

**Ref No. : OISL/NSE/2017-18****Date: 26<sup>th</sup> September, 2017**

To,  
The Manager  
**National Stock Exchange of India Limited,**  
Listing Department  
Exchange Plaza, 4<sup>th</sup> Floor, Plot no.C-1, G Block  
Bandra Kurla Complex, Bandra East,  
Mumbai-400051

**NSE TRADING SYMBOL: OISL**

**Subject: Submission of Annual Report for the Financial Year 2016-17 under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report for the Financial Year 2016-17 duly approved and adopted by the members in the 12<sup>th</sup> Annual General Meeting of the Company held on Saturday, the 23<sup>rd</sup> day of September, 2017 at 10:00 a.m. at Vill. Lamloi, P.O. Garvana, Rajgangpur – 770017 (Dist. Sundargarh, Orissa).

Kindly take the same on record and oblige.

Thanking You  
Yours Faithfully,  
For **OCL Iron and Steel Limited**

  
**Khushboo Chugh**  
(Company Secretary)

**WORKS :**

A-285, Chopanki Industrial Area

Chopanki, Bhiwadi, District - Alwar

Rajasthan INDIA 301 019

Phone: +91 9667569588

eMail: oclrgp@oclsteel.in

www.oclsteel.in



# **OCL IRON AND STEEL LIMITED**

**12th ANNUAL REPORT**  
***2016 - 2017***



# OCL IRON AND STEEL LIMITED

CIN: L27102OR2006PLC008594  
TWELFTH ANNUAL REPORT - 2016-2017

## Board of Directors

Mr. Yogesh Kapur	<i>Chairman and Independent Director</i>
Mr. Birendra Jee	<i>Managing Director</i>
Mr. Sanjay Tiku	<i>Independent Director</i>
Mr. Vinod Kumar Uppal	<i>Non-Executive Director</i>
Ms. Ankita Wadhawan	<i>Independent Director</i>

## Chief Financial Officer

Mr. Raj Kumar Ralhan

## Company Secretary & Compliance Officer

Ms. Khushboo Chugh

## Auditors

M/s A.C. Gupta & Associates,  
Chartered Accountants,  
New Delhi

## Secretarial Auditors

M/s Shefali Goel & Associates  
Company Secretaries

## Bankers

State Bank of India  
United Bank of India  
Andhra Bank

## Company's Website

[www.oclsteeel.in](http://www.oclsteeel.in)

## Registrar & Share Transfer Agent

CB Management Services Private Limited  
P-22, Bondel Road, Kolkata – 700019  
(West Bengal)  
Tel No: +91 33 22806692-94/2280 2486  
Fax No: +91 33 4011 6739  
Email: [rta@cbmsl.com](mailto:rta@cbmsl.com)  
Website : [www.cbmsl.com](http://www.cbmsl.com)

## Registered Office and Unit 1:

Vill. Lamloi, P.O. Garvana,  
Rajgangpur - 770017  
Distt: Sundargarh, Orissa

## Unit 2:

A-285, Chopanki Industrial Area,  
Chopanki, Bhiwadi, District - Alwar,  
Rajasthan - 301019

## Unit 3:

Plot No. SP-256, Industrial Area,  
Kaharani, (Bhiwadi Extn.)  
Rajasthan - 301019

## Unit 4:

Begumpur Khatola,  
District - Gurgaon, Haryana

## Unit 5:

Village Gopalpur,  
P.O. Badaposi Tehsil & P.S. Keonjhar  
Sadar, District - Keonjhar, Orissa

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## NOTICE

NOTICE is hereby given that the 12<sup>th</sup> Annual General Meeting of the members of **OCL IRON AND STEEL LIMITED** will be held on **Saturday, i.e. 23<sup>rd</sup> September, 2017 at 10.00 A.M.** at the Registered Office of the Company at Vill. Lamloi, P.O. Garvana, Rajgangpur – 770017 (Dist. Sundargarh, Orissa) to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt:
  - a) The Audited Standalone Financial Statements of the Company for the Financial Year ended **March 31, 2017** and the Reports of the Board of Directors and the Auditors thereon; and
  - b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended **March 31, 2017** and the Report of the Auditors thereon.
2. To appoint a Director in place of **Mr. Vinod Kumar Uppal (DIN: 00897121)** who retires by rotation and being eligible, offers himself for re-appointment.
3. Ratification of Appointment of Statutory Auditors.

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

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, as amended from time to time, the Company hereby ratifies the appointment of **M/s. A.C. GUPTA & ASSOCIATES**, Chartered Accountants (Firm Registration No. 008079N), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and be further ratified at every AGM till the conclusion of 15<sup>th</sup> AGM, on such remuneration as may be determined by the Board of Directors."

### SPECIAL BUSINESS

4. **Ratification of Remuneration to be paid to Mr. Yash Pal Sardana, Cost Accountants, Cost Auditors of the Company for the Financial Year 2017-18**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the 'remuneration not exceeding Rs. 5 Lakhs per annum, as approved by the Board on the recommendation of the Audit Committee, to be paid to Mr. Yash Pal Sardana, Cost Accountants (Membership No.-17996), Cost Auditors of the Company for Cost audit w.r.t. the financial year 2017-2018, be and is hereby ratified, confirmed and approved.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution"

**BY ORDER OF THE BOARD  
FOR OCL IRON AND STEEL LIMITED**

**Place : New Delhi  
Dated : 19.08.2017**

**Yogesh Kapur  
(Chairman)  
DIN: 00014385**

### NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special business under Item No. 4 above, is annexed hereto.
2. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment as Director under Item No. 2 of the Notice, are also annexed.

3. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
4. The instrument appointing the Proxy, in order to be effective, must be deposited at the Company's Registered Office not less than **48 hours** before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
5. The Register of Members and Share Transfer Books of the Company will remain closed from **Monday, 18<sup>th</sup> September, 2017 to Saturday 23<sup>rd</sup> September, 2017 (inclusive of both days)** for the purpose of compliance with the annual closure of books as per section 91 of the Companies Act, 2013.
6. The Notice of the Annual General Meeting is also uploaded on the website of the Company ([www.oclsteel.in](http://www.oclsteel.in)) The Notice of Annual General Meeting is being sent to all the members whose names appear in the Register of Members as on August 18 , 2017
7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name and e-mail address, etc., to their Depository Participant only and not to the Company's Registrars and Transfer Agents, **M/s. CB Management Services (P) Limited**. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and M/s CB Management Services (P) Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. CB Management Services (P) Limited
8. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
9. In accordance with the Companies Act, 2013 read with the Rules and in support of the '**Green Initiative in Corporate Governance**' the notice of the meeting along with explanatory statement is sent by electronic mode to those members whose shareholding is in dematerialized format and whose email ids are registered with the Depository for communication purposes. The members holding shares in physical form and who have not registered their email ID are requested to register their email ID addresses with M/s. **CB Management Services (P) Limited**, the Company's Registrars and Share Transfer Agents.
10. Members are requested to : -
- bring the enclosed attendance slip and deliver the same after filling in their folio number/Client ID and DP ID at the entrance of the meeting hall. Admission at the Annual General Meeting venue will be allowed only after verification of the signature in the attendance slip, Duplicate Attendance Slip will be issued at the Registered Office of the Company up to a day proceeding the day of Annual General Meeting.
  - bring their copies of Notice to the Meeting as the same will not be redistributed at the venue of Annual General Meeting.
  - quote their Folios/Client ID & DP Id Nos. in all correspondence.
  - Corporate Members are requested to send a duly certified copy of the Board Resolutions/ Power of Attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting.

11. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the Meeting.
12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to **M/s. CB Management Services (P) Limited.** for consolidation into a single folio.
13. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company registered office at least 7 days before the General Meeting so that the same can be suitably replied to.
14. Pursuant to Section 108 of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company is offering e-Voting Facility for all shareholders of the Company, as an alternate, to enable them to cast their votes electronically instead of casting their votes at the meeting. Please note that the voting through electronic means is optional. The members who wish to vote physically in Meeting (instead of e-voting) can do the same.
15. The Company has appointed M/s. S. Khurana & Associates, Practicing Company Secretary (Membership Number-35297) to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
16. The facility for voting through Polling Paper shall be made available at the AGM and the members attending the meeting who have not Cast their Vote by remote e-voting, shall be able to exercise their right at the meeting through polling paper.

#### **PROCESS FOR MEMBERS OPTING FOR E-VOTING IS AS UNDER:**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The e-voting period commences on Wednesday, 20.09.2017 (from 09:00 A.M IST) and will end on Friday, 22.09.2017 at (5:00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by a Member, he shall not be allowed to change it subsequently.

#### **THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:**

- (a) The voting period begins on Wednesday, 20.09.2017 (from 09:00 A.M IST) and will end on Friday, 22.09.2017 at (5:00 P.M. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 15.09.2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (b) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (c) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (d) Click on Shareholders.
- (e) Now Enter your User ID
  - i) For CDSL: 16 digits beneficiary ID,
  - ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - iii) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (f) Next enter the Image Verification as displayed and Click on Login.
- (g) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

(h) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence no is enclosed along with the notice</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or Company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (i) After entering these details appropriately, click on "SUBMIT" tab.
- (j) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (k) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (l) Click on the EVSN for the relevant **<OCL Iron and Steel Limited>** on which you choose to vote.
- (m) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (n) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (o) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (p) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (q) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (r) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (s) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone**

**users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

**(t) Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details by custodian a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on. In case of Non-Individual Shareholders, admin user also would be able to link the accounts(S).
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(u) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 18002005533.

(v) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Deputy Manager, (CDSL, ) Central Depository Services (India) Limited, 16<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001, or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 18002005533.

The Results of e-voting shall be declared on the date of the AGM of the Company by the Chairman or by any other person duly authorized in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.oclsteeel.in](http://www.oclsteeel.in) and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges where the shares of the Company are listed.

**AS PER THE REGULATION 36(3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, REQUISITE INFORMATION IN RESPECT OF DIRECTOR SEEKING RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING:**

1. Name of Director	Mr. Vinod Kumar Uppal
DIN	00897121
Date of Birth	14.11.1962
Age	54 years
Experience	32 Years
Qualification	MBA
Expertise	Finance & Operations
Date of Appointment	10.07.2012
List of other Listed Companies in which Directorships held	M/s Newtime Infrastructure Ltd M/s Adhbhut Infrastructure Ltd



Relationship with other Directors, Managers and KMPs	No inter-se relationship
No. of Meetings attended during the year	4
Number of Directorships held in listed entities including this listed entity	3
No. of Chairmanship in Audit/ Stakeholder Committee held in listed entities including this listed entity	0
No. of Membership in Audit/ Stakeholder Committee held in listed entities including this listed entity	3
Terms and Conditions of Appointment/Re-appointment along with details of Remuneration sought to be paid	As per the Nomination and Remuneration Policy of the Company
Remuneration last drawn	Nil
Shareholding in the Company	Nil

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **ITEM NO. 4**

The Board, on the recommendation of the Audit Committee, has appointed Mr. Yash Pal Sardana Cost Accountant (Membership No. 17996) as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2017-18 at the remuneration not exceeding Rs. 5 Lakhs per annum.

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the passing of Resolution as set out at Item No. 4 of the Notice as an Ordinary resolution.

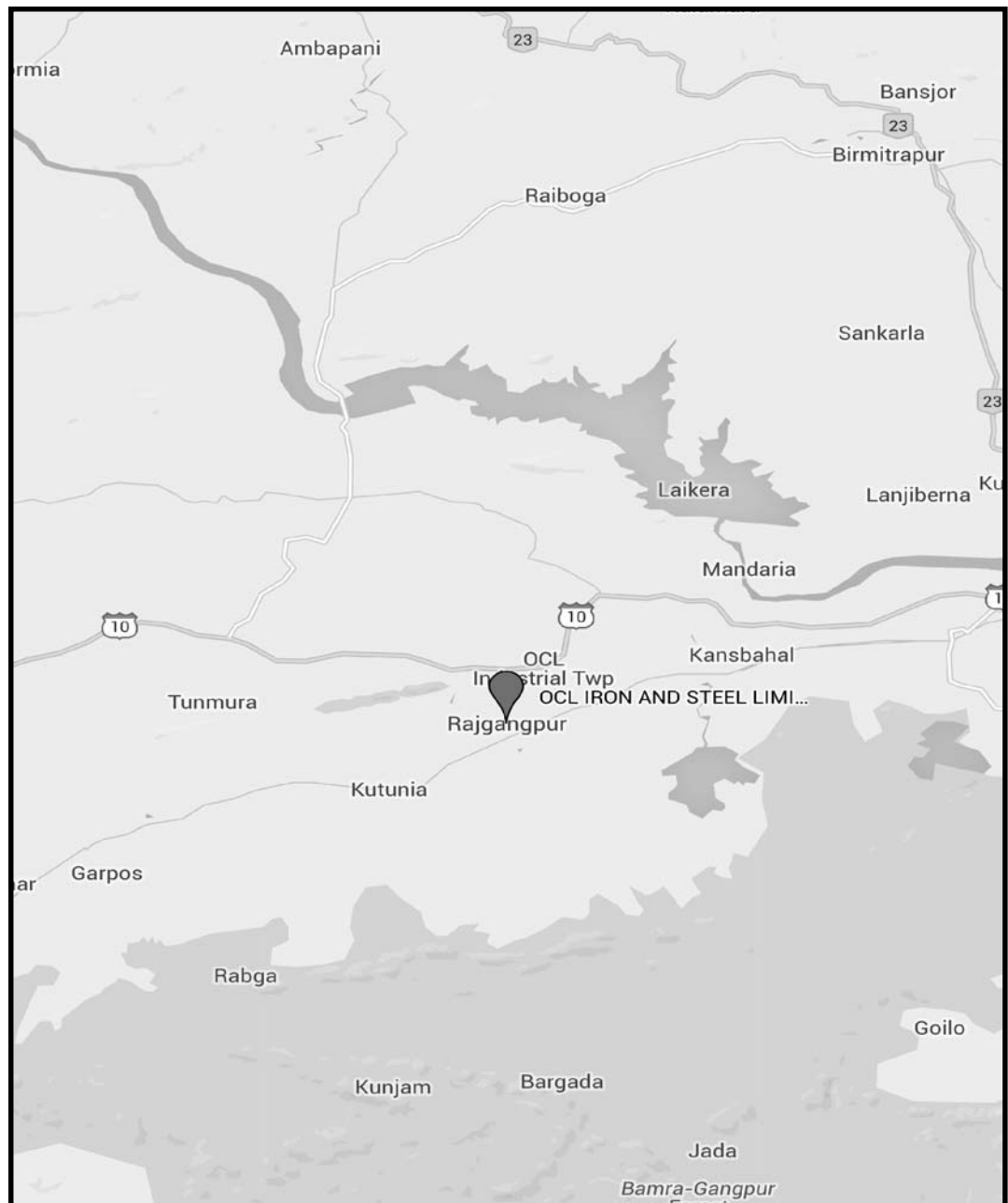
**BY ORDER OF THE BOARD  
FOR OCL IRON AND STEEL LIMITED**

**Place : New Delhi**  
**Dated : 19.08.2017**

**Yogesh Kapur**  
**(Chairman)**  
**DIN: 00014385**

# ROUTE MAP TO THE VENUE OF 12TH AGM OF OCL IRON AND STEEL LIMITED

VILL. LAMLOI,  
PO. GARVANA,  
RAJGANGPUR,  
ORISSA- 770017,  
INDIA  
OCL IRON AND  
STEEL ALIMITED



## DIRECTORS' REPORT

**TO,  
THE MEMBERS  
OCL IRON AND STEEL LIMITED**

Your Directors are pleased to present the **12<sup>th</sup> Annual Report** on the business and operations of your Company along with the standalone and consolidated financial statements for the financial year ended **31<sup>st</sup> March, 2017**.

### FINANCIAL RESULTS

The Company's financial performance, for the Financial year ended 31st March, 2017 and period ended 31st March, 2016 is summarized below :

*in Rupees lakhs except per equity share data*

Particulars	Standalone		Consolidated	
	31 <sup>st</sup> March, 2017 (Year Ended)	31 <sup>st</sup> March, 2016 (Year Ended)	31 <sup>st</sup> March, 2017 (Year Ended)	31 <sup>st</sup> March, 2016 (Year Ended)
Total Income from Operations	27417.37	35993.33	27417.37	36815.23
Total Expenses	43149.05	44398.72	44927.46	47159.68
Profit/ (Loss) from operations before other income, Finance Costs, and Exceptional Items	(15731.68)	(8405.39)	(17510.09)	(10344.45)
Other Income	316.13	771.12	395.17	775.77
Profit/(Loss) from ordinary activities before Finance Costs, and Exceptional Items	(15415.55)	(7634.27)	(17114.92)	(9568.68)
Finance Cost	17376.98	17410.03	18250.87	18427.53
Profit/(Loss) from ordinary activities after finance Costs but before exceptional items and tax	(32792.53)	(25044.30)	(35365.79)	(27996.21)
Exceptional Items	-	1336.77	1782.71	1336.77
Tax Expenses	(11892.12)	(7583.56)	(13439.41)	(8155.73)
Net Profit/(Loss) from ordinary activities after tax	(20900.41)	(18797.51)	(23709.09)	(21177.25)
Other Comprehensive Income (Net of tax)	2965.28	641.77	2967.97	643.43
Total Comprehensive Income (after tax)	(17935.13)	(18155.74)	(20741.12)	(20533.82)
Earning Per Share	(15.58)	(14.01)	(17.67)	(15.78)

### PERFORMANCE REVIEW

During the year under review, the Company earned revenue from operations amounting to Rs. 27,417.37 lakhs as compared to Rs. 35,993.33 lakhs in the previous year. Loss after Tax stood at Rs. 20,900.41 lakhs as against Loss after Tax of Rs. 18,797.51 lakhs in the previous year.

### MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report

### DIVIDEND

In view of losses incurred during the year under review the Board of Directors has not recommended any dividend for the financial year ended 31.03.2017.

### SHARE CAPITAL

During the year under review, there is no change in the Authorized share capital and Paid up share capital of the Company.

## CONSOLIDATED FINANCIAL STATEMENT

In accordance with Section 129 of the Companies Act 2013, Consolidated Financial Statements are attached and form part of the Annual Report and the same shall be laid before the ensuing Annual General Meeting along with the Financial Statements of the Company.

## INDIAN ACCOUNTING STANDARDS, 2015

The financial statements forming part of this Annual Report are prepared in accordance with Indian Accounting Standards (IND AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values; the provisions of the Companies Act, 2013 ('Act') (to the extent notified and applicable); and guidelines issued by the Securities and Exchange Board of India (SEBI). The IND AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The company has adopted all notified Indian Accounting standards to the extent applicable. The adoption was carried out in accordance with IND AS 101 (First time adoption of Indian Accounting Standards). The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

## STATE OF COMPANY'S AFFAIRS

The state of affairs of the Company is presented as part of the Management Discussion and Analysis (MDA) Report forming part of the Annual Report.

The Board of Directors of the Company in their meeting held on 29<sup>th</sup> May, 2015 during the year proposed the demerger of its auto component business having manufacturing units at village Kaharani and Chopanki, Distt. -Alwar, Rajasthan and Gurgaon, Haryana into **OISL Auto Limited ("OISL Auto")** through a Scheme of Arrangement under **Section 391-394 of the Companies Act, 1956 ("Scheme")**, subject to the approval of Orissa High Court and Rajasthan High Court, Stock Exchanges, SEBI, shareholders of the Company and other concerned authorities, as applicable.

However the Scheme did not get approved by the Secured Creditors in their Court Convened Meeting held on January 14, 2017.

## CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure compliance with Regulations 17 to 27 read with schedule V of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The report on Corporate Governance, the Report on Management Discussion and Analysis and the requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance are provided in a separate section which forms part of the Annual Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions contained in Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2017, the applicable Accounting Standards have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March 2017 and of the profit/loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) the Directors have prepared the Annual Accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **SUBSIDIARIES AND ASSOCIATES**

In accordance with proviso to sub-section (3) of Section 129 of the Companies Act 2013, a statement containing salient features of the financial statements of the Company's subsidiaries and associate and the report on their performance and financial position in **Form AOC-1** is annexed as **Annexure-I** forming part of the Annual Report, which covers the financial position of subsidiaries and Associate Company.

In accordance with third proviso to Section 136(1) of the Companies Act, 2013, the Annual Report of your Company, containing therein its audited standalone and the consolidated financial statements has been placed on the website of the Company. (URL: <http://www.oclsteeel.in/investors.php>)

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review , Mr. Ajai Kumar Gupta resigned from the post of Company Secretary w.e.f 14<sup>th</sup> May, 2016. The Board appreciates his efforts and contribution towards the growth of the Company during the tenure of his appointment .

The Company lost its Director Mr. Rajiv Kapur, who left for his heavenly abode. Mr. Rajiv Kapur made an invaluable contribution to the growth and development of the Company.

Ms. Yugami Arora was appointed as a Company secretary w.e.f 27<sup>th</sup> May, 2016,

Further, Mr. T.K. Laskar has resigned from the post of Chief Financial Officer ('CFO') of the Company w.e.f 7<sup>th</sup> October, 2016 and Mr. Kamadev Behera was appointed as a Chief Financial Officer of the Company w.e.f 14<sup>th</sup> December, 2016. The Board places on record its appreciation for the services rendered by Mr. T.K. Laskar during his tenure.

Subsequent to the Financial Year under review, Ms. Yugami Arora resigned from the post of Company Secretary w.e.f. June 3, 2017. The Board appreciates her efforts and contribution towards the growth of the Company during the tenure of her appointment.

Further, Pursuant to Section 203 of the Companies Act, 2013 the Board of Directors of the Company appointed Ms. Khushboo Chugh as Company Secretary of the Company w.e.f August 02 2017.

Mr. Kamadev Behera resigned from the office of Chief Financial Officer w.e.f 19<sup>th</sup> August, 2017 and Mr. Raj Kumar Ralhan has been appointed as a Chief financial Officer ('CFO') of the Company w.e.f 19<sup>th</sup> August, 2017.

## **Re-appointments**

Mr. Vinod Kumar Uppal (DIN: 00897121) Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors recommends his appointment.

The brief disclosure of Mr. Vinod Kumar Uppal as required under Regulation 36(3) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act 2013, forms part of the notice convening Annual General Meeting.

**At Present, KMP in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:**

Mr. Birendra Jee	-	Managing Director
Mr. Raj Kumar Ralhan	-	Chief Financial Officer
Ms. Khushboo Chugh	-	Company Secretary

Apart from that there has been no other change in the Directors and Key Managerial Personnel of the Company

### **INDEPENDENT DIRECTORS DECLARATION**

The Company has received the necessary declaration from each Independent Director in accordance with Section 149 (7) of the Companies Act, 2013, that he/she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

### **BOARD MEETINGS**

The Board met **8 (Eight) times** during the year, the details of which are provided in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

### **BOARD EVALUATION**

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board evaluation framework. The Board evaluated the effectiveness of its functioning and that of the committees and of individual Directors by seeking their inputs on various aspects of Board/Committee governance such as the Board composition and structure, effectiveness of board processes, active participation and contribution of directors in the Board/Committee meetings and the fulfilment of Directors obligation and their fiduciary responsibilities.

Further, the Independent Directors at their meeting, reviewed the performance of the Board, Chairman of the Board and of Non Executive Directors. The meeting also reviewed the co-ordination between the Company management and the Board which is required for the Board to effectively and reasonably perform their duties.

### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the internal audit function reports to the Chairman of the Audit Committee and all significant audit observations and corrective actions are presented to the Committee.

### **STATUTORY AUDITORS AND AUDITORS REPORT**

**M/s A.C. Gupta & Associates, Chartered Accountants, (Firm Regd. No: 008079N)** were appointed as Statutory Auditors of the Company in the Annual General Meeting held on 30th September, 2015 to hold office for the period of 5 (five) years, subject to the ratification of their appointment at every Annual General Meeting. M/s A.C. Gupta & Associates, Chartered Accountants have confirmed their eligibility and willingness to accept office, if their appointment is ratified at the ensuing Annual General Meeting. The proposal for the ratification of their appointment is included in the notice for Annual General Meeting sent herewith.

The Company has received a consent letter from the statutory auditors for their appointment, and a certificate from them that their appointment, if ratified, shall be in accordance with the conditions as prescribed under the Companies Act, 2013 and that they are not disqualified for appointment.

### **AUDITORS' REPORT**

The Auditor's Report does not contain any qualifications, reservations or adverse remarks. The Report is attached hereto and is self-explanatory requiring no further elucidation.

### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed **M/s Shefali Goel & Associates**, Company Secretaries, to undertake the Secretarial

Audit of the Company. The Report of the Secretarial Audit in Form MR 3 for the Financial Year ended March 31, 2017 is annexed as **Annexure II** to the Report. There are no qualifications, reservations or adverse remarks by Secretarial Auditor in their report.

## **COST AUDITORS**

As per Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. In this connection, the Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment and remuneration of Mr. Yash Pal Sardana (Membership No. 17996), a Practicing Cost Accountant as the Cost Auditor of the Company for the year ending 31 March, 2018. The remuneration of the cost auditor is subject to ratification by the members of the Company.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Disclosure on particulars relating to loans, guarantees or investments under section 186 of the Companies Act, 2013 have been provided as part of the financial statements.

## **TRANSACTIONS WITH RELATED PARTIES**

In accordance with Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements with related parties, referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2 are attached as **Annexure III** to this Report.

## **EXTRACT OF ANNUAL RETURN**

In terms of Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of Companies (Management & Administration) Rules, 2014, the extract of Annual Return of the Company in Form MGT-9 is attached as **Annexure IV** to this Report.

## **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are attached as **Annexure V** to this Report.

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

A detailed review of operations, performance and future outlook of the Company is given separately, under head "Management Discussion and Analysis Report" & forms part of this report.

## **DISCLOSURE REQUIREMENTS**

Details of the Familiarization Programme of the independent directors are available on the website of the Company (<http://www.oclsteel.in/investors.php>). Policy on dealing related party transactions is available on the website of the Company (<http://www.oclsteel.in/investors.php>).

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and as per SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 (URL <http://www.oclsteel.in/investors.php>)

## **COMMITTEES OF THE BOARD**

The Company's Board has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

The details of the membership and attendance at the meetings of the above Committees of the board are provided in the Corporate Governance section of the annual report.

## **POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION**

Pursuant to Section 134(3) & 178(3) of the Companies Act 2013, the Nomination and Remuneration Committee of the Board has framed a policy for selection and appointment of Directors and senior management personnel, which inter alia includes the criteria for determining qualifications, positive attributes and independence of a Director(s)/Key managerial personnel and their remuneration. Details of the policy on appointment and remuneration are available on the website of the Company (URL: <http://www.oclsteel.in/investors.php>)

## **CORPORATE SOCIAL RESPONSIBILITY**

A brief outline of the Corporate Social Responsibility Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure VI** of this report as per the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The composition of CSR committee and other related details are provided in the Corporate Governance section, forming part of this Report. The policy is available on the website of the Company. (URL: <http://www.oclsteel.in/investors.php>)

## **AUDIT COMMITTEE**

The Audit Committee comprises of three Directors viz. Mr. Yogesh Kapur, Independent Director as Chairman, Mr. Sanjay Tiku and Mr. Vinod Kumar Uppal as Members. The Company Secretary of the Company is the secretary of the Committee. The Board of Directors has accepted all the recommendations of the Audit Committee.

## **VIGIL MECHANISM**

The Company has in place a vigil mechanism in the form of Whistle Blower Policy. It aims at providing avenues for employees to raise complaints and to receive feedback on any action taken and seeks to reassure the employees that they will be protected against victimization and for any whistle blowing conducted by them in good faith. The policy is intended to encourage and enable the employees of the Company to raise serious concerns within the organization rather than overlooking a problem or handling it externally.

The Company is committed to the highest possible standard of openness, probity and accountability. It contains safeguards to protect any person who uses the Vigil Mechanism by raising any concern in good faith. The Company protects the identity of the whistle blower if the whistle blower so desires, however the whistle blower needs to attend any disciplinary hearing or proceedings as may be required for investigation of the complaint. The mechanism provides for a detailed complaint and investigation process.

If circumstances so require, the employee can make a complaint directly to the Chairman of the Audit Committee. The Company also provides a platform to its employees for having direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Company Secretary is the Compliance Officer of the Vigil Mechanism Committee. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

## **RISK MANAGEMENT**

The Company has developed and implemented a Risk Management Policy. The details of elements of risk and mitigation measures are provided in the Management Discussion and Analysis section of the Annual Report.

## **ANTI SEXUAL HARASSMENT POLICY**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All women employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year 2016-17, no complaints were received by the committee.

## **PARTICULARS OF EMPLOYEES**

- (a) The ratio of remuneration of each director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies



(Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's report **Annexure - VII.**

- (b) The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is **NIL.**

#### **PUBLIC DEPOSITS**

During the year under review, the Company has not accepted any deposits from public, members or employees under the Companies Act, 2013 and as such, no amount of principal or interest on public deposits was outstanding as on the date of balance sheet.

#### **SIGNIFICANT AND MATERIAL ORDERS**

No significant and material orders have been passed by any regulators or courts or tribunals impacting the going concern status and Company's operations in future.

#### **DEMATERIALISATION AND LISTING**

The equity shares of the Company are admitted to the depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31<sup>st</sup> March 2017, 130289723 Equity Shares representing 97.13% of the Equity Share Capital of the Company are in dematerialized form. The Equity Shares of the Company are compulsorily traded in dematerialized form as mandated by the Securities and Exchange Board of India (SEBI). The International Securities Identification Number (ISIN) allotted to the Company with respect to its Equity Shares is INE 196J01019.

The Equity Shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited and are actively traded.

#### **RECONCILIATION OF SHARE CAPITAL AUDIT**

As per the directive of the Securities & Exchange Board of India, M/s S. Khurana & Associates, Company Secretaries, New Delhi, undertook the Reconciliation of Share Capital Audit on a quarterly basis. The purpose of the audit is to reconcile the total number of shares held in National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and in physical form with respect to admitted, issued and paid up capital of the Company.

The reconciliation of Share Capital Audit Report as submitted by M/s S. Khurana & Associates, Company Secretaries, New Delhi, on quarterly basis was forwarded to the BSE Limited and National Stock Exchange of India Limited where the Equity Shares of the Company are listed.

#### **INDUSTRIAL RELATIONS**

During the year under review, the relations between the Management and the workmen were highly cordial. Human resources initiatives such as skill up gradation, training, appropriate reward & recognition systems and productivity improvement were the key focus areas for development of the employees of the Company.

#### **INVESTOR RELATIONS**

Your Company always endeavours to promptly respond to members' requests/grievances. Each and every issue raised by the members is taken up with utmost priority and every effort is made to resolve the same at the earliest. The Stakeholders Relationship Committee of the Board periodically reviews the status of the redressed of investors' grievances.

#### **ACKNOWLEDGEMENT**

Your Directors wish to place on record the sincere and dedicated efforts of all the employee of the Company. Your Directors also take this opportunity to offer their sincere thanks to the Financial Institutions, Banks and other Government Agencies, valued customers, investors and all the stakeholders for their continued support, co-operation and assistance.

**BY ORDER OF THE BOARD  
FOR OCL IRON AND STEEL LIMITED**

**Place : New Delhi  
Dated : 19.08.2017**

**Yogesh Kapur  
(Chairman)  
DIN: 00014385**

## Form AOC - I

(Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies(Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies**

**Part "A": Subsidiaries**

Sr. No	Name of Subsidiary Company	Reporting Period	Reporting Currency	Share Capital	Other Equity	Total Asset	Total Liabilities	Investment	Turnover	Profit before Tax	Provision for Tax	Profit after Tax	Proposed Dividend	% of Share-holding
1.	Oriental Iron Casting Ltd	31.03.2017	INR	1990.00	6943.61	37441.88	28507.97	1.60	NIL	(4355.66)	(1547.29)	(2808.37)	NIL	99.75
2.	Aron Auto Limited	31.03.2017	INR	5.00	(4.22)	534.52	533.74	NIL	NIL	(0.24)	NIL	(0.24)	NIL	100.00
3	Krisum Mines & Minerals Private Limited (formerly known as Krisum Auto Components Private Limited)	31.03.2017	INR	1.00	(0.57)	20.27	19.84	NIL	NIL	(0.07)	NIL	(0.07)	NIL	100.00
4.	OISL Auto Limited	31.03.2017	INR	5.00	NIL	5.33	0.33	NIL	NIL	NIL	NIL	NIL	NIL	99.99

**Rs. In Lakhs**

1. Names of subsidiaries yet to commence operations-

1.1 OISL Auto Limited

2. Names of Subsidiaries which have been liquidated or sold during the year: NIL

**As per our report of even date attached.**

**FOR A.C GUPTA & ASSOCIATES**  
Chartered Accountants.  
Firm Regd. No. 008079N

**A.C Gupta**  
Partner  
Membership No.: 8565

**Place :** New Delhi  
**Date :** 29th May, 2017

**Birendra Jee**  
Managing Director

**Kamadev Behera**  
Chief Financial Officer

**Yogesh Kapur**  
Director

**Yugami Arora**  
Company Secretary

**For and on Behalf of Board**

**Additional Information as required under Schedule III to the Companies Act, 2013, of enterprises Consolidated as Subsidiary**

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	Reporting Currency	As % of Consolidated net assets	Amount (Rs. in Lakhs)	As % of Consolidated profit or loss	Amount (Rs. in Lakhs)	As % of Consolidated net assets	Amount (Rs. in Lakhs)	As % of Consolidated profit or loss
	1	2	3	4	5	6	7	8
								9
<b>Parent</b>								
OCL Iron & Steel Limited	INR	1470.60%	11,655.40	88.18%	(20900.41)	99.91%	2965.28	86.50%
<b>Subsidiaries</b>								(17935.13)
<b>Indian</b>								
1 Oriental Iron Casting Limited (consolidated)	INR	1127.22%	8,933.91	11.85%	(2808.37)	0.09%	2.69	13.53%
2 Aron Auto Limited	INR	0.10%	0.78	0.00%	(0.24)	0.00%	-	0.00%
3 Krisum Mines & Minerals Private Limited	INR	0.05%	0.43	0.00%	(0.07)	0.00%	-	0.00%
(formerly known as Krisum Auto Components Pvt. Ltd.)								(0.07)
4. OISL Auto Limited	INR	0.63%	5.00	0.00%	-	0.00%	-	0.00%
Adjustment due to Consolidation		(2503.09%)	(19838.49)	-	-	-	-	-
Minority Interests in all subsidiaries		4.48%	35.53	(0.03%)	7.06	0.00%	(0.01)	(0.03%)
<b>Total</b>		<b>100.00%</b>	<b>792.56</b>	<b>100.00%</b>	<b>(23702.03)</b>	<b>1000.00%</b>	<b>2,967.96</b>	<b>100.00%</b>
								<b>(20734.07)</b>

**For and on Behalf of Board**

**FOR A.C GUPTA & ASSOCIATES**  
**Chartered Accountants.**  
**Firm Regd. No. 008079N**

**A.C Gupta**  
**Partner**  
**Membership No.: 8565**

**Birendra Jee**  
**Managing Director**

**Yogesh Kapur**  
**Director**

**Place : New Delhi**  
**Date : 29th May, 2017**

**Kamadev Behera**  
**Chief Financial Officer**

**Yugami Arora**  
**Company Secretary**

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017**

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

To  
The Members,  
**OCL IRON AND STEEL LIMITED**  
Vill. Lamloi, P.O Garvana,  
Rajgangpur-770017  
Distt. Sundargarh, Orissa

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by OCL Iron and Steel Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of OCL Iron and Steel Limited'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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2017 generally complied with the statutory provisions listed here under 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:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by OCL Iron and Steel Limited for the financial year ended on 31 March, 2017 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contract (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act)
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share

Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;

- g) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009; and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

I further report that having regard to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- i) The Factories Act, 1948;
  - ii) The Petroleum Act, 1934 and the rules made there under;
  - iii) The Environment Protection Act, 1986 and the rules made there under;
  - iv) The Water (Prevention and Control of Pollution) Act, 1974 and the rules made there under; and
  - v) The Air (Prevention and Control of Pollution) Act, 1981 and the rules made there under
- We have also examined compliance with the applicable clauses of the following:
- i) Secretarial Standards issued by the Institute of Company Secretaries of India.
  - ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India limited read with the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., mentioned above.

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

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

We 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.

**For SHEFALI GOEL & ASSOCIATES**  
**Company Secretaries**

**Place : New Delhi**  
**Date : 29.05.2017**

**Shefali Goel**  
**Membership No.: A40865**  
**CP No.: 16109**

Note: This report is to be read along with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

## **Annexure A**

To,  
The Members,  
**OCL IRON AND STEEL LIMITED**  
Vill. Lamloi, P.O Garvana,  
Rajgangpur-770017  
Distt. Sundargarh, Orissa

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
4. Wherever required we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For SHEFALI GOEL & ASSOCIATES**  
**Company Secretaries**

**Place : New Delhi**  
**Date : 29.05.2017**

**Shefali Goel**  
**Membership No.: A40865**  
**CP No.: 16109**

**FORM NO. AOC-2**

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section(1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

1. Details of contracts or arrangements or transactions not at arm's length basis – **NIL**
  - (a) Name(s) of the related party and nature of relationship
  - (b) Nature of contracts/arrangements/transactions
  - (c) Duration of the contracts/arrangements/transactions
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
  - (e) Justification for entering into such contracts or arrangements or transactions
  - (f) Date(s) of approval by the Board
  - (g) Amount paid as advances, if any:
  - (h) Date on which the special resolution was passed in the General Meeting as required under the first proviso to Section 188
2. Details of material contracts or arrangements or transactions at arm's length basis: **NIL**
  - (a) Name(s) of the related party and nature of relationship:
  - (b) Nature of contracts/arrangements/transactions:
  - (c) Duration of the contracts/arrangements/transactions:
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
  - (e) Date(s) of approval by the Board, if any:
  - (f) Amount paid as advances, if any:

**BY ORDER OF THE BOARD  
FOR OCL IRON AND STEEL LIMITED**

**Place : New Delhi  
Dated : 19.08.2017**

**Yogesh Kapur  
(Chairman)  
DIN: 00014385**

**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

**(As on the financial year ended on 31.03.2017)**

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

**I. REGISTRATION AND OTHER DETAILS:**

- (i) Corporate Identification Number : L27102OR2006PLC008594
- (ii) Registration Date : February 20, 2006
- (iii) Name of the Company : OCL Iron and Steel Limited
- (iv) Category / Sub-Category of the Company : Public Company
- (v) Address of the registered office and contact details : Vill. Lamloi, PO. Garvana  
Rajgangpur – 770017, Orissa  
Contact: +91 66 24222562
- (vi) Whether listed company Yes / No : Yes
- (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: : CB Management Services Private Limited  
P-22, Bondel Road, Kolkata– 700019  
Contact: +91 33 22806692  
E-mail: rta@cbmsl.com

**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/service	NIC Code of the Product/services	% to total turnover of the company
1.	Iron and Steel	241	78%
2.	Other Components	293	22%

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

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1.	Garima Buildprop Private Limited	U70109DL2006PTC151070	Holding	68.39	2(46)
2.	Aron Auto Limited	U34300DL2010PLC210811	Subsidiary	100	2(87)
3.	Oriental Iron Casting Limited	U27100DL2010PLC210771	Subsidiary	99.75	2(87)
4.	Krisum Mines & Minerals Private Limited	U10100OR2014PTC017802	Subsidiary	100	2(87)
5	OISL Auto Limited	U34102RJ2015PLC047685	Subsidiary	99.99	2(87)



