b>6,06,535.62</b>	<b>17,77,680.54</b>

## 18 COST OF RAW MATERIAL CONSUMED

Amt. (in ₹.)

PARTICULARS	31st March 2015	31st March 2014
Inventory at the beginning of the year	3,15,68,221.65	3,36,23,068.14
Add: Purchases	1,29,61,80,120.64	92,73,04,089.36
	1,32,77,48,342.29	96,09,27,157.50
Less: inventory at the end of the year	8,57,31,598.50	3,15,68,221.65
<b>Cost of raw material consumed</b>	<b>1,24,20,16,743.79</b>	<b>92,93,58,935.85</b>

## 19 CHANGES IN INVENTORIES OF FINISHED GOODS &amp; WORK-IN-PROGRESS

Amt. (in ₹.)

PARTICULARS	31st March 2015	31st March 2014
(Increase)/Decrease in Finished Goods		
Opening Stock	15,05,81,191.05	14,03,57,827.31
Closing Stock	14,69,52,722.81	15,05,81,191.05
	<b>36,28,468.24</b>	<b>-1,02,23,363.74</b>
<b>TOTAL</b>	<b>36,28,468.24</b>	<b>-1,02,23,363.74</b>

## 20 COST OF GOODS TRADED

Amt. (in ₹.)

PARTICULARS	31st March 2015	31st March 2014
Opening Stock	7,22,64,445.00	1,08,29,695.61
Add:- Purchases	46,58,66,861.85	89,70,53,795.44
	53,81,31,306.85	90,78,83,491.05
Less:-Closing Stock	1,83,89,960.00	7,22,64,445.00
	51,97,41,346.85	83,56,19,046.05
<b>TOTAL</b>	<b>51,97,41,346.85</b>	<b>83,56,19,046.05</b>

## AANCHAL ISPAT LIMITED

Script Code - 538812

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

## 21 EMPLOYEE BENEFITS EXPENSES

PARTICULARS	Amt. (in ₹.)	
	31st March, 2015	31st March, 2014
Salaries, Wages and Bonus	48,76,036.00	34,58,474.00
Directors' Remuneration	3,60,000.00	3,60,000.00
Directors Sitting fee	42,000.00	0.00
Contribution to Provident and Other Funds	4,43,667.00	4,34,389.00
Staff Welfare Expenses	53,342.00	1,23,725.00
Provision for Gratuity	538963.00	
<b>TOTAL</b>	<b>63,14,008.00</b>	<b>43,76,588.00</b>

## a Defined benefit plan

**Gratuity:** The Company provides for gratuity, a defined benefit retirement Plan (the "Gratuity Plan") covering eligible employees. The Plan provides payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities related to the Gratuity Plan are determined by actuarial valuation done by an independent actuary using projected unit credit method as at March 31 each year. Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the Profit and Loss Account.

**Gratuity Plan** Based on actuarial valuation necessary provision has been created in the books to meet the liability as per Accounting Standard 15.

The following table sets out the status of the gratuity plan as required under AS 15. Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Change in Benefit Obligation	Amount (in Rs.)
Opening Defined Benefit Obligation on 01.04.2014	364383
Service cost for the year	134506
Interest cost for the year	29151
Actuarial losses (gains)	10923
Benefits paid	-
Closing Defined Benefit Obligation on 31.03.2015	538963
Discount rate	8.00%

## 22 OTHER EXPENSES

PARTICULARS	Amt. (in ₹.)	
	31st March, 2015	31st March, 2014
Carriage Inward	2,62,20,051.00	2,92,83,825.00
Carriage Out ward	50,163.00	10,110.00
Computer Expenses	95,493.00	34,920.00
Communication Cost	58,555.00	1,40,034.00
Consumption of Stores and Spares	61,87,775.17	1,07,11,974.10
Discount Allowed	19,472.68	18,41,803.66