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

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. PROMOTERS</b>									
<b>(1) INDIAN</b>									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt. of State Govt	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	100607370	0	100607370	75	91737232	0	91737232	68.39	6.61
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	<b>100607370</b>	<b>0</b>	<b>100607370</b>	<b>75</b>	<b>91737232</b>	<b>0</b>	<b>91737232</b>	<b>68.39</b>	<b>(6.61)</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other...	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A) = (A)(1) + (A) (2)</b>	<b>100607370</b>	<b>0</b>	<b>100607370</b>	<b>75</b>	<b>91737232</b>	<b>0</b>	<b>91737232</b>	<b>68.39</b>	<b>(6.61)</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	57000	57000	0.04	0	57000	57000	0.04	0
b) Banks/FI	83565	103935	187500	0.14	86067	103935	190002	0.14	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	1482154	900	1483054	1.11	0	0	0	0	(1.11)
h) Foreign Portfolio Investors	0	0	0	0	1077914	900	1078814	0.81	0.81
i) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
j) Any Others Foreign Bodies Corporate Foreign Fin. Institution/ Banks(specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>1565719</b>	<b>161835</b>	<b>1727554</b>	<b>1.29</b>	<b>1163981</b>	<b>161835</b>	<b>1325816</b>	<b>0.99</b>	<b>(0.30)</b>

<b>2. Non Institutions</b>									
a) Bodies Corp.	11510901	45072	11555973	8.61	9372746	45072	9417818	7.02	(1.59)
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 2 Lakhs	14280601	3459581	17740182	13.22	22034136	3355515	25389651	18.93	5.71
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	1299952	236190	1536142	1.15	4635217	236190	4871407	3.63	2.48
c) Others (specify)									
(i) Trust	0	0	0	0	0	0	0	0	0
(ii) NRI	652798	40630	693428	0.52	1183824	40305	1224129	0.91	0.40
iii) Foreign National	36720	14520	51240	0.04	36720	14520	51240	0.04	0
iv) Clearing Member	231271	0	231271	0.17	125867	0	125867	0.09	(0.08)
(v) Hindu Undivided Families (HUF)	0	0	0	0	0	0	0	0	0
(vi) Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
<b>Sub Total (B)(2):</b>	<b>28012243</b>	<b>3795993</b>	<b>31808236</b>	<b>23.71</b>	<b>37388510</b>	<b>3691602</b>	<b>41080112</b>	<b>30.62</b>	<b>6.91</b>
<b>Total Public shareholding (B) = (B)(1)+(B)(2)</b>	<b>29577962</b>	<b>3957828</b>	<b>33535790</b>	<b>25</b>	<b>38552491</b>	<b>3853437</b>	<b>42405928</b>	<b>31.61</b>	<b>6.61</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>130185332</b>	<b>3957828</b>	<b>134143160</b>	<b>100</b>	<b>130289723</b>	<b>3853437</b>	<b>134143160</b>	<b>100</b>	<b>0</b>

## (ii) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the End of the year			% of change in share Holding During the year
		No. of shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total shares	No. of shares	% of total Shares of the Company	% of Shares Pledged/ encumbered of total shares	
1.	<b>Garima Buildprop Pvt. Ltd.</b>	100607370	75%	30	91737232	68.39	30	(6.61)

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

S.No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the Company	No. of share	% of total Shares of the Company
1	At the Beginning of the year (i.e. April 1, 2016)	100607370	75	100607370	75
2	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (i.e. allotment/ transfer/bonus/sweat equity etc):				
	<b>Sale of Shares in Open Market During the Year 2016-17</b>	8870138	6.61	8870138	6.61
3	At the end of the year (i.e. March 31, 2017)	91737232	68.39	91737232	68.39

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

S. No.	Top 10 Shareholders in the beginning of the year			Top 10 Shareholders at the end of the year		
	Name of Shareholder	No. of Shares	%	Name of Shareholder	No. of Shares	%
1	Aditya Vikram Agarwalla	0	0.00	Aditya Vikram Agarwalla	1268115	0.95
2	Gurminder Pal Singh Arneja	999952	0.75	Gurminder Pal Singh Arneja	1125814	0.84
3	Integrated Master Securities (P) Ltd.	2620964	1.95	Integrated Master Securities (P) Ltd.	1090409	0.81
4	Bridge India Fund	1270293	0.95	Bridge India Fund	1077914	0.80
5	Prominent Compusoft (P) Ltd	1005850	0.75	Prominent Compusoft (P) Ltd	1005850	0.75
6	Sammy Dreamland Co. Pvt Ltd	0	0.00	Sammy Dreamland Co. Pvt Ltd	885946	0.66
7	Sumpoorna Portfolio Limited	0	0.00	Sumpoorna Portfolio Limited	773331	0.58
8	Ras Behari Trading Pvt Ltd.	1630000	1.22	Ras Behari Trading Pvt. Ltd.	630000	0.47
9	Sammys Dreamland Co Private Limited	0	0.00	Sammys Dreamland Co Private Limited	479393	0.36
10	Krishan Kant Arora	0	0	Krishan Kant Arora	438457	0.33
11	Neelmani Trading And Services Pvt Ltd	1219548	0.91	Neelmani Trading And Services Pvt Ltd	0	0.00
12	Debonair Mechandise Pvt Ltd.	831398	0.62	Debonair Mechandise Pvt Ltd.	0	0.00
13	NCR Buildwell Pvt Ltd	509841	0.38	NCR Buildwell Pvt Ltd	0	0.00
14	Religare Finvest Ltd	438100	0.33	Religare Finvest Limited	0	0.00
15	Rishi Kumar Sally	300000	0.22	Rishi Kumar Sally	0	0.00

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

S.No		Shareholding at the beginning of the year year		Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the company	No. of shares	% of total Shares of the company
	For Each of the Directors and KMP				
		Directors and Key Managerial Personnel do not hold any shares in the Company			

## V) INDEBTEDNESS

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

(Rs. in Lakhs)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1,16,283.02	12,298.52	–	1,28,581.54
ii) Interest due but not paid	3,340.82	–	–	3,340.82
iii) Interest accrued but not due	613.95	–	–	613.95
<b>Total (i+ii+iii)</b>	<b>1,20,237.79</b>	<b>12,298.52</b>	<b>–</b>	<b>1,32,536.31</b>
<b>Change in Indebtedness during the financial year</b>				
Addition (Net)	11,639.86	1,544.32	–	13,184.18
Reduction	6,373.64	–	–	6,373.64
Exchange Fluctuation	420.82			
<b>Net Change</b>	<b>(1,119.88)</b>	<b>–</b>	<b>–</b>	<b>(1,119.88)</b>
<b>Indebtedness at the end of the financial year</b>	<b>4,567.16</b>	<b>1,544.32</b>	<b>–</b>	<b>6,111.48</b>
i) Principal Amount				
ii) Interest due but not paid	112575.48	13,842.84	–	1,26,418.32
iii) Interest accrued but not due	12229.47	–	–	12,229.47
<b>Total (i+ii+iii)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
	<b>124804.95</b>	<b>13842.84</b>		<b>1,38,647.79</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in Lakhs)

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

### B. Remuneration to other directors:

(Rs. in Lakhs)

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

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

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		Mr. Tapan Kumar# Laskar (CFO)	Mr. Kamadev Behera^ (CFO)	Ms. Yugami** Arora (Company Secretary)	*Mr. Ajai Kumar Gupta (Company Secretary)	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9.40	1.95	3.05	0.57	14.97
	(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					
<b>TOTAL</b>		<b>9.40</b>	<b>1.95</b>	<b>3.05</b>	<b>0.57</b>	<b>14.97</b>

\*Mr. Ajai Kumar Gupta has resigned from the post of Company Secretary of the Company w.e.f May 14, 2016 and Ms. Yugami Arora has been appointed as a new Company Secretary of the Company w.e.f May 27, 2016.

\*\*Ms. Yugami Arora resigned from the office of Company Secretary w.e.f June 3, 2017

# Mr. T.K. Laskar resigned from the Office of CFO w.e.f 7<sup>th</sup> October, 2016

^ Mr. Kamadev Behera was Appointed as a Chief Financial Officer of the Company w.e.f 14<sup>th</sup> December, 2016 and resigned from the office of CFO as on 19<sup>th</sup> August, 2017.

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

There were no penalties, punishment or compounding of offences during the year ended March 31, 2017.

**BY ORDER OF THE BOARD  
FOR OCL IRON AND STEEL LIMITED**

**Place : New Delhi  
Dated : 19.08.2017**

**Yogesh Kapur  
(Chairman)  
DIN: 00014385**

**INFORMATION PURSUANT TO SECTION 134(3)(M) READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017:**

**A. CONSERVATION OF ENERGY**

**DRI:**

**i. Steps taken for Conservation of Energy**

The following measures are continued to be taken for conservation of energy:

1. Company is conducting regular energy audit to assess the energy losses.
2. LT Capacitors are fixed at washery to reduce energy losses.
3. VFDs have been installed for higher capacity motors in Coal Washery.

**ii. Steps taken for utilizing alternate sources of energy**

The Company does not have any alternate sources of energy.

**iii. Capital Investment on Energy Conservation Equipments**

Installation of Variable speed drives for ID fan of ESP 1 & 2.

**SMS:**

**i. Steps taken for Conservation of Energy**

The following measures are continued to be taken for conservation of energy:

1. Power factor is being maintained close to unity.
2. Pressure setting of compressor has been reduced as per usage.
3. Optimized the operating voltage of transformers by changing the tap position.

**ii. Steps taken for utilizing alternate sources of energy**

The Company does not have any alternate sources of energy.

**iii. Capital Investment on Energy Conservation Equipments**

Lighting energy savers are to be installed to optimize the voltage of lighting feeders.

**CPP:**

**i. Steps taken for Conservation of Energy**

The following measures are continued to be taken for conservation of energy:

1. Energy efficient light sets are being installed around the plant side.
2. New high efficiency motor for boiler feed pump is being operated through VFD.
3. Flue gas analyzer in boiler inlet and VFD for ABC fan is being installed to increase the steam generation capacity.

**ii. Steps taken for utilizing alternate sources of energy**

The Company does not have any alternate sources of energy.

**iii. Capital Investment on Energy Conservation Equipments**

1. Company has a proposal to use only energy efficient equipments certified by BEE.
2. AFBC ID fan suction damper to be removed from position to avoid pressure drop and energy loss.



**B. TECHNOLOGY ABSORPTION**

- |      |  |                                |
|------|--|--------------------------------|
| i.   | Efforts, in brief, made towards technology absorption, adaptation and innovation   | Process Parameter Optimization |
| ii.  | Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc. | Overall Plant Economy          |
| iii. | In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year),                         | <b>NIL</b>                     |

**C. EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT:****NIL****D. FOREIGN EXCHANGE EARNINGS AND OUTGO:****(Rs. In Lakhs)**

Particulars	Current Year	Previous Year
Foreign Exchange Outgo	512.00	913.37
Foreign Exchange Earned	NIL	NIL

**BY ORDER OF THE BOARD  
FOR OCL IRON AND STEEL LIMITED**

**Place : New Delhi  
Dated : 19.08.2017**

**Yogesh Kapur  
(Chairman)  
DIN: 00014385**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES****1. A brief outline of the Company's CSR Policy:**

OCL Iron and Steel Limited (OISL) strongly believes that an organization should make decisions based not only on financial factors, but also on the social and environmental consequences and an effective growth policy must also take into account the fulfilment of the basic needs of the masses, especially of those living in rural areas. Thus OISL endeavors to improve the quality of life of communities living in the areas it operates. To achieve this, OISL deploys its resources to the extent it can reasonably afford, inter alia to improve the rural development projects, education, health, water, sanitation and environment in the area it operates. It entails having business policies that are ethical, equitable, environmentally conscious, gender sensitive, and sensitive towards the differently abled.

The CSR policy of the Company includes overview of projects or programs undertaken / proposed to be undertaken. The web-link to the CSR policy and projects or programs is: <http://www.oclsteel.in/csr.php>

**2. The Composition of CSR Committee is as follows:**

Mr. Vinod Kumar Uppal (DIN: 00897121)	– Chairman
Mr. Sanjay Tikku (DIN: 00300566)	– Member
Mr. Yogesh Kapur (DIN: 00014385)	– Member

**3. Average net profit of the Company for the last three financial years:**

Financial Year	Net Profit (in Lakhs)
2013-14	240.44
2014-15	(5619.84)
2015-16	(14568.30)
<b>Total</b>	<b>(19947.70)</b>
<b>Average Net Profit</b>	<b>(6649.23)</b>

**4. Prescribed CSR Expenditure: 2% of Average Net Profit = Not Applicable****5. Details of CSR spent during the financial year:**

- Total amount to be spent for the financial year: Nil
- Amount unspent: NIL
- \*Manner in which the amount spent during the financial year is detailed below:

**(Rs. in Lakhs)**

S. No	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or Programmes 1. Local area or other 2. Specify the State and District where Projects or Programs were undertaken	Amount outlay (budge) project or program wise	Amount spent on the project and programs Sub-heads: 1. Direct expenditure on projects or programs 2. Overheads	Cumulative Expenditure upto the reporting period	Amount Spent: Direct or through implementing agency**
1.	Combating HIV, AIDS, Malaria and Other Diseases	Preventive Healthcare (Schedule VII (i))	Local Area	3.58	3.58	3.58	Directly

2.	Employment Enhancing Vocational Skills	Employment Enhancing Vocational Skills (Schedule VII (ii))	Local Area	8.84	8.84	8.84	Directly
3.	Ensuring Environmental Sustainability	Ensuring Environmental Sustainability (Schedule VII (iv))	Local Area	22.06	22.06	22.06	Directly
4.	Promoting Education	Promoting Education (Schedule VII (ii))	Local Area	1.72	1.72	1.72	Directly
5.	Eradicating hunger, poverty	Eradicating hunger, poverty (Schedule VII (i))	Local Area	0.57	0.57	0.57	Directly
	<b>TOTAL</b>			<b>36.77</b>	<b>36.77</b>	<b>36.77</b>	

\*In term of section 135 of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company was not required to incur CSR expenditures for the financial year 2016-17. However, for the benefit of Society, Company has spent **Rs. 36.77 Lakhs** as CSR activity in the manner stated above.

\*\*Details of implementing agency: NA

6. Reason for shortfall, if any. Not Applicable.

7. Responsibility Statement by the CSR Committee:

We, hereby affirm that the CSR policy as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

**Mr. Birendra Jee**  
Managing Director  
DIN: 07165726

**Mr. Vinod Kumar Uppal**  
Chairman  
CSR Committee

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

**a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2016-17:**

<b>Name of Director</b>	<b>Ratio to median remuneration</b>
Mr. Yogesh Kapur	Nil
Mr. Sanjay Tiku	Nil
Mr. Vinod Kumar Uppal	Nil
Mr. Rajiv Kapur*	Nil
Ms. Ankita Wadhawan	Nil
Mr. Birendrajee, Managing Director	Nil

\* Mr. Rajiv Kapur ceased to be the Director of the Company w.e.f. June 4, 2016 due to his sudden demise

**b. The percentage increase in remuneration of each director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year 2016-17:**

<b>Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary</b>	<b>% increase in remuneration in the financial Year</b>
Mr. Yogesh Kapur	NA
Mr. Sanjay Tiku	NA
Mr. Vinod Kumar Uppal	NA
Mr. Rajiv Kapur*	NA
Ms. Ankita Wadhawan	NA
Mr. Birendrajee, Managing Director	NA
Mr. Ajai Kumar Gupta, Company Secretary#	NA
Ms. Yugami Arora, Company Secretary^	NA
Mr. T.K. Laskar, Chief Financial Officer**	No increase during the year
Mr. Kamadev Behera, Chief Financial Officer***	NA

\* Mr. Rajiv Kapur ceased to be the Director of the Company w.e.f. June 4, 2016 due to his sudden demise

\*\*Mr. T.K. Laskar resigned from the office of Chief Financial Officer of the company w.e.f. October 7, 2016

#Mr. Ajai Kumar Gupta resigned from the Post of Company Secretary of the Company w.e.f. May 14, 2016

^ Ms. Yugami Arora resigned from the Post of Company Secretary of the Company w.e.f. June 3, 2017

\*\*\* Mr. Kamadev Behera Resigned from the Office of Chief Financial Officer of the Company w.e.f. August 19, 2017

**c. The percentage increase in the median remuneration of employees in the financial year: NIL**

**d. The number of permanent employees on the rolls of Company: The total number of permanent employees on pay rolls of the Company as on 31st March, 2017 are **421****

- e. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** NIL
- f. **Affirmation that the remuneration is as per the remuneration policy of the Company:**  
The Company affirms remuneration is as per the remuneration policy of the Company.

**BY ORDER OF THE BOARD  
FOR OCL IRON AND STEEL LIMITED**

**Place : New Delhi  
Dated : 19.08.2017**

**Yogesh Kapur  
(Chairman)  
DIN: 00014385**

# CORPORATE GOVERNANCE REPORT FOR THE YEAR 2016-2017

## I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to conduct its business in an efficient, fair, honest and ethical manner. Good Corporate Governance goes beyond compliances and requires Management's commitment. It starts with the Board of Directors and percolates down the order throughout the Organization and seeks to raise the standards of Corporate Management, strengthens the Board systems, significantly increase its effectiveness and ultimately serve the objective of maximizing the shareholder's value. The Company's philosophy on Corporate Governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The philosophy of the Company is in consonance with the accepted principles of good governance. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## II. BOARD OF DIRECTORS

The Business of the Company is managed by the Board of Directors. The Board provides leadership and strategic guidance, objective judgment and exercises control over the Company, while remaining accountable to the stakeholders at all times. The functions of the Board include formulation of strategic business plans, budgets, setting up goals and evaluation of performance, approving corporate philosophy and mission, monitoring corporate performance against strategic business plans, overseeing operations, recruitment of senior management personnel, review of material investment and fixed assets transactions, ensuring compliance with laws and regulations, keeping members informed regarding plans, strategies and performance of the Company and other important matters.

### A. Composition of Board

The Board of Directors has an optimum combination of Executive and Non-Executive Directors having rich knowledge and experience in the industry for providing strategic guidance and direction to the Company. Presently the Board consists of five members. The Chairman of the Board is a Non-Executive Independent Director. The details of the Directors with regard to their Directorships in other companies, Committee positions as well as attendance at last Annual General Meeting and Board Meetings during the year are as follows:

Name of the Directors	Category	No. of Board Meetings during the year 2016-17		Attendance at the Last AGM held on 26 <sup>th</sup> September 2016	No. of Directorships held in listed entities including this listed entity*	No. of Committees Positions in Audit/ Stakeholder Committee held in listed entities including this listed entity**	
		Held	Attended			Chairman	Membership
Mr.Yogesh Kapur DIN: 00014385	Independent Non- Executive Director & Chairman	8	8	Yes	1	2	2
Mr. Sanjay Tiku DIN:00300566	Independent & Non- Executive Director	8	4	No	3	1	4
Mr. Vinod Kumar Uppal DIN: 00897121	Non-Executive Director	8	4	No	3	0	3
Mr. Birendra Jee DIN: 07165726	Managing Director	8	5	No	1	0	1
Ms. Ankita Wadhawan DIN: 06971383	Independent & Non- Executive Director	8	6	No	7	2	3
Mr. Rajiv Kapur# DIN: 01335236	Non Independent & Non-Executive Director	8	0	No	0	0	0

Notes: \* This excludes directorship held in Private Companies, Foreign Companies and Companies formed under Section 8 of the Companies Act, 2013

\*\*Includes only Chairmanship/membership in Audit Committee and Stakeholders' Relationship Committee.

# Mr. Rajiv Kapur ceased to be Director of the Company w.e.f. June 4, 2016 due to his sudden demise.

None of the Non Executive Directors serves as an Independent Director in more than seven listed companies and none of the Executive Director serves as an Independent Director on any listed company. As required by Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 the Company has issued formal letters of appointment to the Independent Directors. The terms and conditions of appointment of Independent Directors and the details of the familiarization programme of the Independent Directors are available on the website of the Company. (URL: <http://www.oclsteeel.in/investors.php>)

## **B) Board Procedures and Meetings**

The Board of Directors of your Company plays a pivotal role in ensuring good governance and functioning of the Company. The Board's role, functions, responsibility, and accountability are well defined. The Board reviews compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any.

The Board meets at regular intervals and during the year, 8 (Eight) meetings of the Board of Directors were held on 27<sup>th</sup> May 2016, 04<sup>th</sup> June, 2016, 15<sup>th</sup> July, 2016, 06<sup>th</sup> August, 2016, 14<sup>th</sup> September, 2016, 14<sup>th</sup> December 2016, 21<sup>st</sup> December, 2016 and 11<sup>th</sup> February 2017. The gap between no two board meetings exceeded one hundred and twenty days. All the members of the Board were provided requisite information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 well before the Board Meeting

## **C) Post Meeting Follow-Up Mechanism**

All the important decision taken at the Board/Committee Meetings are promptly ommunicated to the concerned departments. Action Taken Report on decision/minutes of previous meeting is placed at the succeeding meeting of the Board/Committee for noting.

## **D) Independent Directors Meeting**

In compliance with Schedule IV to the Companies Act, 2013 and regulation 25(3) of the SEBI Listing Regulations, 2015, 1 (One) meeting of the independent directors was held during the year without the attendance of non-independent directors and members of the Management, inter alia, to discuss the following:

- i) review the performance of non-independent directors and the Board as a whole;
- ii) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- iii) assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties; and
- iv) review of informal meetings with Senior Management

## **E) Orderly succession to Board and Senior Management**

The Board of the Company has satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management

## **F) Performance Evaluation Of Independent Directors**

The performance of Independent Directors was evaluated by Board of Directors on the basis of policy as laid down by the Nomination and Remuneration Committee.

## **G) Remuneration Of Directors**

The remuneration of Executive Directors is fixed by the Board of Directors upon the recommendation of Nomination and Remuneration committee and approved by the members of the Company. During the year under review, no sitting fees were paid to the Non-Executive Directors of the Company.

## **H) Maximum tenure of independent directors**

The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and regulation 25(2) of the SEBI Listing Regulations, 2015.

## **I) Disclosure of material transactions**

Under regulation 26(5) of SEBI Listing Regulations, 2015, the Senior Management has made periodical disclosures to the Board relating to all material financial and commercial transactions, where they had(or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company. The same was **Nil**.

## **J) FAMILIARIZATION PROGRAMME**

With a view to familiarising the independent directors with the Company's operations, as required under regulation 25(7) of the SEBI Listing Regulations, 2015, the Company has held various familiarisation programmes for the independent directors throughout the year on an ongoing and continuous basis familiarizing them nature of Industry, business models, their roles, rights, responsibilities etc. The details of such familiarisation programmes are placed on (URL: <http://www.oclsteel.in/investors.php>)

## **III BOARD COMMITTEES**

### **A ) AUDIT COMMITTEE**

The Board of Directors has duly constituted an Audit Committee. As on 31st March, 2017, the Audit Committee comprises of three non-executive Directors. The constitution of the Audit Committee meets the requirement of Section 177 of the Companies Act, 2013 and guidelines set out in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members of the Committee were provided requisite information as required in the Listing Regulations. The Company Secretary of the Company acts as the Secretary of the Audit Committee.

**The terms of reference of the Audit Committee are broadly as under:**

- to oversee the Company's financial reporting process and disclosure of its financial information.
- to recommend appointment, remuneration and terms of appointment of the Auditors of the Company.
- to review and monitor the Auditor's independence and performance, and effectiveness of audit process.
- to review quarterly and annual financial statements before submission to the Board and to advice and make recommendations to the Board on matters related to financial management of the Company, including Audit Reports. to approve or subsequently modify the transactions of the Company with the related parties.
- to scrutinize the inter-corporate loans and investments.
- to assess the value of undertakings or assets of the Company, whenever it is necessary.
- to review and discuss with Auditors about internal control system, major accounting policies & practices reviewing Companies financial and Risk management policies in compliance with the listing agreement and legal requirements concerning financial statements.
- to monitor the end use of funds raised through public offers and related matters and
- to carry out any other functions as is mentioned in terms of reference to the Audit Committee.

The committee met 4 (four) times during the year under review. The meetings of Audit Committee were held on 27<sup>th</sup> May, 2016, 14<sup>th</sup> September, 2016, 14<sup>th</sup> December, 2016 and 11<sup>th</sup> February, 2017.



The Composition of the committee and the attendance of members at the meetings were as follows:

Name of Member	Status	No. of Meeting during the financial year 2016-17	
		Held	Attended
Mr. Yogesh Kapur	Chairman	4	4
Mr. Sanjay Tiku	Member	4	4
Mr. Vinod Kumar Uppal	Member	4	4

## B) NOMINATION AND REMUNERATION COMMITTEE

In terms of Section 178 of the Companies Act, 2013 and as per regulation 19 of SEBI (Listing Obligations & Disclosure Requirements), the Board has constituted the Nomination and Remuneration Committee. The Committee inter alia reviews and approves the Annual salaries, commission, service agreement and other employment conditions for the Executive Directors and senior management. The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industries structure. The Committee comprises of one non-executive and two independent Directors.

**The terms of reference of the nomination and remuneration committee are as under:**

- Recommend to Board the setup and composition of the Board and its committees, including the "formulation of the criteria for determining qualifications, positive attributes and independence of a Director."
- Formulate the criteria for evaluation of performance of Independent Directors and Board of Directors.
- Devise a policy on diversity of Board of Directors.
- Recommend to the Board, appointment and removal of Directors.

The remuneration Policy of the Company is available on company's website <http://www.oclsteel.in/investors.php>

The Company Secretary of the Company acts as the Secretary of the Nomination and Remuneration Committee.

The committee met 1 (one) time during the year. The Composition and the attendance of members at the meetings were as follows:

Name of Member	Status	No. of Meeting during the financial year 2016-17	
		Held	Attended
Mr. Sanjay Tiku	Chairman	1	1
Mr. Yogesh Kapur	Member	1	1
Mr. Vinod Kumar Uppal	Member	1	1

## C) STAKEHOLDERS' RELATIONSHIP COMMITTEE

In terms of Section 178 of the Companies Act, 2013 and as per Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted the Stakeholders' Relationship Committee. The Committee inter alia looks into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend / notices / annual reports. During the year, the committee met four (4) times on 27<sup>th</sup> May 2016, 14<sup>th</sup> September, 2016, 14<sup>th</sup> December 2016 and 11<sup>th</sup> February 2017. The Committee comprises of one Executive Director & one Independent Director.

**Terms of reference of the committee, inter alia, includes the following:**

- Oversee and review all matters connected with the transfer of the Company's securities
- Monitor remedy of investors' / shareholders' / security holders' grievances
- Oversee the performance of the Company's Registrars and Transfer Agents
- Recommend methods to upgrade the standard of services to investors
- Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading

Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable.

The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

Name of Member	Status	No. of Meeting during the financial year 2016-17	
		Held	Attended
Mr. Yogesh Kapur	Chairman	4	4
Mr. Birendra Jee	Member	4	4

**Investors' complaints attended and resolved during 2016-17**

Investor complaints	No. of complaints attended/resolved during 2016-17
Pending at the beginning of the year	NIL
Received during the year	NIL
Disposed of during the year	NIL
Remaining unresolved at the end of the year	NIL

The Company Secretary of the Company acts as the Secretary to the Stakeholders' Relationship Committee.

**D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

During the year under review, in terms of Section 135 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had constituted a Corporate Social Responsibility Committee. The Committee comprises of three directors including two Independent Director. The Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount of expenditure to be incurred on the CSR activities. The Committee met 1 (one) time during the year.

The composition of the Corporate Social Responsibility Committee and the details of meetings held and attended by its members are given below:

Name of Member	Status	No. of Meeting during the financial year 2016-17	
		Held	Attended
Mr. Vinod Kumar Uppal	Chairman	1	1
Mr. Yogesh Kapur	Member	1	1
Mr. Sanjay Tiku	Member	1	1

#### IV SUBSIDIARY MONITORING FRAMEWORK

In terms of Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company's website (URL: <http://www.oclsteeel.in/investors.php>). The Company has nominated its representative on the Board of material Subsidiary Company and it also monitors its performance inter alia, by the following means:

- Financial Statements, in particular the investments made by the unlisted Subsidiary Companies, are reviewed by the Audit Committee of the Company.
- Minutes of the meetings of the unlisted Subsidiary Companies are placed before the Company's Board.
- A statement containing significant transactions and arrangements entered into by the unlisted Subsidiary Companies is placed before the Company's Board.

#### V COMPLIANCE OFFICER

The Board has designated Ms. Khushboo Chugh, Company Secretary as Compliance Officer of the Company.

#### VI GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:-

YEAR	DATE & TIME	LOCATION	WHETHER SPECIAL RESOLUTION(S) WERE PASSED
2013-14	30 <sup>th</sup> September, 2014 at 10.00 A.M.	At the Registered Office at Rajgangpur- 770017 (Orissa)	No Special resolution was passed
2014-15	30 <sup>th</sup> September, 2015 at 10.00 A.M.	At the Registered Office at Rajgangpur- 770017 (Orissa)	Two (2) Special resolution were passed
2015-16	26 <sup>th</sup> September, 2016 at 09.30 A.M.	At the Registered Office at Rajgangpur- 770017 (Orissa)	No Special resolution was passed

The Last Annual General Meeting of the Company was held on **26<sup>th</sup> September, 2016** at 09.30 a.m. at the Registered Office of the Company situated at Rajgangpur – 770017 (Orissa). The Meeting was chaired by Mr. Yogesh Kapur, Chairman of the Company.

During the Year, the Court Convened Meetings of Secured Creditors and Equity Shareholders were held on Saturday, **14<sup>th</sup> January, 2017** at the Registered Office of the Company situated at Rajgangpur – 770017 (Orissa) for approval of proposed scheme of Arrangement between OCL Iron and Steel Limited (Demerged Company/Company) and OISL Auto Limited (Resulting Company) and their respective Shareholders and Creditors.

#### EXTRA ORDINARY GENERAL MEETINGS

During the year under review no Extra Ordinary Genral Meeting of the Members of the Company was held.

#### POSTAL BALLOT HELD DURING THE YEAR 2016-17

During the year under review no resolution was passed through Postal Ballot.

#### VII DISCLOSURES

##### (A) Basis of Related Party Transactions

All related party transactions (RPTs), which were entered into by the Company during the year under review, were on arms' length basis and in the ordinary course of business and did not

attract provisions of section 188 of the Companies Act, 2013 and were also not material RPTs under regulation 23 of the SEBI Listing Regulations, 2015. During the year 2016-17, as required under the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all RPTs were placed before audit committee for approval a statement showing the disclosure of transactions with related parties as required under Indian Accounting Standard 24 is set out in this Annual Report.

The details of all related parties transactions are placed before the audit committee for its approval. The details of related party transactions are provided in the Notes to Accounts. These transactions are not likely to have conflict with the interest of the Company at large. A Policy on dealing with related party transactions is available on the website of the Company (URL: <http://www.oclsteeel.in/investors.php>).

#### **(B) Vigil Mechanism / Whistle Blower Policy**

The Company encourages an open door policy where its employees have access to the Head of the business/function. In terms of the Whistle Blower Policy of the Company, any instance of non adherence to the policy, employee misconduct, illegality or any other observed unethical behaviour are to be brought to the attention of the immediate reporting authority, who is required to report the same to the Head of Corporate Human Resources. Further, the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provides adequate safeguards against victimization of Whistle Blower who avail of such mechanism. Under the Policy, every Director and employee has been provided direct access to the Chairman of the Audit Committee. Whistle Blower Policy is available on the website of the Company (URL: <http://www.oclsteeel.in/investors.php>).

#### **(C) Details of non-compliance by the Company**

There were no instances of non-compliance by the Company and no penalties, or strictures were imposed on the Company by Stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

#### **(D) Code of Business Conduct and Ethics for Directors and Managerial Personnel**

Regulation 17(5) of the SEBI Listing Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. The Board has framed a Code of Conduct for all Board members and senior management of the Company. The Code has been posted on the website of the Company ([www.oclsteeel.in](http://www.oclsteeel.in)). All Board members and senior management personnel have confirmed compliance with the Code for the financial year 2016-2017. A declaration to this effect signed by the Managing Director of the Company forms part of this Annual Report.

#### **(E) Disclosure of Accounting Treatment**

The annexed financial statements as at 31<sup>st</sup> March, 2017 comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

#### **(F) Risk Management**

The Company has framed a Risk Management Policy to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of properly defined framework. The Company's Risk Management Policy focuses on ensuring that risks are identified and addressed on a timely basis. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

#### **(G) Proceeds from Public Issues, Rights Issues, and Preferential Issues etc.**

During the year under review, there were no proceeds from Public issues, Rights issues or Preferential issues.

#### **(H) Remuneration Policy**

The Board, on the recommendation of the Nomination and Remuneration Committee, has framed a Remuneration Policy. The detailed Remuneration Policy is placed on ([URL: http://www.oclsteeel.in/investors.php](http://www.oclsteeel.in/investors.php)).

## **I) Details of Compliance with Mandatory Requirements and adoption of Non Mandatory Requirements**

### **Mandatory requirements**

The Company is fully compliant with the applicable mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Non Mandatory Requirements**

Details of non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 to the extent to which the Company has adopted are given below:

#### **a) The Board**

Mr. Yogesh Kapur, the Non-Executive Chairman has not desired an office at the Company's expense.

#### **b) Audit qualifications**

There is no audit qualification in respect of financial statements of the Company.

#### **c) Separate posts of Chairman and Managing Director**

Mr. Yogesh Kapur is the Non Executive Chairman of the Company and Mr. Birendra Jee is the Managing Director of the Company. The Company has complied with the requirement of having separate persons to the post of Chairman and Managing Director.

#### **d) Reporting of Internal Auditor**

The Internal auditors report directly to the Audit Committee.

## **J) Management**

As part of the Directors' report or as an addition thereto, a Management Discussion and Analysis report should form part of this Annual Report for the shareholders. This Management Discussion & Analysis should include discussion on the following matters within the limits set by the company's competitive position:

- Industry structure and developments.
- Opportunities and Threats.
- Segment-wise or product-wise performance.
- Risks and concerns.
- Internal control systems and their adequacy.
- Discussion on financial performance with respect to operational performance
- Material developments in Human Resources / Industrial Relations front, including number of people employed

The Code of Conduct for the Board of Directors and the senior management have been disclosed on the website of the Company.

## **K) Shareholders**

- Quarterly results and presentations made by the company to analysts/investors have been uploaded on Company's website.
- Stakeholders Relationship Committee (formerly known as Shareholders Grievances Committee) has already been constituted

## **L) Disclosure in the Annual Report**

- The details of the establishment of vigil mechanism will be disclosed on its website ([www.oclsteeel.in](http://www.oclsteeel.in)).
- The Company has already disclosed the remuneration policy and evaluation criteria in this annual report.

## VIII. MEANS OF COMMUNICATION

### ➤ QUARTERLY RESULTS:

The Company's Results for quarter ended 30<sup>th</sup> June 2016, 30<sup>th</sup> September, 2016 31<sup>st</sup> December, 2016 and 31<sup>st</sup> March, 2017 are sent to the Stock Exchanges and have been published in one English newspapers (Business Standard) and one vernacular language newspaper (Utkal Mail Odisha). Simultaneously, they are also put up on the Company's website ([www.oclsteel.in](http://www.oclsteel.in)).

### ➤ NEWS RELEASES:

Official news releases are sent to Stock Exchanges and are displayed on its website ([www.oclsteel.in](http://www.oclsteel.in)).

### ➤ PRESENTATIONS TO INSTITUTIONAL INVESTORS / ANALYSTS:

Detailed presentations are made to institutional investors and financial analysts on the Company's quarterly as well as annual financial results and detailed presentations have been uploaded on the Company's website ([www.oclsteel.in](http://www.oclsteel.in)).

### ➤ WEBSITE:

The Company's website ([www.oclsteel.in](http://www.oclsteel.in)) contains a separate dedicated section 'Investor Relations' where shareholders' information is available.

### ➤ NSE ELECTRONIC APPLICATION PROCESSING SYSTEM (NEAPS):

The NEAPS is a web-based application designed by NSE for Listed Companies. All periodical compliance filings like Financial Results, Shareholding Pattern, Corporate Governance Report, Statement of Investor Complaints and Corporate Announcement are filed electronically on NEAPS.

### ➤ BSE CORPORATE COMPLIANCE & LISTING CENTRE (THE LISTING CENTRE'):

BSE's Listing Centre is a web-based application designed for Listed Companies. All periodical compliance filings like Financial Results, Shareholding Pattern, Corporate Governance Report, Statement of Investor Complaints and Corporate Announcement are also filed electronically on the Listing Centre.

## IX. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Management Discussion and Analysis Report is given by means of a separate annexure forming part of this Annual Report.

## X. GENERAL MEMBERS' INFORMATION

### A. GENERAL INFORMATION

Registered Office	Vill. Lamloi, P.O. Garvana, Rajgangpur:- 770 017, (Dist. Sundargarh, Orissa)
Plant Location	1. Vill. Lamloi, P.O. Garvana, Rajgangpur:- 770 017, (Dist. Sundargarh, Orissa). 2. A-285, Chopanki Industrial Area, Chopanki, Bhiwadi, District - Alwar, Rajasthan - 301 019. 3. Plot No. SP-256, Industrial Area, Kaharani (Bhiwadi Extn.) Rajasthan - 301 019. 4. Begumpur Khatola, District - Gurgaon, Haryana 5. Village Gopalpur, P.O. Badaposi Tehsil & P.S. Keonjhar Sadar, District - Keonjhar, Orissa
Annual General Meeting: Day/Date/Time/Venue:	Saturday, the 23 <sup>rd</sup> September, 2017 at 10.00 AM Vill. Lamloi, P.O. Garvana, Rajgangpur:- 770 017, (Dist. Sundargarh, Orissa).
Financial Year	April 1, 2016 to March 31, 2017

Book Closure	September 18, 2017 to September 23, 2017 (Both days inclusive)
Equity Dividend payment date	N/A
Listing on Stock Exchanges	<b>1. BSE LIMITED</b> <b>2. NATIONAL STOCK EXCHANGE OF INDIA LIMITED</b>
ISIN CODE	INE196J01019
Stock Code Equity Share: BSE NSE	533008 OISL

## **B) Tentative Calender for the Financial Year 2017-2018**

<b>PARTICULARS</b>	<b>DATES</b>
First Quarter Results	Mid of August, 2017
Second Quarter Results	Mid of November, 2017
Third Quarter Results	Mid of February, 2018
Fourth Quarter and the year ended Results	Up to end of May, 2018

The Company's quarterly Un-audited Financial Results are subject to Limited Review by Statutory Auditors and Annual results are subject to Audit by the Statutory Auditors. Quarterly Un-audited and Annual Audited Financial Results are published in the newspapers and are also forwarded to the Stock Exchanges.

## **C. Dematerialisation of shares and liquidity**

As on 31<sup>st</sup> March 2017, 130289723 Equity Shares representing 97.13% of the Equity Share Capital of the Company are in dematerialized form. The Equity Shares of the Company are actively traded on BSE and NSE.