Donation & Subscription	1,62,102.00	1,65,653.00
General Expenses	16,66,525.41	15,85,329.02
Insurance	1,90,614.00	1,68,181.00
Interest (others)	2,404.00	4,86,006.00
Labour Charges	38,53,765.00	1,12,25,500.00
Legal & Professional Fees	6,15,455.00	5,95,949.00
Live & Licence fees	3,35,519.00	92,157.00
Motor Car Expenses	2,89,350.00	26,658.00
Payment to auditors		-
Audit Fee	1,50,000.00	1,00,000.00
Other Services	25,000.00	25,000.00
Reimbursement of Expenses	25,000.00	25,000.00
Electricity charges	3,69,67,473.00	3,09,38,145.00
Printing & Stationery	65,673.00	1,03,638.00
Provision for excise duty (closing stock)	-2,36,386.78	11,24,606.00
Rent, Rates & Taxes	19,678.00	2,500.00
Repair & Maintenance	1,76,085.00	5,43,962.24
Security Expenses	7,62,362.00	10,51,908.00
Service Tax Paid	-	9,07,214.00
Travelling & Conveyance	1,00,821.00	89,291.00
Valuation Expenses		1,26,068.00
Interest & Penalty	5,25,238.00	-
Godown Rent	1,92,500.00	-
Advertisement Expense	7,50,579.00	-
Filing fees	12,75,000.00	-
IPO Expense	51,10,359.00	-
Dematerialisation Expense	27,100.00	-
		-
<b>TOTAL</b>	<b>8,56,83,725.48</b>	<b>9,14,05,432.02</b>

### 23 Depreciation and amortisation expense

PARTICULARS	Amt. (in ₹.)	
	31st March 2015	31st March 2014
Depreciation of tangible assets	63,86,003.74	45,50,125.38
Amortization of intangible assets	-	-
	<b>63,86,003.74</b>	<b>45,50,125.38</b>



## AANCHAL ISPAT LIMITED

Script Code - 538812

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

## 24 FINANCE COST

PARTICULARS	Amt. (in ₹.)	
	31st March 2015	31st March 2014
Interest Expenses	3,46,67,991.08	3,44,15,981.83
Bank Charges and ancillary borrowing cost	23,36,589.21	41,86,324.88
<b>TOTAL</b>	<b>3,70,04,580.29</b>	<b>3,86,02,306.71</b>

## 25 Deferred tax Laibilities

Deferred Tax Liability	Amt. (in ₹.)	
	31st March 2015	31st March 2014
Fixed Assets- Depreciation	18,06,926.25	34,245.38
<b>Total</b>	<b>18,06,926.25</b>	<b>34,245.38</b>
<b>Total</b>		
<b>Provision for Deferred Tax (net)</b>	<b>5,58,340.21</b>	<b>10,581.82</b>

26 Basic and diluted earnings per share is computed by dividing the net profit attributable to equity share holders for the year, by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Earnings/ (Loss) per share (EPS) (Basic and Diluted)		31st March 2015	31st March 2014
Net Profit / (Loss) for the year	Amt (In RS)	38,58,083.42	76,83,072.38
Number of shares at the beginning of the year	No.	4283250	4283250
Total Number of shares outstanding for the period	No.	20853750	4283250
Weighted Number of Equity Shares outstanding during the period (For Basic And Diluted EPS)	No.	20853750	4283250
Earning Per Share – Basic and Diluted	Rs.	0.19	1.79

27 **RELATED PARTY DISCLOSURE**

Names of related parties and related party relationship

Mr. Mukesh Goel - Promoter / Managing Director

Mr. Manoj Goel - Promoter Director

Pratik Suppliers Private Limited - Promoter Company

Mr. Sitaram Goyal - Relative of Directors

Mrs. Maina Devi Goel - Relative of Directors

Mrs. Rashmi Goel - Relative of Directors

Mrs. Ranju Goel - Relative of Directors

Mrs. Monika Goel - Relative of Directors

Aanchal Collection Limited - Group Company

Aanchal Cement Limited - Group Company

Aanchal Iron & Steels Private Limited - Group Company

Kalayani Rice Mills Private Limited - Group Company

Maina Securities Private Limited - Group Company

Haldia Alloys & Ispat Private Limited - Group Company

Khush Metalliks Private Limited - Group Company

Penguin Creation Private Limited - Group Company

Jaya Rice Mills Private Limited - Group Company

Mukesh Goel HUF - Group Entity

Manoj Goel HUF - Group Entity

b. Related Party Transactions

	Amount	Nature of transaction
Mukesh Goel	3,60,000.00	Directors remuneration
Mukesh Agarwal	18,000.00	Sitting Fees
Sudhir Kumar Budhia	24,000.00	Sitting Fees
Aanchal Collection Limited	50,00,000.00	Short Term advances