## **D. Share Transfer System**

Pursuant to directions of SEBI, the facility to hold the Company's shares in electronic form is available to the members as the Company is registered with both the Depositories namely NSDL & CDSL. Share Transfer documents for physical transfer and requests for dematerialisation of shares may be sent to Company's Registrar and Share Transfer Agents.

## **E. Registrar & Share Transfer Agent**

### **CB Management Services (P) Limited**

P-22, Bondel Road, Kolkata – 700 019 (West Bengal)

Tel No: +91 33 22806692-94 / 2280 2486

Fax No: +91 33 4011 6739,

Email: rta@cbmsl.com,

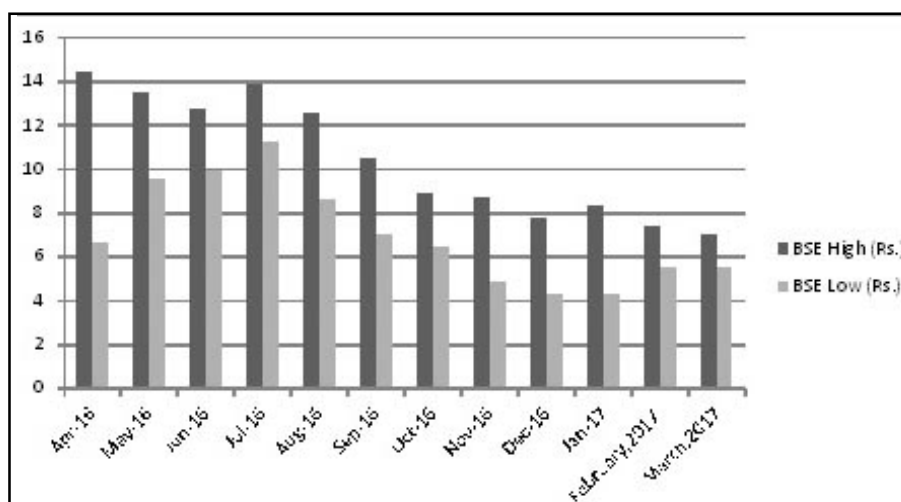
Website: www.cbmsl.com

## F. Market price data

Monthly High/Low prices per share during the Financial Year 2016-2017

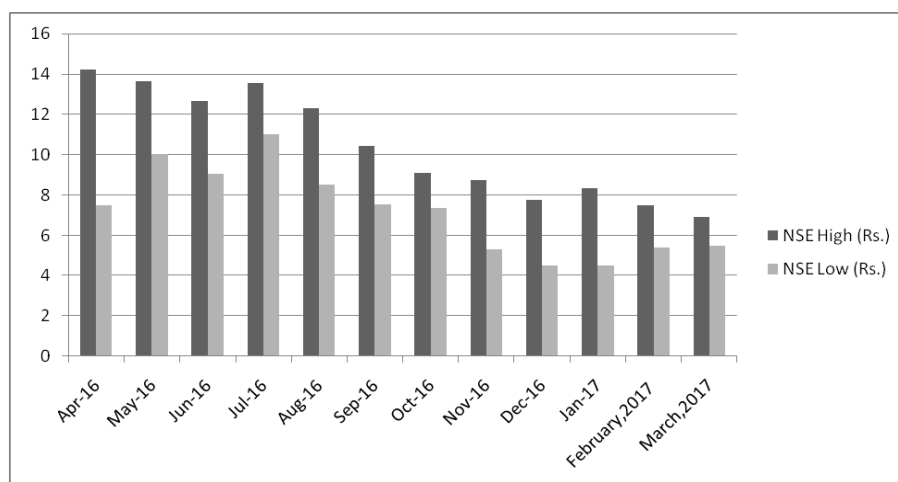
Months	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2016	14.36	6.66	14.20	7.50
May, 2016	13.5	9.5	13.65	10.05
June, 2016	12.69	9.95	12.65	9.05
July, 2016	13.82	11.26	13.55	11.00
August, 2016	12.5	8.56	12.30	8.50
September, 2016	10.5	7	10.45	7.55
October, 2016	8.88	6.44	9.10	7.35
November, 2016	8.7	4.8	8.75	5.30
December, 2016	7.75	4.3	7.75	4.50
January, 2017	8.35	4.25	8.35	4.50
February, 2017	7.39	5.5	7.50	5.40
March, 2017	6.96	5.5	6.90	5.50

### BSE



HISTORIC GRAPH 01-04-2016 TO 31-03-2017

### NSE

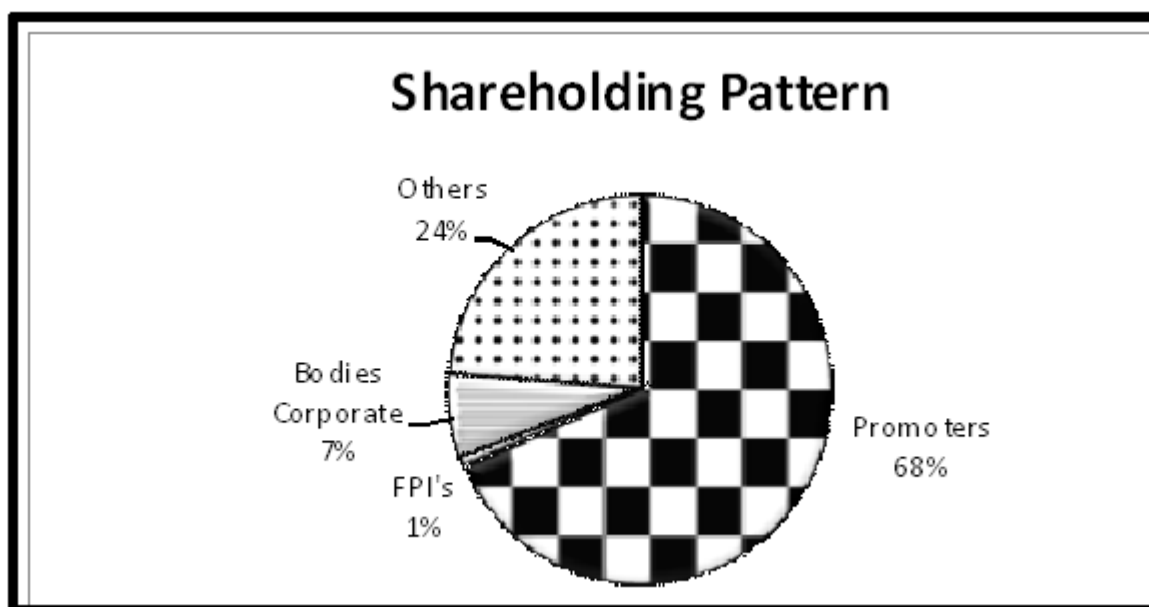


HISTORIC GRAPH 01-04-2016 TO 31-03-2017



**G. Shareholding pattern as on 31st March, 2017**

<b>CATEGORY</b>	<b>NUMBER OF SHARES HELD</b>	<b>(%) PERCENTAGE OF SHAREHOLDING</b>
Promoters	91737232	68.39
Mutual Funds/ UTI	57000	0.04
Financial Institutions / Banks	190002	0.14
Foreign Portfolio Investors	1078814	0.81
Bodies Corporate	9417818	7.02
Resident Individuals	30261058	22.56
Non-Resident Individual	1224129	0.91
Foreign National	51240	0.04
Clearing Member	125867	0.09
<b>TOTAL</b>	<b>134143160</b>	<b>100</b>



**H. Distribution of Shareholding as on 31st March, 2017**

<b>RANGE OF SHARES</b>	<b>NO. OF HOLDERS</b>	<b>NO. OF SHARES</b>
Up to 5000	10611	9548397
5001-10000	604	4443747
10001-20000	332	4674387
20001-30000	109	2650803
30001-40000	46	1649613
40001-50000	32	1438250
50001-100000	55	3733549
100001 and above	39	106004414
<b>Total</b>	<b>11828</b>	<b>134143160</b>

## **I) LIQUIDITY**

The Company's Equity share is among the most liquid and actively traded shares on BSE & NSE. OISL's shares consistently rank among the top few frequently traded shares, both in terms of the number of shares traded as well as value. Relevant data for the average daily turnover for the period under review is given below:

<b>PARTICULARS</b>	<b>BSE</b>	<b>NSE</b>	<b>TOTAL</b>
Shares (nos.)	106106.41	248250.48	354356.89
Value (in rupees)	834294.95	1912277.89	2746572.84

## **J. CEO/CFO CERTIFICATION**

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Part B Scheduled II of the SEBI LODR Regulations, 2015. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the SEBI LODR Regulations, 2015. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report.

## **K. COMPLIANCE CERTIFICATE OF THE AUDITORS**

Certificate from the Company's Auditors, M/s. A.C. Gupta & Associates, Chartered Accountants confirming compliance with conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the Listing Regulations, is annexed to the Corporate Governance Report forming part of the Annual Report.

## **L. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT (UNCLAIMED SHARES)**

Pursuant to Regulation 39 of the Listing Regulations, The disclosure as required under schedule V of the Listing Regulations is given below:

- a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year – Nil
- b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year – Nil
- c) Number of shareholders to whom shares were transferred from suspense account during the year – Nil
- d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year – Nil
- e) e) Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares – NA

**M) COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 IN REGULATION 17 TO 27 AND REGULATION 46(2)(b) TO (i) of LISTING REGULATIONS**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Regulation</b>	<b>Compliance Status Yes/No./N.A.</b>	<b>Compliance observed for the following:</b>
1	Board of Directors	17	Yes	1) Composition 2) Meetings 3) Review of Compliance reports 4) Plans for orderly succession for appointments 5) Code of Conduct 6) Fees/compensation to Non-Executive Directors 7) Minimum information to be placed before the Board 8) Compliance Certificate 9) Risk Assessment & Management 10) Performance Evaluation of Independent Director
2	Audit Committee	18	Yes	1) Composition 2) Meetings 3) Power of the Committee 4) Role of the Committee and review of information by the Committee
3	Nomination and Remuneration Committee	19	Yes	1) Composition 2) Role of the Committee
4	Stakeholders' Relationship Committee	20	Yes	1) Composition 2) Role of the Committee
5	Vigil Mechanism	22	Yes	1) Formulation of Vigil Mechanism for Directors and employees 2) Director access to Chairperson of Audit Committee
6	Related Party Transactions	23	Yes	1) Policy on Materiality of Materiality of Related Party Transactions 2) Approval including omnibus approval of Audit Committee 3) Approval for Material related party transactions
7	Subsidiaries of the Company	24	N.A  Yes	1) Composition of Board of Directors of unlisted material subsidiary 2) Review of financial statements of unlisted subsidiary by the Audit Committee 3) Significant transactions and arrangements of unlisted subsidiary
8	Obligations with respect to Independent Directors	25	Yes	1) Maximum Directorships and Tenure 2) Meetings of Independent Director 3) Familiarization of Independent Directors

9	Obligations with respect to In Directors and Senior Management	26	Yes	1) Memberships/Chairmanships in Committee 2) Affirmation on Compliance of Code of Conduct of Directors and Senior management 3) Disclosure of shareholding by non-executive directors 4) Disclosure by senior management of about potential conflicts of interest
10	Other Corporate Governance Requirements	27	Yes	1) Filing of quarterly compliance report on Corporate Governance
11	Website	46(2)	Yes	1) Terms and conditions for appointment of Independent Directors 2) Compositions of various Committees of the Board of Directors 3) Code of Conduct of Board of Directors and Senior Management Personnel 4) Details of establishment of Vigil Mechanism/ Whistle Blower policy 5) Policy on dealing with Related Party Transactions 6) Policy for determining material subsidiaries 7) Details of familiarisation programmes imparted to Independent Directors

**N. Outstanding GDRs/ADRs/Warrants/or any Convertible instruments, Conversion date and likely impact on equity**

The Company has not issued any ADR/GDR/Warrant or any other convertible instruments.

**O. Investors' Correspondence may be addressed to:**

<b>Ms. Khushboo Chugh</b> Company Secretary & Compliance Officer Vill. Lamloi, P.O. Garvana, Rajgangpur - 770 017 Distt: Sundargarh, Orissa, E-mail: grievance@oclsteel.in	<b>CB Management Services (P) Limited</b> P-22, Bondel Road, Kolkata - 700 019 (West Bengal) Tel No: +91 33 22806692-94/2280 2486 Fax No: +91 33 4011 6739, Email: rta@cbmsl.com Website: www.cbmsl.com
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**BY ORDER OF THE BOARD  
FOR OCL IRON AND STEEL LIMITED**

**Place : New Delhi  
Dated : 19.08.2017**

**Yogesh Kapur  
(Chairman)  
DIN: 00014385**

## **AUDITORS' REPORT ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

**TO**

**THE MEMBERS  
OCL IRON AND STEEL LIMITED**

We have examined the compliance of conditions of Corporate Governance by **OCL Iron and Steel Limited for the Financial Year ended on 31<sup>st</sup> March, 2017** as stipulated in Regulation 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the stock exchanges.

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, we certify that the Company has complied in all material respects with the conditions of corporate governance as stipulated in the Regulation 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that the Stakeholder Relationship Committee has maintained records to show the Investors Grievance and certify that as on 31<sup>st</sup> March 2017, there were no investors' grievances remaining unattended/pending for more than 30 days.

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

**For A.C. Gupta & Associates  
Chartered Accountants  
Firm Regn. No. 008079N**

**Place : New Delhi  
Date : 19.08.2017**

**A.C. Gupta  
Partner  
Membership No. 008565**

## **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

As required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges, it is hereby confirmed that for the year ended 31<sup>st</sup> March, 2017, the Directors of OCL Iron and Steel Limited have affirmed compliance with the Code of Conduct for Board Members as applicable to them and members of the senior management have affirmed compliance with Code of Conduct as applicable to them.

**Place : New Delhi  
Date : 19.08.2017**

**Birendra Jee  
Managing Director  
DIN: 07165726**

## MANAGING DIRECTOR AND CFO CERTIFICATION

We, Birendra Jee, Managing Director and Raj Kumar Ralhan, Chief Financial Officer, responsible for the finance functions certify to the Board that:

- a) We have reviewed the financial statements and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2017 and to the best of our knowledge and belief:
  - I. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
  - II. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2017 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
  - I) There has not been any significant change in internal control over financial reporting during the year under reference;
  - II) That there are changes in accounting policies during the year on account of INDAS adoption and the same have been disclosed in the notes of financial statements; and
  - III) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**Place : New Delhi**  
**Date : 19.08.2017**

**Raj Kumar Ralhan**  
**Chief Financial Officer**

**Birendra Jee**  
**Managing Director**

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## 1. ECONOMIC OVERVIEW

The global macroeconomic landscape in FY2017 was uncertain, and was characterized by weak growth. Lacklustre performance in the beginning of the year was partially offset by improved momentum towards the end of 2016. Important global developments during the year included the US Federal Reserve increasing policy rates, partial recovery in global commodity prices and a revival in global trade flows. Developed economies witnessed tepid growth in 2016, in continuum with the trend of the past few years. At the other end of the spectrum, developing and emerging economies have gained in stature and importance in the recent years. Although the growth patterns in emerging economies are uneven, we can expect good growth in some of these economies at least for the medium term. And of course, the best performer in the squad continues to be India.

Global growth is projected to accelerate to 2.7 percent this year and further strengthen to 2.9 percent in 2018-19, in line with previous projections. However, the world economy continues to face a number of downside risks. They include increased protectionism, heightened policy uncertainty, the possibility of financial market turbulence, and, over the longer run, weaker potential growth. These risks highlight the urgency for policymakers in emerging market and developing economies to rebuild macroeconomic policy space and implement policies that support investment and trade

The global production of passenger cars and commercial vehicles has increased by 6% in 2016-17. There is moderate growth in automotive production in Europe, North America and Asia excluding India in 2016-17 as compared to last year.

Global Economic activity gained some momentum in the second half of 2016, especially in advanced economies. Growth picked up in the United States as firms grew more confident about future demand and inventories started contributing positively to growth (after five quarters of drag). Growth also remained solid in the United Kingdom, where spending proved resilient in the aftermath of the June 2016 referendum in favour of leaving the European Union (Brexit). Activity surprised on the upside in Japan thanks to strong net exports, as well as in euro area countries, such as Germany and Spain, as a result of strong domestic demand. Economic performance across emerging markets and developing economies has remained mixed. Whereas China's growth remained strong, reflecting continued policy support, activity has slowed in India because of the impact of the currency exchange initiative, as well as in Brazil, which has been mired in a deep recession. Activity remained weak in fuel and non-fuel commodity exporters more generally, while geopolitical factors held back growth in parts of the Middle East and Turkey. World growth, estimated as in the October 2016 World Economic Outlook at 3.1% in 2016, is projected to increase to 3.5% in 2017 and 3.6% in 2018 - an upward revision of 0.1 percentage point for 2017 relative to October. Together with the modest change in the forecast for the overall global growth rate, projections of the strength of economic activity across country groups have also shifted. Economic activity in advanced economies as a group is now forecast to grow by 2.0% in 2017 and 2018, 0.2 percentage point higher than expected in October 2016. Growth in the group of emerging market and developing economies is forecast to rise to 4.5% and 4.8%, respectively, in 2017 and 2018, from an estimated outturn of 4.1% in 2016.

According to the International Monetary Fund (IMF), the global economy activity is picked up with a long awaited cyclical recovery in investment, manufacturing and trade. It has projected economic activities to improve in both advanced economies as well as EMDEs in CY2017 and CY2018, with global projections at 3.5% and 3.6% respectively.

Year	Actual (%)	2015	2016	Projection (%)	
				2017	2018
<b>World Output</b>		<b>3.4</b>	<b>3.1</b>	<b>3.5</b>	<b>3.6</b>
Advanced Economies		2.1	1.7	2.0	2.0
Emerging Market and Developing Economies		4.2	4.1	4.5	4.8
<b>World Trade Volume</b>		<b>2.7</b>	<b>2.2</b>	<b>3.8</b>	<b>3.9</b>

(Good and Services)				
Advanced Economies	3.7	2.1	3.5	3.2
Emerging Market and Developing Economies	1.4	2.5	3.6	4.3
Commodity Prices (US\$)				
Oil	(47.2)	(15.7)	28.9	(0.3)
Nonfuel (average based on world Commodity export weights)	(17.4)	(1.9)	8.5	(1.3)
Consumer Prices				
Advanced Economies	0.3	0.8	2.0	1.9
Emerging Market and Developing Economies	4.7	4.4	4.7	4.4

**Fig. 1 IMF's World Economic Outlook (Update)**

The global steel prices started recovering in 1Q CY 2016 with

- Broad-basing of trade remedial actions across other countries, which started in CY 2015;
- Sudden spike in iron ore prices in March 2016 beginning;
- Tightness in physical markets in China ahead of enforced production cuts during the international horticultural exposition;
- Re-stocking demand led by infrastructure and construction sectors in China with Chinese Government's thrust on stimulus.

This rise in global steel prices in March-April 2016 drove a sharp increase in steel production in all major regions during 2Q CY 2016 (except Europe and South America). Global steel capacity utilisation in June 2016 jumped to 71.8%.

The countries with export focused steel industry like China, Japan, Korea and Russia continued to flood global steel markets with exports at predatory prices. The Japanese and Korean export prices remained at a discount, compared to the respective domestic market prices. With surge in production not being supported by underlying demand, steel prices started declining towards the end of 2Q CY 2016. However, with a sharp surge in coking coal prices from August-September 2016 on the back of tightness in physical markets, steel prices again moved up, reflecting a movement in raw material prices. The steel prices continued to firm up until March 2017 with 1Q CY 2017 coking coal contract price settling at USD 285/t and jump in seaborne iron ore prices.

Domestic Economic activity has been losing momentum since second half of 2015-16 on a combination of structural and cyclical factors. On a year-on-year basis, this trajectory was dented further by the transient impact of demonetisation. Both private and government consumption demand have held up well against this slowdown, together accounting for 90% of real gross domestic product (GDP) growth in second half of 2016-17 on a weighted contribution basis. Investment demand, which had sunk into contraction in first-half, recovered from third quarter of 2016-17. Net exports have been growing strongly since third quarter of 2015-16. The same however turned negative with imports starting to expand at a higher pace than exports as domestic demand strengthened. Headline inflation fell off its July cliff and was already traversing a declining trajectory during August to October when demonetisation hit in November. This took inflation down to 3.2%, the lowest in the history of India. In February, however, the drag from these transitory effects began to ebb and headline inflation edged up on a pickup in food and fuel price pressures. With the effects of demonetisation turning out to be short-lived and modest, discretionary consumer spending held back by demonetisation is expected to have picked up from Q4:2016-17 and will gather momentum over several quarters ahead. The recovery will also likely be aided by the reduction in banks' lending rates due to large inflows of current and savings accounts ("CASA") deposits, although the fuller transmission impact might be impeded by stressed balance sheets of banks and the tepid demand for bank credit. The ebullient rebound in agricultural



activity on the back of normal monsoon and record food grains production have boosted rural incomes and supported consumption. In contrast, the modest pick-up in industry in second half of 2016-17 and the slower growth in services suggests that investment demand is still sluggish.

Indian economy successfully navigated through the external global turbulence and the temporary negative impact of demonetization to register a growth of 7.1% in FY 2017. According to the Economic Survey 2016-17, India's real GDP growth is projected at 7.1% for 2017, and could remain in the range of 6.75-7.5% in 2018. This posits India as one of the fastest growing economies amidst an environment of global economic uncertainty. The decline in consumption due to demonetization along with slowdown in the industrial sector resulted in moderated growth rate towards the end of 2017. However, the agriculture sector showcased enhanced performance, owing to a favourable monsoon after two consecutive droughts.

**From the Economic Survey 2016-2017** Ministry of Finance, Against the backdrop of robust macro-economic stability, the year was marked by two major domestic policy developments, the passage of the Constitutional amendment, paving the way for implementing the transformational Goods and Services Tax (GST), and the action to demonetise the two highest denomination notes. The GST will create a common Indian market, improve tax compliance and governance, and boost investment and growth; it is also a bold new experiment in the governance of India's cooperative federalism. Demonetisation has had short-term costs but holds the potential for longterm benefits. Follow-up actions to minimize the costs and maximise the benefits include: fast, demand-driven, remonetisation; further tax reforms, including bringing land and real estate into the GST, reducing tax rates and stamp duties; and acting to allay anxieties about over-zealous tax administration. These actions would allow growth to return to trend in 2017-18, following a temporary decline in 2016-17.

Economic growth of around 7.2% makes India the fastest-growing G20 economy. The acceleration of structural reforms, the move towards a rule-based policy framework and low commodity prices has provided a strong growth impetus. Recent deregulation measures and efforts to improve the ease of doing business have boosted foreign investment. According to Department of Industrial Policy and Promotion (DIPP), the total FDI investments India received during April 2016-March 2017 rose 8 per cent year-on-year to US\$ 60.08 billion, indicating that government's effort to improve ease of doing business and relaxation in FDI norms is yielding results.

The foreign exchange reserves has reached an all time high to US\$393 billion in August 2017 and is likely to cross US\$400 billion by September. The pace of forex accretion has been the strongest since 2015 and this has also been one of the strongest in Asia ex-Japan in the past 12 months.

India's economic growth is gradually improving since 2014. The favourable policies as well as executive reforms by the Government to support strong and sustainable growth, prudent fiscal regime and calibrated monetary easing that reigned in inflation have helped to strengthen macroeconomic stability. The lower crude oil prices have also helped to reduce current account deficit, improve fiscal positions, and lower inflation. This, in turn, has helped boost economic activities in India. Driven by these positive developments, the country has emerged as the world's fastest growing major economy.

The growth momentum should rise, driven by the Government's policy initiatives in areas such as taxation (GST), foreign direct investment (FDI), and the ease of doing business, among others. Other major factors helping India stay as a bright spot in the global economic landscape include the lower global oil price, with positive impact on the country's import bill, a well-regulated monetary policy by the Reserve Bank to stabilise prices, and improving fiscal condition. The Government's endeavour to drive a bigger as well as a cleaner GDP is expected to augur well for the economy in the medium and long terms.

## **2. INDUSTRY OVERVIEW**

### **2.1 Steel**

#### ***Global Sector:***

As per the World Steel Association ('WSA'), global steel demand is expected to grow at 1.3% in 2017 to 1.54 billion tonnes and a further 0.9% in 2018 to 1.55 billion tonnes. Recovery in developed economies and accelerating growth in emerging and developing markets especially

Russia, Brazil and India is expected to aid demand growth and keep inventory levels low which in turn is expected to support global steel prices. However, low level of capacity reduction than targeted by nations and continued oversupply in raw materials especially iron ore are likely to weigh down on the prices in the absence of effective trade measures and/or increase in steel demand. India's prospects continue to remain bright albeit with few short-term headwinds in the form of imports and surplus capacity. Proactive policy measures by the Government are expected to address most of these concerns. Taking a cue from a resurging global economy and a weak yen, Japan's steel demand is also expected to recover in a stable manner. While Europe is still at the cusp of a political turnaround, positive developments are expected with the current monetary policy. Some stability in the region is bound to garner future investments. China's economy is expected to see managed growth deceleration and restriction by more than 20 cities on property market since March 2017 point to lower steel demand going forward. WSA has also forecasted only a flat demand scenario in China in CY2017. China's steel demand which accounts for 45% of global steel demand is expected to be flat this year at 681 million tonnes while falling by 2% to 667 million tonnes in 2018. However, as per WSA, steel demand in emerging and developing economies excluding China is expected to grow at 4-5% per annum in the next two years to 475 million tonnes. In addition, the advanced economies are expected to grow at 1% for the next two years. Emerging countries of the world contribute to 30% of the total global steel demand. Except for the possible currency volatility risk dependent on the US dollar, the ASEAN nations are expected to throw a solid growth year. A stabilising trend is evident in BRICS nations such as Russia and Brazil, which are likely to put forth modest growth figures. India is also expected to grow encouragingly, even though growth will be marginally stunted due to demonetisation.

### ***Indian Sector:***

During the year, India's steel sector was impacted by intense competitive pressure with a surge in domestic steel production and elevated level of steel imports at predatory pricing. In FY2016-17, India's crude steel production grew by 8.5% y-o-y to 97.4 million tonnes. India imposed 'Minimum Import Price' (MIP) in Feb 2016 on various iron and steel products, after seeing that the provisional safeguard duty of hot rolled sheet failed to have a desirable impact on unbridled and unfair flow of steel imports into the country. This was an emergency provision, which provided some relief to the industry.

Later on the Government imposed provisional anti-dumping duty on hot rolled and cold roll products in August 2016; wire rods in November 2016; and colour coated rods in January 2017 as the industry needed adequate, swifter and longer shelf-life trade remedial measures to check unbridled and unfair steel imports. India also notified final safeguard duty on hot rolled sheets and plates in November 2016. However, steel imports remained at around 8 million tonnes on an annualised basis, despite these trade remedial measures. The domestic steel industry suspects circumvention of these trade remedial measures. Therefore, a stringent monitoring mechanism is required.

The situation was further aggravated by the fact that the apparent finished steel consumption in the country grew by just 2.6% y-o-y for the same period. India's steel demand was expected to gather momentum in the second half of FY2016-17, driven by the Government's measures to drive the economy and manage quantifiable progress on various policy reforms. Normal monsoon and the Seventh Pay Commission announcements were also likely to drive consumer discretionary spending. However, the steel demand did not see the desirable upswing in the second half of the year, amid poor liquidity, following the Government's demonetisation initiative. This led to a liquidity crunch and a contraction of the major consuming sectors such as real estate. In May 2016, the Government removed the differential railway freight for the transportation of iron ore and pellets for domestic use and exports. The reform gave the much-needed boost to iron ore exports. Such a move may not augur well for steel producers, as it does not differentiate between quality of products. Various trade measures were put in place by the Government in 2016. Anti-dumping duties on China, the United States and other countries proved to be a significant relief for domestic steel producers. A Minimum Import Price (MIP) imposed on certain steel imports in February last year for a period of six months was later extended. This restricted low-priced steel imports into India

to a very large extent. Safeguard duty is another measure adopted by the Government. The Government defended its move at the WTO by asserting that the introduction of such a measure was imminent, and that the MIP would be phased out eventually.

### ***Advantage India***

#### **National Steel Policy 2017 (NSP):**

The National Steel Policy (NSP) 2017, released by the Government, aims to increase steel production. Its objective is to make India self-sufficient in steel production and projects crude steel capacity of 300 million tonnes (mt) and per capita consumption of 160kg of finished steel by 2030-31. As a part of its focus area, the policy aims to address adequate local manufacturing to meet the demand for high-grade automotive steel, electrical steel, special steels and alloys for strategic applications by the same year.

#### ***The NSP has nine core elements to it. These are the following:***

1. 300 MnT steel-making capacity by 2030
2. 160 per capita steel consumption by 2030
3. Preference for domestically produced steel in Government procurement
4. Export 24 MnT steel (10% of production) by 2030
5. Reduction of imports to nil by 2030
6. Domestically produce value added steel-CRGO, special steel, and alloys
7. Reduce import dependence on coking coal to 65% by 2030-31
8. Focus on pelletisation and installation of slurry pipelines and conveyors
9. Emphasis on BF/BOF technology

## **2.2 Automotive**

### ***Global Sector:***

Based on strong growth in production and sales of automobiles in the first quarter of 2017 in most of the key regions around world, there is optimism that this year will see continued gains for the global automotive industry.

The Western European car market ended the first quarter up more than 7% on the same period in 2016, recording 3.9 million new registrations. All of the five largest individual markets expanded, with Italy enjoying the strongest growth at 18%. Double digit growth was also recorded in Spain (+13%) and Germany (+11%), with the United Kingdom up 8% and France 7%. Total light vehicle production in the EU was up 3% to 5,016 million units in the first quarter of 2017. USA and Canada saw declines in vehicle production with the US slipping by 1.9% to 3,017 million and Canada down 4.5% to 601,443.

In the Asia-Pacific region, sales for the first quarter were 6.9%, ahead of the same period in 2016, with 11.37 million units or 47.5% of the global market. China performed strongly again in the first quarter with production and sales of passenger cars rising to 7.133 million and 7,002 million respectively, representing increases of 8% and 7% year-on-year. Japan reported a healthy increase of 7.9% in passenger car production in the first quarter to reach 2,200 million units; with total vehicle production, including trucks and buses, up 6.5% to 2,545 million.

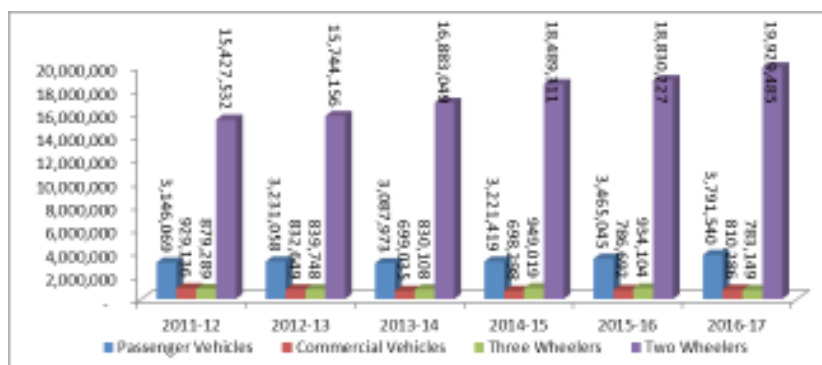
Vehicle sales in Japan increased, by almost 8% in the quarter to March, reaching over 1.3 million. In India, sales of passenger cars were up 11%, when compared with the same period last year, at 803,200 vehicles. In the reporting period April 2016–March 2017 production of passenger cars and commercial vehicles in India increased by 5.8% to 4,502 million of which 3,791 million were cars.

The IMF expects the global economy to grow by 3.4% in 2017 and by 3.6% in 2018. The outlook for emerging market economies is expected to improve; however, capital flow volatility will remain a concern as markets adjust to the higher US interest rate environment, likely capital revival in emerging market countries, and capital outflows in China. This is expected to be accompanied by the projected policy impetus of the new US administration and its global consequences.

The Company considers human resources as its most important asset. It is the invaluable contribution of the Company's large and energetic team that has primarily resulted in strength in the industry. The Company has implemented various initiatives to create a worker-friendly organization that motivates its employees and improves performance.

### Indian Sector:

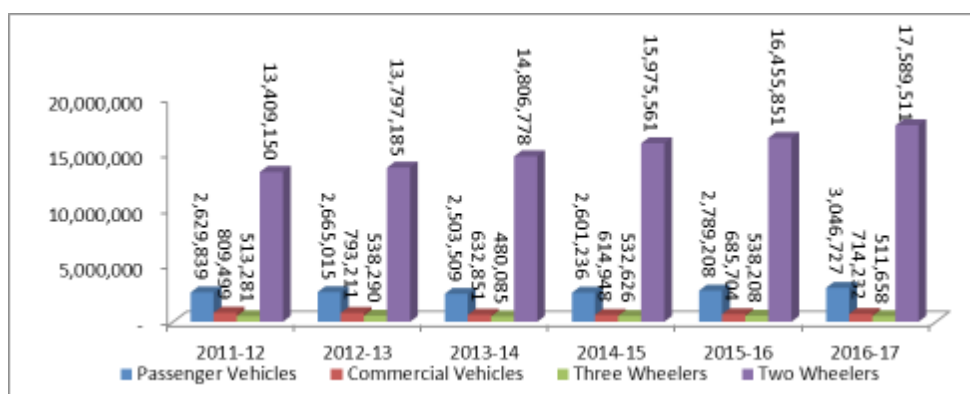
The Indian auto industry is one of the largest in the world. The industry accounts for 7.1% of the country's Gross Domestic Product (GDP). The Two Wheelers segment with March 2017 over the corresponding period of last year. The Indian automotive industry is showing positive signs with moderate growth in the passenger vehicle and two wheeler segments. During the year, OEMs launched new models with additional functionalities and features to attract customers. Performance of Indian auto industry during last three years is as follows:-



**Fig. 2 Automotive Production Trends**

India is also a prominent auto exporter and has strong export growth expectations for the near future. In April-March 2017, overall automobile exports grew by 1.91 per cent. PV, Commercial Vehicles, and Two Wheelers registered a growth of 9.17 per cent, 3.03 per cent, and 8.29 per cent respectively during first quarter of 2017. In addition, several initiatives by the Government of India and the major automobile players in the India market are expected to make India a leader in the Two Wheeler and Four Wheeler market in the world by 2020.

The government aims to develop India as a global manufacturing as well as a research and development (R&D) hub. It has set up National Automotive Testing and R&D Infrastructure Project (NATRIP) centres as well as a National Automotive Board to act as facilitator between the government and the industry.

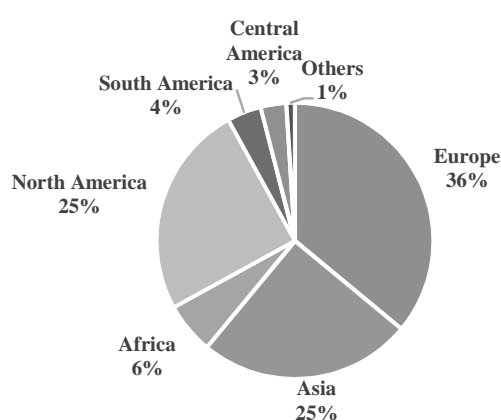


**Fig. 3 Domestic Sales Trends**

Alternative fuel has the potential to provide for the country's energy demand in the auto sector as the CNG distribution network in India is expected to rise to 250 cities in 2018 from 125 cities in 2014. Also, the luxury car market could register high growth and is expected to reach 150,000 units by 2020.

India is the world's fourth largest energy consumer. The country's oil consumption is expected to rise manifold over the next decade to cater the demands of a growing economy. India plans to reduce its dependence on imports and achieve at least a 10% reduction in energy imports by FY 2022. For this, it is increasing investments in oil and gas exploration, developing discovered oil and gas reserves, enhancing production from existing fields, and tapping unconventional resources like shale gas, etc. Oil exploration and production spend in the country has doubled in the last 5 years and the same is expected to be robust in the near future.

The auto-components industry accounts for almost 7 per cent of India's Gross Domestic Product (GDP) and employs as many as 19 million people, both directly and indirectly. A stable government framework, increased purchasing power, large domestic market, and an ever increasing development in infrastructure have made India a favourable destination for investment.



**Fig. 4 Indian Automotive Component Exports by Geography**

**Source: ACMA**

### **3. BUSINESS OVERVIEW**

#### **3.1 Steel**

##### ***Rolling Mill:***

##### ***Rajasthan***

The Company has established a cold rolling facility, located in Rajasthan, which is equipped with an imported 3-station cold rolling mill and a straightening and cutting machine. The plant's input is in the shape of round wire rods and output is in the form of profile sections. This facility includes in-house laboratory for complete mechanical and chemical analysis of incoming steel. The operations team is trained in Korea for the operation of the mill. The market segment catered to by the facility also includes the automotive component industry.

##### ***Keonjhar***

The rolling mill of the Company at Keonjhar is strategically located in close vicinity of various catchment areas like Bhubaneswar, Rourkela, Jamsedpur, Ranchi & Kolkata. The main product is finished steel like TMT bars, rods, bars, etc. is mainly construction steel and is used for reinforced concrete work extensively in civil construction. This gets sold in the commodity market generally for building construction to individuals/builders and bulk sale for Project Application, Infrastructure.

### 3.2 Automotive

#### **Ferrous Foundry:**

To meet the future demand of quality iron castings, OISL has set up a casting manufacturing unit in Rajasthan. The project has been commissioned on a land parcel in the RIICO Industrial Area, Rajasthan. The manufacturing facility is fully automated and has state-of-the-art technology and machinery.

Technical knowhow is being supported by Kunkel Wagner Germany, Inductotherm India Private Limited, Disa India Limited, Suzhou Foundry-China, Siemens and other companies of international repute. The end products are primarily used in the manufacturing of tractors, construction equipment, commercial vehicles and passenger vehicles. Key products include axle casing, trumpet, swivel hub, axle arm, planetary carrier, axle housing, GB housing, crankcase, brackets and trunnion bracket.

#### **Machining:**

OISL's machining plant in Haryana manufactures EMD crankcase and Alco engine blocks. The plant operates using the lean manufacturing principles. Major customers include EMD, ALCO, Diesel Locomotives Works (DLW), Diesel Modernization Workshop (DMW) and NREC, USA.

The facility, which is also equipped for fabrication, is one of the few vertically integrated machining plants. It is state of the art facility with a high level of technological orientation including the use of electromotive diesel technologies of the US. The Company is one of the few who are eligible to manufacture electromotive diesel crankcases.

## 4. SWOT ANALYSIS

### 4.1 Steel

Strengths and Opportunities	Threats & Weaknesses
The biggest opportunity for the Indian steel sector is the increasing consumption of steel across many sectors in India. The Indian rural market is still largely unexplored and untapped. Per capital steel consumption still remains low i.e. 63 kg.	Key strategic considerations include the macro environment in which the Company operates, global steel industry dynamics, growth projects and competitiveness of operations. Current overcapacity in global steel markets continues to impact steel prices. The Company went for careful Cost Cutting measures till the steel price recovery was in sight and then planned to scale up production.
It is also estimated that world steel consumption will double in the next 25 years. Quality improvement of Indian steel, combined with its low cost advantage, will enable the industry to strengthen its position in the export markets.	Operational risks include supply chain, employee productivity, health and safety of employees and environmental impact. Additional risks which can impact the Company's reputation cover labour relations, product mix, innovations and effective deployment of technology. The Company has in place a crisis management plan and is committed to servicing customers and stakeholders effectively. A key operational factor is the supply chain of raw materials and the costs associated with it. Supply chain disruptions could increase operating costs as raw material accounts for 65-75% of the cost of steel; disruptions in supply and volatility in the prices of raw materials present a significant risk. The Company closely monitors the developments in supply chain and takes effective steps to mitigate such risks.