**AANCHAL ISPAT LIMITED**  
**NATIONAL HIGHWAY 6, CHAMRAIL**  
**HOWRAH-711114**

PAN:  
 Status:Company

Assessment Year : 2015-2016  
 Previous Year : 2014-2015

**COMPUTATION OF TOTAL INCOME & TAX:-**

		AMOUNT
		<u>Rs.</u> <u>P</u>
<b><u>BUSINESS INCOME</u></b>		
	Net Profit as per Profit & Loss Account	65,85,398
Add:-	Expenses disallowable under the act	16,33,779
Add:-	Depreciation as per companies Act.,1956	63,86,004
		1,46,05,181
Less:	Depreciation for A.Y. 2015-2016 allowable as per depreciation chart attached as per I.T. Rules/Act.	45,79,077
		1,00,26,104
	NET PROFIT AS PER INCOME TAX	1,00,26,104

**Computation of Income Under the Provision of Section 115JB of Income Tax Act**  
**(under Section 115JB)**

	Profit before Tax (As per Books)	65,85,398
	Book Profit	65,85,398
	Income Tax @ 18.50% of Book Profit	12,18,299
	Add: Surcharge @ 5%	60,915
		12,79,214
	Add: Education cess @ 3%	38,376
		13,17,590

As the Income Tax as per normal provision is more than the income calculated as per Sec. 115JB  
 Tax to be paid as per normal provision

Statement of Tax

Income from Business as per Income tax	1,00,26,104
Total Income	1,00,26,104
Rounded off u/s 288A	1,00,26,100
Tax on above @ 30%	30,07,830
Add: Surcharge @ 5%	26,104
	30,33,934
Add: Educational Cess @ 2%	60,679
Add: Secondary & Higher Education Cess @1%	30,339
	31,24,952
Less: TDS receivable A. Y. 15-16	43,680
TCS 1%	3,572
Advance Tax	-
Mat Credit	-
Tax Payable /(Refundable)	30,77,700
<b>Amount For Interest Calculation</b>	<b>30,77,700.02</b>
Interest U/S 234 B	92,331.00
Interest U/S 234 c	1,15,624.00
Tax Payable /(Refundable)	<b>32,85,655</b>
<b>Tax Rounded Off u/s 288B</b>	<b>32,85,655</b>

## NOTICE TO THE MEMBERS

NOTICE is hereby given that the 20<sup>th</sup> Annual General Meeting of the Members of Aanchal Ispat Limited will be held on Friday the 25<sup>th</sup> day of September, 2015 at 1.00 PM at Oasis, National Highway 6, Kona Expressway, Post : Chamrail, P.S : Liluah, Howrah - 711323 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2015, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. Re-appointment of Mr. Manoj Goel as a Director liable to retire by rotation "Resolved that Mr. Manoj Goel (DIN 00554986) who retires by rotation and being eligible offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution:

#### Appointment of Auditor:

To appoint M/s. Rajesh Mohan & Associates, Chartered Accountants (ICAI Registration No.: 323131E) as statutory auditors of the Company and fix their remuneration.

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, (including any statutory modifications or re-enactment thereof, for the time being in force) and pursuant to the recommendations of audit committee, consent of the Board of Directors of the Company be and is hereby accorded, subject to the approval of Shareholders in General Meeting, to appoint M/s Rajesh Mohan & Associates, (Firm Registration No 323131E) Chartered Accountants, as the Statutory Auditors of the Company in place of retiring auditors M/s R. Modi & Co., Chartered Accountants, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 25th Annual General Meeting to be held in the year 2020, subject to ratification by the shareholders annually, at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

### SPECIAL BUSINESS

#### 4. Ratification of Remuneration to Cost Auditor

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

Ratification of remuneration to be paid to M/S Saroj Kumar Sahoo & Co, Cost Accountants (Registration No. 30573), Cost Auditor of the Company.