India also benefits from its abundance of iron ore, coal and many other raw materials required for iron and steel making. It has the fourth largest iron ore reserves (10.3 billion tonnes) after Russia, Brazil and Australia. This scale allows for raw technical manpower capable of understanding and assimilating new technologies. The Indian steel industry is known for its relatively low unit labour cost, commensurate with the skill levels.	Financial risks refer to the ability of the Company to meet financial obligations and lessen the impact of various factors such as changes in interest rates and, foreign currency exchange rates. The Company has significant level of indebtedness and in an adverse environment, the availability of cash for capital expenditure and acquisitions may be reduced. In addition it could impact the ability to increase funds for working capital, to raise new debt or to refinance existing debt on favourable terms.
There has been a moderate growth in Steel production with the recovery in steel production and consumption in China Medium term steel outlook is strong and stable.	These risks include the outcome of legal proceedings and Government action and/or regulatory action which could result in additional costs. The Company is subject to various laws, regulations and contractual commitments. The risk of substantial costs, liabilities and damage to reputation related to non-compliance of these laws and regulations are inherent to the Company's business. The Company has policies, systems and procedures in place aimed at ensuring substantial compliance and there is a strong commitment from the management to enforce compliance.
	Products produced by OISL are exported to a number of different markets globally. This exposes the Company to various risks associated with international business transactions. These include various geopolitical risks, currency price regulatory risks and other such concerns.

## 4.2 Automotive

Strengths and Opportunities	Threats & Weaknesses
Geographical spread of operations in India allows proximity to a large and diversified customer base.	Automotive operations are directly dependent on general economic conditions across key global markets.
Proximity to all major OEM's coupled with consistent track record of deliveries manifested by their increased levels of localisation in India	The liquidity continues to remain under stress coupled with availability of fresh working capital funds being a major challenge has led to low capacity utilisations thereby impacting profitability.
State-of-art in-house tool design and 3D modelling/ simulation software with key machines such as CNC, VMC etc.	Political instability, wars, terrorism, multinational conflicts, natural disasters, fuel shortages and their prices all present business risk.
Trusted partner and strategic Tier I supplier to leading OEMs. It has well established strategic relationships most OEMs across the country and abroad.	Due to global integration of automobile supply chains the industry has become highly competitive with OEM's continuously scanning the market for lower prices and better terms.

Well positioned to cater to growing demand of automobile industry in India coupled with a large scale of operations allowing economies of scale.	Changing technologies have led to shortening of life cycles of new vehicles.
Skilled, experienced and diversified workforce with proven credentials.	Imposition of additional taxes and levies designed to limit use of automobiles could adversely affect demand.
Strong economic growth in India and other growth markets like China, Southeast Asia and North Africa - resultant demand for Automobiles.	Presence of large number of players in the automobile industry has resulted in extensive competition thus enhancing scope for eating into share of business of other players.
Indian Government's focus on improving ease of doing business with its "Make in India" initiative to transform India into a global manufacturing hub, an advantage for our Company	
GOI's emphasis on substitution of imported goods sectors such as railways and defence are expected to turn towards Indian Companies for procurement.	
Diversification towards forward integration.	
Strategic alliances and partnering could be a smart strategy resulting in specialised capabilities differential offerings.	

## 5. STRATEGY & OUTLOOK

Liquidity constraint, which arose due to unfavorable market conditions in the markets globally, is continuing and has affected the Company's performance. This has resulted in the Company not being able to meet its commitments to its lenders as also non availability of adequate working capital funds. Due to scarcity of adequate working capital facilities, the Company could not operate its facilities at optimum capacity utilization and hence would take advantage of improved future market conditions.

To rectify the situation, the Company has approached its lenders for **restructuring of its debt** and sanction of additional working capital facilities, which is expected to be approved in the near future. Once approved, the Company's operations are likely to improve substantially. This, coupled with the expected commencement of mining operations of captive mines, will improve the Company's performance substantially in the times to come and all stakeholders can look forward to vastly profitable operations.

### 5.1 Steel Business

#### **Raw Materials**

To attain Raw Material security for the plant in long run the focus has been in:

- To commence the operations of the captive coal block of Ardhamgram, allocated through the auction of coal blocks to OISL. This will provide quality coal for sponge making and power generation on a sustained basis. This is at a final stage of release of lease order from the Government of West Bengal
- To obtain Stage II clearances for starting the Kundaposi captive ore mines in order to be self-reliant in the supply of key raw materials to the plant. This will ensure uninterrupted supply of high grade iron ore to the plant.



## **Plant Operations**

- In view of demand shrinkage and drop in price the operation of new units were suspended. However, the feel good factor in steel with a robust recovery was visible in the 4<sup>th</sup> quarter of 2016.
- The unit moved ahead to commence operation of its new units i.e. DRI (2 X 350 TPD) and Power Plant (2 X 35 MW) in order to upscale production and revenue.
- With higher waste heat generation and power availability, billet production in the steel melting shop shall be enhanced and the customer base as a quality supplier of billets shall be expanded. As an outcome it will enhance the already existing strong OISL brand image in this product segment.

The senior management team remains fully committed to implementing these strategies which in turn will allow the Company to achieve sustainable growth and strengthen its position in the market place.

## **5.2 Automotive Business**

The company is able to engage with customers from the early stages of development projects which enable the company to introduce company's products into a vehicle's designs phase. This when combined with close proximity to customers, technological leadership, demonstrated reliability and financial stability will result into winning orders but at a new global upcoming platform. The company is one of the few suppliers in its product segment with a global engineering and manufacturing footprint and this strong diversification enables the company to capitalize on global growth opportunities while mitigating the impact of any regional demand fluctuations.

The company has realised that cyclical demand coupled with a leveraged balance sheet can lead the Company to a vicious cycle which eventually leads to stagnation. Keeping this in mind, we have constantly emphasized on de-risking our business by entering new sectors thereby adding breadth to our customer profile.

The Company's in-house R&D team focus is to commit to work on various projects including developing technologies to minimize carbon footprint and manufacture light weight products that result in lower energy consumption. Innovation is an on-going process which has helped us explore new ideas and deliver transformative solutions. The Company's strategy is based on the principle that creating value for its customers and gaining their trust requires consistent outstanding performance and a broad product portfolio, continuously upgraded through technical and process innovations. The Company is poised to play a meaningful role in this Make in India mission, with indigenously focus to develop cutting-edge technologies and innovations. The key strategy is on developing new processes, expanding the product portfolio & product mix, and leveraging on our innovation capabilities to open more growth avenues.

Regular product launches planned by OEMs will keep customer excitement levels up and create demand for us which is favourable for the overall industry growth. The Company, in spite of the challenges, is well positioned to benefit from the globalisation of the sector as exports potential is harnessed to achieve the above. Technological advancement and product innovation remain our key differentiators. The Company's in-house R&D team has been committed to work on various projects including developing technologies to minimize carbon footprint and manufacture light weight products that result in lower energy consumption. Innovation is an on-going process which has helped us explore new ideas and deliver transformative solutions. Transformation of a nation or a company cannot sustain without wholehearted people participation. The capabilities of our people have brought us this far, and we will continue to invest in developing our teams to enhance their efficiency and introduce industry-leading practices. With strong focus on developing skills and capabilities of our employees.

The forward integration strategy of the Company is to move in fully machined & assembled supply of auto components for its customers. The Company has demonstrated sound technology absorption capabilities, translating into a shortened learning curve and stronger proprietary knowledge management. Moving ahead, we are graduating to the next level and charting our next course of growth. The company is investing in tomorrow's technologies to further hone our innovative drive and thereby lead change. Being a value-accretive and solutions-driven Company, we are

constantly fine-tuning our growth strategies and leveraging our intrinsic strengths to create and deliver incremental value to our stakeholders.

## **6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an internal control system which monitors compliance to internal processes. It ensures that all transactions are authorised, recorded and reported correctly. The systems are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, plant facilities and key areas of business. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms.

To further strengthen the internal control process, the Risk Management Committee has documented control procedures covering all aspects of key financial and operating functions. The Company's internal control systems provide for:

- Adherence to applicable accounting standards and policies
- Accurate recording of transactions with internal checks, prompt reporting and timely action
- Compliance with applicable statutes, policies, listing requirements and management policies and procedures
- Review of capital investments and long term business plans
- Periodic review meetings to guide optimum utilization of resources
- Effective use of resources and safeguarding of assets

The Audit Committee reviews the effectiveness of internal control systems, and also provides timely updates on operating effectiveness and controls to senior management team. A CEO and CFO Certificate,

forming part of the Corporate Governance Report, reinforces the effectiveness of internal controls and reiterate their responsibilities to report deficiencies to the Audit Committee and rectify any issues.

The auditors carry out periodic audits as per an agreed internal audit programme. They bring to the notice of management, issues which require their attention and also highlight the severity of the issue. Corrective actions are then set in place. The internal auditors report is reviewed by the Audit Committee and placed before the Board of Directors for their consideration

## **7. FINANCIAL OVERVIEW**

During the period under review, the Company's revenue stood at Rs. 30,857.29 Lakhs compared to Rs. 39,907.51 Lakhs in the previous year. EBITDA stood at Rs. (5,910.98) Lakhs as compared to Rs. (568.34) Lakhs in previous year.

The decline in turnover is mainly due to lower capacity utilization as a result of subdued market conditions, and to falling steel prices as a result of the global slowdown. Lower sales, coupled with the effect of fixed costs and a high interest burden, had an adverse impact on profitability.

The capital employed in the business stood at Rs. 1,38,073.72 Lakhs as on 31st March, 2017 as compared to Rs. 1,58,172.08 Lakhs as on 31st March, 2016.

The authorized share capital of the Company as at 31st March 2017 stood at Rs. 10,400 Lakhs divided into 3,400 Lakhs equity shares of Rs. 1/- each and 700 Lakhs Preference shares of Rs. 10/- each.

During the year under review, there was no change in the authorised and paid up capital of the Company. As at 31st March, 2017 the reserves and surplus of the Company stood at Rs. 10,313.97 Lakhs and the net worth stood at Rs. 11,655.40 Lakhs

## **8. DEBT POSITION**

As of 31st March 2017, the Company had a total debt of Rs. 1,30,742.95 Lakhs. This includes long term debt including current maturities of Rs. 126,418.32 Lakhs and short term debt of Rs. 4,324.63 Lakhs.

## **9. HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

During the year, the Company delivered value to its customers and investors. This was made possible by the relentless efforts of each and every employee. The Company has developed a robust and diverse talent pipeline which enhances OISL's organizational capabilities for future readiness, further driving greater employee engagement. Our human resource program is focused on attracting the right talent, providing excellent on the job training opportunities, and finally giving them the growth opportunities consistent with their aspirations. In addition, the trust our employees place in us is evident in our ability to retain key employees and senior executives during a challenging FY2017.

OISL has always enjoyed strong industrial relations. The company has a systematic grievance redressal system to further strengthen these relationships. This system encourages employees to share their views and opinion with the management. The Company reflects on this feedback and incorporates relevant changes into the existing policies, systems and processes.

During the period under review, the Company maintained a cordial relationship with its workforce. The Directors would like to place on record their appreciation and recognition towards all its employees who continue to exude confidence and commitment toward the Company

## **10. STATUTORY COMPLIANCE**

The Managing Director makes a declaration to the Board of Directors every quarter regarding compliance with provisions of various statutes as applicable. The Company Secretary ensures compliance with the Companies Act, SEBI regulations and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and compliance with the guidelines on insider trading for prevention of the same.

## **11. CAUTION STATEMENT**

The above mentioned statements are only 'forward looking statements' based on certain assumptions and expectations. The Company's actual performance could differ materially from those expressed/ projected depending upon changes in various factors. The Company does not assume any responsibility to any change(s) in forward looking statements', on the basis of subsequent developments, information or events etc.

Important developments that could affect the Company's operations include a downward trend in the domestic automotive industry, competition, rise in input costs, exchange rate fluctuations, and significant changes in the political and economic environment in India, environmental standards, tax laws, litigation and labour relations.

**BY ORDER OF THE BOARD  
FOR OCL IRON AND STEEL LIMITED**

**Place : New Delhi  
Dated : 19.08.2017**

**Yogesh Kapur  
(Chairman)  
DIN: 00014385**

## **Independent Auditor's Report**

### **To the Members of OCL Iron and Steel Limited**

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

We have audited the accompanying standalone Ind AS financial statements of OCL Iron and Steel Limited ('The Company'), which comprises the Balance Sheet as at 31<sup>st</sup> March 2017, the statement of Profit and Loss (including other comprehensive income), the statement of Change in Equity and the statement of Cash Flow 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 specified in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards (Ind AS) prescribed under section 133 of the Act, read with relevant rules issued there under.

This responsibility also includes the 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 the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

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

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

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2017 and its loss, total comprehensive income, the change in equity 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, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the act, we give in annexure A, a statement on the matters specified in paragraph 3 & 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with relevant the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2017 and taken on record by the board of directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and the operating effectiveness of the company's internal financial controls over financial reporting; and
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements [Refer Note no.34.1].
    - ii. the company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the company.
    - iv. The company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in specified bank notes during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016. Based on the audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the management. Refer Note 11.1 to the standalone Ind AS Financial Statements.

**For A. C. Gupta & Associates**

**Chartered Accountants**

**Firm's registration number: 008079N**

Sd/-

**A.C.Gupta**

**Partner**

**Membership number: 8565**

**New Delhi**

**May 29, 2017**

## **Annexure - A to the Independent Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2017.

- (i) In respect of the Company's property, plant and equipment:
  - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - (b) As explained to us, the property, plant and equipment, according to the practice of the company have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of physical verification of property, plant and equipment is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- (ii) We have been informed that the inventories are physically verified during the period by the management at reasonable intervals. The frequency of physical verification, in our opinion, is reasonable having regard to the size of the company and nature of its business. The discrepancies noticed on verification between the physical inventories and the book records were not material in relation to the operation of the company and the same have been properly dealt with in the books of account.
- (iii) The company has granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') during the period under review:
  - (a) The terms and conditions of grant of such loan are not prejudicial to the interest of the company.
  - (b) The Schedule of repayment is stipulated and there is no irregularity in this regard.
  - (c) No Amount is overdue for more than 90 days as on 31<sup>st</sup> March, 2017.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of the loans, investments, guarantees and security.
- (v) Since the company has not accepted any deposit from public, the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under with regard to the deposits accepted from the public are not applicable.
- (vi) The Central Government has prescribed the maintenance of cost records under section 148 (1) of the Companies Act 2013('the Act'). On the basis of records produced before us for our verification, we are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. However we are neither required to carry out nor have carried out any detailed examination of such accounts & records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, there had been delays in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales tax, service tax, duty of excise, value added tax, cess and other statutory dues with appropriate authorities during the year ended 31<sup>st</sup> March 2017. The outstanding amount as on 31<sup>st</sup> March, 2017 on account of statutory dues being Rs. 3,104.03 Lakh. According to the information and explanations given to us, arrears of undisputed statutory dues outstanding for a period of more than six months as on the date of balance sheet i.e. March 31, 2017, was Rs. 1,748.44 Lakh.
- (b) According to the information and explanations given to us, and as per our verification of records of the company, the company has not paid / deposited following statutory dues on account of disputes:

<b>S.No.</b>	<b>Name of the Statute</b>	<b>Nature of Dues</b>	<b>Year to which it relates</b>	<b>Forum where dispute is pending</b>	<b>Amount (in Lakhs)</b>
1	Central Excise Tax	Cenvat	2005-16	Addl. Commissioner, Commissionerate office, Bhubaneswar	1.59
2	Central Excise Tax	Cenvat	2012-14	Addl. Commissioner, (Adjn.) Commissionerate office, Bhubaneswar	15.45
3	Central Sales Tax	CST	2002-03	Odisha Sales Tax Tribunal	1.00
4	Central Sales Tax	CST	2004-05	Odisha Sales Tax Tribunal	79.33
5	Central Sales Tax	CST	2006-07	Odisha Sales Tax Tribunal, Cuttack	8.98
6	Central Sales Tax	CST	2007-10	Addl. Commissioner of Sales Tax, Odisha, Sambalpur	33.64
7	Central Sales Tax	CST	2010-11	Addl. Commissioner of Commercial tax, Sambalpur	26.96
8	Central Sales Tax	CST	2011-12	Odisha Sales Tax Tribunal, Cuttack	23.67
9	Central Sales Tax	CST	2011-13	Odisha Sales Tax Tribunal, Cuttack	58.25
10	Central Sales Tax	CST	2011-13	Odisha High Court	0.84
11	Central Sales Tax	CST	2013-14	Addl. Commissioner of Sales Tax Appeal, North Zone, Sambalpur	7.65
12	Central Sales Tax	CST	2014-15	Additional Commissioner of Commercial Taxes, Sambalpur	106.68
13	Central Service Tax	Service Tax	2006-12	Addl. Commissioner, (Adjn.) Commissionerate office, Bhubaneswar	30.00
14	Central Service Tax	Service Tax	2008-10	Commissioner, Commissionerate office, Bhubaneswar	275.73
15	Central Service Tax	Service Tax	2010-12	Addl. Commissioner (Audit), Commissionerate office, Bhubaneswar	23.05
16	Central Service Tax	Service Tax	2013-14	Addl. Commissioner (Audit) , Commissionerate office, Bhubaneswar	8.57
17	Central Service Tax	Service Tax	2013-14	Commissioner, Commissionerate office, Bhubaneswar	52.99
18	Central Service Tax	Service Tax	2014-15	Addl. Commissioner (Audit), Commissionerate office, Bhubaneswar	2.98
19	Odisha Entry Tax	State Entry Tax	2002-03	Odisha Sales Tax Tribunal	0.08
20	Odisha Entry Tax	State Entry Tax	2005-06	Joint Commissioner of Sales Tax, Sundergarh	2.66

21	Odisha Entry Tax	State Entry Tax	2006-07	Addl. Commissioner of Sales Tax, Odisha, Cuttack	3.05
22	Odisha Entry Tax	State Entry Tax	2007-08	Commissioner of Sales Tax, Odisha, Cuttack	23.55
23	Odisha Entry Tax	State Entry Tax	2007-10	Addl. Commissioner of Sales Tax, North Zone Sambalpur	4.07
24	Odisha Entry Tax	State Entry Tax	2010-12	Commissioner of Sales Tax, Odisha, Cuttack	3.52
25	Odisha Entry Tax	State Entry Tax	2011-13	Commissioner of Sales Tax, Odisha, Cuttack	20.58
26	Odisha Entry Tax	State Entry Tax	2011-13	Odisha High Court	7.38
27	Odisha Entry Tax	State Entry Tax	2011-13	Odisha High Court	51.30
28	Odisha Sales Tax	VAT	2005-06	Addl. Commissioner of Sales Tax Odisha, Cuttack	117.89
29	Odisha Sales Tax	VAT	2006-07	Odisha Sales Tax Tribunal, Cuttack	36.17
30	Odisha Sales Tax	VAT	2007-08	Odisha Sales Tax Tribunal, Cuttack	6.57
31	Odisha Sales Tax	VAT	2009-10	Commissioner of Sales Tax, Odisha, Cuttack	25.01
32	Odisha Sales Tax	VAT	2009-10	Addl. Commissioner of Commercial Taxes, Jajpur road	8.64
33	Odisha Sales Tax	VAT	2010-12	Commissioner of Sales Tax, Odisha, Cuttack	16.77
34	Odisha Sales Tax	VAT	2011-13	Commissioner of Sales Tax, Odisha, Cuttack	37.67
35	Odisha Sales Tax	VAT	2011-13	Sales Tax Officer, Keonjhar	0.25
36	Odisha Sales Tax	VAT	2011-13	Odisha High Court	35.14
37	Odisha Sales Tax	VAT	2011-13	Odisha High Court	76.80
<b>TOTAL</b>					<b>1,234.46</b>

- (viii) According to the information and explanations given to us and as per our verification of the records of the company, there had been delays in payment of instalments and Interest of term loans and foreign currency loans to the banks during the period. In view of the persisting defaults, entire term loans amounting to Rs.1,24,804.95 Lakhs [including interest due thereon] is under default.
- (ix) According to the information and explanations given to us, and as per our verification of the records of the company, the company has not raised moneys by way of initial public offer or further public offer (Including debt instruments). The term loans availed by the company have been applied for the purpose for which the loans were obtained.
- (x) According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the Year ended 31<sup>st</sup> March 2017.
- (xi) According to the information and explanations give to us and based on our examination of the records of the company, the company has paid/provided for managerial remuneration



in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- (xii) In our opinion, and according to the information and explanations given to us, the company is not a Nidhi company. Therefore, the provisions of Clause 3 (xii) of the Order are not applicable to the company.
- (xiii) According to the information and explanations given to us and as per our verification of the records of the company all transactions with the related parties are in compliance with the Sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and as per our verification of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Accordingly, the provisions of Clause 3 (xiv) of the order are not applicable to the company.
- (xv) According to the information and explanations given to us, and as per our verification of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of Clause 3 (xv) of the order are not applicable to the company.
- (xvi) In our opinion, the company is not required to be registered under section 45-IA of the reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3 (xvi) of the order are not applicable to the company.