"Resolved that pursuant to the provisions of Section 148 and all other applicable provisions, if any of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof) and subject to applicable notification or circular as may be issued by the Ministry of Corporate Affairs (MCA) in this regard, the remuneration of Rs 50,000 plus service tax and reimbursement of out of pocket expenses as recommended by the Audit Committee and approved by the Board of Directors ,to be paid to M/s. Saroj Kumar Sahoo & Co, Cost Accountants, Cost Auditor (Registration No. 30573) of the Company for the financial year 2015-16, be and is hereby ratified ,confirmed and approved."

Registered Office:  
Mouza - Chamrail, National Highway 6, Liluah , Howrah,  
West Bengal - 711114

By Order of the Board  
For, Aanchal Ispat Limited

Date : 19<sup>th</sup> day of August , 2015  
Place : Kolkata

Babita Kaur Bagga  
Company Secretary  
Membership No. 33637

## NOTES

1. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
3. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
4. The register of members and share transfer books of the Company will remain closed from Friday, September 18, 2015 to Friday, September 25, 2015 (both days inclusive), in terms of the provisions of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges, where the equity shares of the Company are listed, for the purpose of Annual General Meeting
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
8. The Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act is available for inspection by the Members at the Registered Office on all working days except on Sundays, during business hours of the Company and the same will be open for inspection at the AGM.
9. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
10. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions proposed at this AGM will be transacted through remote e-voting (facility to cast vote from a place other than the venue of the AGM) and physical voting at the venue of the AGM. The Board of Directors of the Company has appointed Ms. Manisha Saraf, Practicing Company Secretary, as the Scrutinizer for this purpose.
11. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members as on 18<sup>th</sup> September, 2015 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or voting at the AGM.
12. Voting at AGM: the facility of voting through Ballot paper will also be made available at the AGM and the Members, who have not cast their vote through remote e-voting, shall be able to exercise their voting rights at the AGM through the Ballot Paper. Members, who have cast their vote through remote e- voting prior to the AGM, may attend the AGM but shall not be entitled to cast their votes again.
13. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
14. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the following: [cs@aanchalispot.com](mailto:cs@aanchalispot.com)

The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

15. Abridged and full version of the Annual Reports will also be available under the Investor Relations section on the website of the Company: [www.aanchalispac.com](http://www.aanchalispac.com)
16. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their Demat accounts. Members holding shares in physical form should submit their PAN to the Company

18. **E- Voting :**

The procedure with respect to remote e-voting is provided below: -

I. In case of Members who receive the Notice in electronic mode:

(a) Open the e-mail and the PDF file viz. 'noticeaanchalispac'(file name) with your Client ID No. or Folio No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.

b) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/> and click on 'Shareholder - Login'.

(c) Insert user ID and password as initial password stated in (a) above. Click on 'Login'.

(d) Password change menu appears. Change the password with a new password of your choice with minimum 8 digits / characters or combination thereof. Please do not share your password with any other person and take utmost care to keep your password confidential.

(e) Home page of remote e-voting opens. Click on 'e-voting: Active E voting Cycles' and select the Electronic Voting Event Number (EVEN) of Aanchal Ispat Limited.

(f) Now you are ready for remote e-voting as 'Cast Vote' page opens.

(g) Cast your vote by selecting appropriate option and click on 'Submit'. Thereafter click on 'Confirm' when prompted; upon confirmation, your vote is cast and you will not be allowed to change your vote.

h) Thereafter the message 'Vote cast successfully' will be displayed.

(i) Corporate and institutional shareholders (companies, trusts, societies etc.) are required to send a scanned copy (in PDF / JPG format) of the relevant Board Resolution / appropriate authorization to the Scrutinizer through e-mail at [manisha\\_saraf2007@yahoo.co.in](mailto:manisha_saraf2007@yahoo.co.in) with a copy marked to NSDL's e-mail ID [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

II. In case of Members who receive the Notice by post:

(a) User ID and initial password is provided in the admission slip for the AGM.

(b) Please follow the steps from Sl. Nos. (b) to (i) mentioned in (I) above, to cast your vote.

III. Members already registered with NSDL for remote e-voting can use their existing user ID and password for Login. Thereafter please follow the steps from Sl. Nos. (e) to (i) mentioned in (I) above, to cast your vote.

IV. Those who become Members of the Company after dispatch of the AGM Notice but on or before 18<sup>th</sup> September (cut-off date) may write to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the Company at [cs@aanchalispac.com](mailto:cs@aanchalispac.com) requesting for user ID and password. On receipt of user ID and password, the steps from Sl. Nos. (b) to (i) mentioned in (I) above should be followed for casting of vote. However, those Members already registered with NSDL for remote e-voting can use their existing user ID and password for Login.

V. In case of any queries, you may refer to the Frequently Asked Questions for Shareholders and e-voting User Manual for Shareholders available under the Downloads section of NSDL's e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com). You may also send your queries to the e-mail ID [cs@aanchalispac.com](mailto:cs@aanchalispac.com)

VI. The period for remote e-voting starts at 9.00 a.m. on 22<sup>nd</sup> September, 2015 and ends at 5.00 p.m. on 24<sup>th</sup> September, 2015.

Remote e-voting will be blocked by NSDL at 5.00 p.m. on 24<sup>th</sup> September, 2015.

The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

**VII. General Information**

(a) Every Client ID No. / Folio No. will have one vote, irrespective of the number of joint holders.

(b) The Results of voting will be declared within 48 hours from the conclusion of the AGM and the resolutions proposed thereat will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's corporate website : [www.aanchalispac.com](http://www.aanchalispac.com) under the section 'Investor Relations' and on the website of NSDL; such Results will also be forwarded to the Stock Exchanges where the Company's shares are listed.

Information regarding particulars of the Director to be appointed and the Director seeking re-appointment requiring disclosure in terms of the Secretarial Standard 2, Listing Agreement and the explanatory statement pursuant to Section 102 of the Companies Act, 2013, are annexed hereto. The directorships held by the Directors considered for the purpose of disclosure does not include the directorships held in foreign companies. The committee chairmanships / memberships considered for the purposes of disclosure are those prescribed under clause 49(II)(D) of the Listing Agreement(s) viz. Audit Committee and Stakeholders' Relationship Committee of Indian public limited companies.

**Registered Office:**  
Mouza - Chamarail, National Highway 6, Liluah , Howrah,  
West Bengal - 711114  
(Liluah , Howrah)

**Date :**19<sup>th</sup> day of August , 2015  
**Place :** Kolkata

**By Order of the Board**  
For, Aanchal Ispat Limited

**Babita Kaur Bagga**  
Company Secretary  
Membership No. 33637



## **Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, (The Act)**

### **Resolution No. 3**

The Company has received a special notice under section 140 (4)(iv) of the Companies Act, 2013 proposing the name of M/s Rajesh Mohan & Associates , Chartered Accountants as statutory Auditors.

The Audit Committee has considered the qualifications and experience of the proposed Auditors and recommended their appointment. The Board of Directors has also considered the matter and recommends passing of the Special Resolution of appointing M/s Rajesh Mohan & Associates, Chartered Accountants in place of retiring auditors, M/s R Modi & Co., Chartered Accountants.

Written consent of the proposed auditors together with the certificate that the appointment, if made, shall be made in accordance with the conditions specified in Rule 4 of the Companies (Audit and Auditors) Rules, 2014 has been received.

None of the Directors/ Key managerial Personnel of the Company/ their relatives in any way, concerned or interested financially or otherwise, in the resolution set out at item No. 3 of the notice.

### **Resolution No. 4**

The Board, on the recommendation of the Audit Committee has approved the appointment and remuneration of the Cost Auditors M/s. Saroj Kumar Sahoo & Co, Cost Accountants, Cost Auditor (Registration No. 30573) to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor requires the ratification by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ended 31<sup>st</sup> March, 2015.

None of the Directors/ Key managerial Personnel of the Company/ their relatives in any way, concerned or interested financially or otherwise , in the resolution set out at item No. 3 of the notice.

Registered Office:  
Mouza - Chamarail, National Highway 6, Liluah , Howrah,  
West Bengal - 711114  
(Liluah , Howrah)

Date :19<sup>th</sup> day of August , 2015  
Place : Kolkata

By Order of the Board  
For, Aanchal Ispat Limited

Babita Kaur Bagga  
Company Secretary  
Membership No. 33637

Information of Directors to be appointed and the Directors seeking re-appointment at the forthcoming Annual General Meeting (pursuant to Secretarial Standard 2 issued by ICSI and as per the Listing Agreement) as on the date of Notice.

Name of the Director	<b>Mr. Manoj Goel</b>
Directors Identification Number (DIN)	<b>00554986</b>
Date of Birth (Age in years)	<b>18/06/1980 (35 yrs.)</b>
Original date of appointment	September 3, 2014
Qualifications	Bachelors in Commerce from Calcutta University
Experience and expertise in specific functional area	Experience of over 10 Years in Iron & Steel industry, He started his career in iron & steel trading and was involved in trading of the same.
Shareholding in Aanchal Ispat Limited	<b>17,16,900 Equity shares</b>
Remuneration last drawn	<b>N.A</b>
No. of Board meetings attended during the year	As mentioned in the Corporate Governance report
Terms and conditions of re-appointment and remuneration	Existing Terms and Conditions.
Relationship with other Directors or KMPs	<b>Brother of Mr. Mukesh Goel (Managing Director)</b>
Directorships held in other companies in India	<b>9</b>
Membership / Chairmanship of committees in public limited companies in India	<b>Membership – 3 Chairmanship - Nil</b>

# In terms of the Section 136(1) of the Companies Act, 2013, Rule 10 of Companies (Accounts) Rules, 2014 and Clause 32 of the Listing Agreement, the Abridged Annual Report, excluding corporate governance report and annexures of Boards' Report is being sent to the members. Members who desire to obtain the full version of the report may download the same from website of the Company or may write to the Company Secretary at the registered office address and will be provided with a copy of the same.

## Form No. 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

Name :	E-mail Id:
Address :	
Signature , or failing him :	

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him :	

as my/ our proxy to attend and vote( on a poll) for me/us and on my/our behalf at the \_\_\_\_\_ Annual General Meeting / Extra-Ordinary General Meeting of the company, to be held on the \_\_\_\_ day of \_\_\_\_ at \_\_\_\_ a.m. / p.m. at \_\_\_\_\_ (place) and at any adjournment thereof in respect of such resolutions as are indicated below:

## Resolution No.

Sl. No.	Resolution(S)	Optional	
		For	Against
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2015		
2.	Appointment of M/s. Rajesh Mohan & Associates, Chartered Accountants as Statutory Auditors & fixing their remuneration		
3.	To ratify the remuneration paid to M/s. Saroj Kumar Sahoo & Co, Cost Auditors for the year 2014-15		

\* Applicable for investors holding shares in Electronic form.

Affix  
Re. 1  
Revenue  
Stamp.

Signed this \_\_\_\_ day of \_\_\_\_ 20\_\_

Signature of Shareholder Signature of Proxy holder  
across Revenue Stamp

Signature of the shareholder

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company.
- 3) It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.



**LETTER HEAD****ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall of AGM)

**20<sup>th</sup> Annual General Meeting on: Friday, 25<sup>th</sup> of September, 2015**

Full name of the members attending \_\_\_\_\_  
(In block capitals)

Ledger Folio No./Client ID No. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_  
(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 20<sup>th</sup> Annual General Meeting of **Aanchal Ispat Limited**, at Oasis, National Highway 6, Kona Expressway, Post : Chamrail, P.S : Liluah, Howrah - 711323, on Friday, the 25<sup>th</sup>, of September, 2015

(Member's / Proxy's Signature)

**Note:**

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

















## AANCHAL ISPAT LIMITED

*Registered Office:*

National Highway No.6, Chamrail, Howrah 711 114

Phone : 90070209-33/37/40/41 & 9830439005