**For A. C. Gupta & Associates**  
**Chartered Accountants**  
**Firm's registration number: 008079N**

Sd/-  
**A.C.Gupta**  
**Partner**  
**Membership number: 8565**  
**New Delhi**  
**May 29, 2017**

## **Annexure - B to the Independent Auditors' Report**

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

We have audited the internal financial controls over financial reporting of OCL Iron and Steel Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the standalone Ind AS financial statements of the company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For A. C. Gupta & Associates**

**Chartered Accountants**

**Firm's registration number: 008079N**

Sd/-

**A.C.Gupta**

**Partner**

**Membership number: 8565**

**New Delhi**

**May 29, 2017**

## Balance Sheet as at 31st March 2017

(Rupees In Lakhs)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>(A) ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Property, plant and equipment	3	155,249.28	164,647.04	141,984.90
(b) Capital work-in-progress	3	5,443.70	3,870.12	30,483.51
(c) Financial assets				
Investment	4	19,860.50	19,860.50	19,855.49
Other Financial Assets	5	1,206.30	1,648.33	2,743.12
(d) Deferred tax assets (net)	6	18,682.57	8,116.46	819.88
(e) Other non-current assets	7	22,903.35	22,902.56	29,191.36
<b>Sub total-Non-current assets</b>		<b>223,345.70</b>	<b>221,045.01</b>	<b>225,078.26</b>
<b>2 Current assets</b>				
(a) Inventories	8	3,207.92	6,884.43	8,117.68
(b) Financial assets				
Investments	9	22.78	20.83	20.17
Trade receivables	10	2,214.83	1,805.39	2,913.65
Cash and cash equivalents	11	1,533.22	1,872.96	9,741.43
Other financial assets	12	75.85	80.29	80.88
(c) Current Tax Assets(Net)	13	320.71	287.70	240.03
(d) Other current assets	14	6,253.58	4,086.93	6,824.95
<b>Sub total-Current assets</b>		<b>13,628.89</b>	<b>15,038.53</b>	<b>27,938.79</b>
<b>TOTAL-ASSETS</b>		<b>236,974.59</b>	<b>236,083.54</b>	<b>253,017.05</b>
<b>(B) EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
(a) Equity share capital	15	1,341.43	1,341.43	1,341.43
(b) Other equity	16	10,313.97	28,249.11	45,940.88
<b>Sub total-Equity</b>		<b>11,655.40</b>	<b>29,590.54</b>	<b>47,282.31</b>
<b>2 Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities				
Borrowings	17	13,842.84	79,734.47	106,490.64
(b) Provisions	18	503.41	465.67	387.41
(c) Other non-current liabilities	19	70,623.06	61,821.32	55,121.66
<b>Sub total-Non-current liabilities</b>		<b>84,969.31</b>	<b>142,021.46</b>	<b>161,999.71</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
Borrowings	20	4,397.92	3,965.62	4,210.09
Trade payables	21			
(i) Total outstanding dues of Micro enterprises & Small enterprises		140.76	143.75	124.20
(ii) Total outstanding dues other than Micro enterprises & Small enterprises		4,599.15	4,023.39	3,326.16
Other financial liabilities	22	124,804.95	52,801.84	27,445.99
(b) Other current liabilities	23	6,360.92	3,434.20	8,571.38
(c) Provisions	24	46.18	102.74	57.21
<b>Sub total-Current liabilities</b>		<b>140,349.88</b>	<b>64,471.54</b>	<b>43,735.03</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>236,974.59</b>	<b>236,083.54</b>	<b>253,017.05</b>

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-38

As per our report of even date attached.

**For A.C GUPTA & ASSOCIATES**

Chartered Accountants

Firm Regd. No. 008079N

Sd/-

**A.C Gupta**

Partner

Membership No.: 8565

PLACE : New Delhi

DATE : 29th May, 2017

Sd/-

**Birendra Jee**

Managing Director

Sd/-

**Kamadev Behera**

Chief Financial Officer

Sd/-

**Yogesh Kapur**

Director

Sd/-

**Yugami Arora**

Company Secretary

For and on behalf of the Board

# Statement of Profit and loss for the year Ended 31st March, 2017

(Rupees In Lakhs)

Particulars	Note No.	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
I Revenue from operations	25	30,541.16	39,136.39
II Other Income	26	316.13	771.12
III <b>Total Revenue (I+II)</b>		<b>30,857.29</b>	<b>39,907.51</b>
IV <b>Expenses:</b>			
Cost of materials consumed	27	22,827.52	28,892.32
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	1,135.94	(295.58)
Employee benefit expenses	29	2,162.42	1,968.33
Financial costs	30	17,376.98	17,410.03
Depreciation and amortization expenses	31	9,504.57	8,402.70
Other expenses	32	10,642.39	8,574.01
<b>Total Expenses (IV)</b>		<b>63,649.82</b>	<b>64,951.81</b>
V <b>Profit before exceptional items and tax (III-IV)</b>		<b>(32,792.53)</b>	<b>(25,044.30)</b>
VI Exceptional Items	33	–	1,336.77
VII <b>Profit before tax (V-VII)</b>		<b>(32,792.53)</b>	<b>(26,381.07)</b>
VIII <b>Tax expense:</b>			
Deferred tax		(11,892.12)	(7,583.56)
IX <b>Profit(Loss) for the period from continuing operations (VII-VIII)</b>		<b>(20,900.41)</b>	<b>(18,797.51)</b>
X <b>Profit/(loss) from Discontinued operations (after tax)</b>		–	–
XI <b>Profit/(loss) for the period (IX+X)</b>		<b>(20,900.41)</b>	<b>(18,797.51)</b>
XII <b>Other Comprehensive Income</b>	34		
A) (i) Items that will not be reclassified to profit or loss		32.12	26.21
ii) Income tax relating to items that will not be reclassified to profit or loss		(9.92)	(8.10)
B) (i) Items that will be reclassified to profit or loss		4,259.17	902.54
ii) Income tax relating to items that will be reclassified to profit or loss		(1,316.09)	(278.88)
<b>Total of Other comprehensive Income</b>		<b>2,965.28</b>	<b>641.77</b>
XIII <b>Total Comprehensive Income/(Loss) for the period (XI+XII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>(17,935.13)</b>	<b>(18,155.74)</b>
XIV <b>Earning per equity share(for continuing operation):</b>	35		
(1) Basic		(15.58)	(14.01)
(2) Diluted		(15.58)	(14.01)
<b>Earning per equity share(for discontinued operation):</b>	35		
(1) Basic		–	–
(2) Diluted		–	–
<b>Earning per equity share(for continuing &amp; discontinued operation):</b>	35		
(1) Basic		(15.58)	(14.01)
(2) Diluted		(15.58)	(14.01)
XV <b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	1-38		

As per our report of even date attached.

**For A.C GUPTA & ASSOCIATES**

Chartered Accountants  
Firm Regd. No. 008079N

Sd/-  
**A.C Gupta**  
Partner  
Membership No.: 8565

Sd/-  
**Birendra Jee**  
Managing Director

Sd/-  
**Kamadev Behera**  
Chief Financial Officer

PLACE : New Delhi  
DATE : 29th May, 2017

For and on behalf of the Board

Sd/-  
**Yogesh Kapur**  
Director

Sd/-  
**Yugami Arora**  
Company Secretary

**Statement of Changes in Equity for the period ended 31st March, 2017**

(Rupees in Lakhs)

A. Equity Share Capital		Changes during the Period				Balance as at 31.03.2016		(Rupees in Lakhs)			
Balance as at 01.04.2015		-				1,341.43					
1,341.43											
Balance as at 01.04.2016		Changes during the Period				Balance as at 31.03.2017					
1,341.43		- <td colspan="2">1,341.43<td colspan="2"></td></td>				1,341.43 <td colspan="2"></td>					
B. Other Equity		Reserves and Surplus				Other Comprehensive Income (OCI)		(Rupees in Lakhs)			
Particulars		Capital Reserve	Securities Premium Reserve	Preference Share Redemption Reserve	General Reserve	Retained Reserve	Equity Component of Compound financial Instruments (Preference Share)	Re-measurement of net Defined Benefits Obligation	FVTOCI-Equity Instrument	FVTOCI+Debt Instrument	Total
As at 01.04.2016		4,817.29	-	2,120.20	1,494.74	(22,915.70)	42,090.69	17.65	0.58	623.66	28,249.11
Total Comprehensive Income for the year			-	-	-	(20,900.41)	-	20.85	1.35	2,943.07	(17,935.14)
As at 31.03.2017		4,817.29	-	2,120.20	1,494.74	(43,816.11)	42,090.69	38.50	1.93	3,566.73	10,313.97
Particulars		Reserves and Surplus				Other Comprehensive Income (OCI)				Total	
		Capital Reserve	Securities Premium Reserve	Preference Share Redemption Reserve	General Reserve	Retained Reserve	Equity Component of Compound financial Instruments (Preference Share)	Re-measurement of net Defined Benefits Obligation	FVTOCI-Equity Instrument	FVTOCI+Debt Instrument	
As at 01.04.2015		4,817.29		2,120.20	1,030.77	(4,118.19)	42,090.69	-	0.12	-	45,940.88
Restated balance at the beginning of the reporting period		-	-	-	463.97	-	-	-	-	-	463.97
Total Comprehensive Income for the year			-	-	-	(18,797.51)	-	17.65	0.46	623.66	(18,155.74)
As at 31.03.2016		4,817.29	-	2,120.20	1,494.74	(22,915.70)	42,090.69	17.65	0.58	623.66	28,249.11
Particulars		Reserves and Surplus				Other Comprehensive Income (OCI)				Total	
		Capital Reserve	Securities Premium Reserve	Preference Share Redemption Reserve	General Reserve	Retained Reserve	Equity Component of Compound financial Instruments (Preference Share)	Re-measurement of net Defined Benefits Obligation	FVTOCI-Equity Instrument	FVTOCI+Debt Instrument	
As at 01.04.2015		4,817.29	47,704.50	2,120.20	686.24	(4,118.19)	-	-	-	-	51,210.04
Restated balance at the beginning of the reporting period		-	(47,704.50)	-	344.53	-	42,090.69	-	0.12	-	(5,269.16)
As at 01.04.2015		4,817.29	-	2,120.20	1,030.77	(4,118.19)	42,090.69	-	0.12	-	45,940.88

**C. Notes forming part of the financial statement 1 - 38**

As per our report of even date attached  
**For A.C. Gupta & Associate**  
Chartered Accountants  
ICAI Firm Regd. No. 008079N

Sd/-  
A.C. Gupta  
Partner  
Membership No. - 8565

Place : New Delhi  
Dated : 29th May, 2017

Sd/-  
**Birendra Jee**  
Managing Director

Sd/-  
**Kamadev Behera**  
Chief Financial Officer

Sd/-  
**Yogesh Kapur**  
Director

Sd/-  
**Yugami Arora**  
Company Secretary

For and on behalf of the Board

## Statement of Cash Flow for the year ended 31st March, 2017

(Rupees in Lakhs)

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
<b>A Cash Flow From Operating Activities</b>		
Profit /(Loss) Before Tax	(32,792.53)	(26,381.07)
<b>Adjustment for :</b>		
Depreciation	9,504.57	8,402.70
Financial Expense	17,376.98	17,410.03
Interest Income	(202.34)	(361.34)
(Profit)/Loss on disposal of Property,Plant & Equipment	15.77	(151.67)
<b>Operating Profit Before Working Capital Changes</b>	<b>(6,097.55)</b>	<b>(1,081.35)</b>
<b>Adjustment For Working Capital Changes</b>		
Inventories	3,676.51	1,233.25
Trade receivables	(409.44)	1,108.26
Other Financial Assets	10.00	5.45
Other Current Assets	(2,166.65)	2,738.02
Current Liabilities, Non Current Liabilities and Provisions	12,707.99	2,103.51
<b>Net Cash Flow From Working Capital Changes</b>	<b>13,818.41</b>	<b>7,188.49</b>
<b>Cash Flow From Operating Activities</b>	<b>7,720.86</b>	<b>6,107.14</b>
Income Tax (Paid) / Refund (incl TDS)	(33.01)	(47.67)
<b>Net Cash Flow From Operating Activities</b>	<b>7,687.85</b>	<b>6,059.47</b>
<b>B Cash Flow From Investing Activities</b>		
Payment for purchase of Property,Plant & Equipment	(177.78)	(31,161.07)
Proceeds from disposal of Property,Plant & Equipment	53.58	290.96
Adjustment to Capital Work in Progress , Non Current Assets	(1,130.73)	33,995.31
Purchase/Sale of Investments	-	(5.01)
Interest Income Received	196.78	356.48
<b>Net Cash Flow From Investing Activities</b>	<b>(1,058.15)</b>	<b>3,476.67</b>
<b>C Cash Flow From Financing Activities</b>		
Repayment of Long Term Borrowings	(3,082.35)	(10,440.18)
Proceeds from Long Term Borrowings	-	2,589.00
Finance Expenses Paid	(3,887.09)	(9,553.43)
<b>Net Cash Flow From Financing Activities</b>	<b>(6,969.44)</b>	<b>(17,404.61)</b>
Net Increase /(Decrease) In Cash or Cash Equivalents	<b>(339.74)</b>	<b>(7,868.47)</b>
Cash and Cash Equivalents at the beginning of the year	1,872.96	9,741.43
<b>Cash and Cash Equivalents at the end of the year</b>	<b>1,533.22</b>	<b>1,872.96</b>

### D NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-38

As per our report of even date attached.

For and on behalf of the Board

**For A.C GUPTA & ASSOCIATES**

Chartered Accountants  
Firm Regd. No. 008079N

Sd/-  
**A.C Gupta**  
Partner  
Membership No.: 8565

Sd/-  
**Birendra Jee**  
Managing Director

Sd/-  
**Yogesh Kapur**  
Director

Sd/-  
**Kamadev Behera**  
Chief Financial Officer

Sd/-  
**Yugami Arora**  
Company Secretary

PLACE : New Delhi  
DATE : 29th May, 2017

# Notes to the Standalone Financial Statements

## 1. Company Overview

M/s. OCL Iron and Steel Limited (hereinafter referred to as "OISL" or "the Company") was established in the year 2001-02 as coal based Direct Reduced Iron (DRI) production unit at Rajgangpur, District Sundergarh, Orissa. OISL further forayed in to steel making by setting -up steel melt shop (SMS) and billet casting facilities.

OCL Iron and Steel Limited (OISL) has taken initiative in expansion of plant by setting-up additional DRI Kilns, Coal Washery, Power Plant, Steel Melt Shop, Rolling Mills and associates Raw Material Handling System, utility & Electricals.

The Company is a public limited company incorporated in India. As at March 31, 2017, Garima Buildprop Private Limited, the holding company owned 68.39% of the Company's equity share capital.

The financial statements for the year ended March 31, 2017 were approved by Board of Directors and authorized for issue on May 29, 2017.

## 2. Significant Accounting Policies

### 2.1 Statement of Compliance

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind As) notified under the Companies (Indian Accounting Standards) Rules, 2015. The company has adopted Indian Accounting Standards from April 1, 2016 and accordingly, these standalone financial statements have been prepared in accordance with Ind ASs notified by section 133 of the Companies Act, 2013 read with relevant rules issued there under from time to time, to the extent applicable to the company. Accordingly, the date transition to Ind AS for the company is April 1, 2015.

There is a possibility that these standalone financial statements and comparatives may require adjustment due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by MCA or ICAI.

### 2.2 Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (IND AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values; the provisions of the Companies Act, 2013 ('Act') (to the extent notified and applicable); and guidelines issued by the Securities and Exchange Board of India (SEBI). The IND AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The company has adopted all notified Indian Accounting standards to the extent applicable. The adoption was carried out in accordance with IND AS 101 (First time adoption of Indian Accounting Standards). The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in notes.

Accounting policies have been consistently applied except where a newly issued Indian accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### 2.3 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### 2.3.1 Useful lives of property, plant and equipment

The company reviews the useful life of property, plant and equipment at the end of each reporting period or more frequently. This reassessment may result in change in depreciation expense in future periods.



### **2.3.2 Valuation of deferred tax assets / liabilities**

The company reviews the carrying amount of deferred tax assets / liabilities at the end of each reporting period.

### **2.3.3 Provisions and contingent liabilities**

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

## **2.4 Revenue Recognition**

Revenue is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured regardless of when the payment is being made. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

- All Expenses and income are accounted on accrual basis.

## **2.5 Employee benefits**

- **Long - Term Employee Benefits**

The liability for gratuity & leave encashment is determined using Projected Unit Credit [PUC] Method and is accounted for on the basis of actuarial valuation in Accordance with Ind AS - 19. The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Actuarial Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. The current service cost is included in the employee benefit expense in the statement of profit & loss account. The interest cost calculated by applying the discount rate to the net balance of defined benefit obligation, is included in the finance cost in the statement of profit & loss account.

- **Short-Term Employee Benefits**

Short- term employee benefits include performance incentive, salaries & wages, bonus and leave travel allowance. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the services.

## **2.6 Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the interest costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset.

Processing fee paid for borrowings is amortised over the term of long term loan through statement of profit & loss. All other borrowing costs are expensed in the period in which they occur.

Preference Shares are separated into equity and liability components based on the terms of the issue/ contract. Interest on liability component of preference shares is determined using amortised cost method and is charged to the statement of profit & loss.

## **2.7 Depreciation & amortisation**

The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. Depreciation methods, useful lives and residual values are reviewed at each reporting period. Depreciation on additions/deductions to property, plant and equipment is provided on pro-rata basis from the date of actual installation or up to the date of such sale or disposal, as the case may be.

Leasehold assets are amortised equally over the period of their lease.

## **2.8 Impairment of Assets**

### **i) Financial assets (other than at fair value)**

The company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction.

### **(i) Non-financial assets**

#### **a) Property, Plant & equipment and Intangible Assets**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss.

#### **b) Investment in subsidiaries**

Investment held by the company as on the date of transition date i.e. 01.04.2015 is valued at cost. Investments made in subsidiaries, after the transition date, have been valued at Fair Value Through Other Comprehensive Income [FVTOCI].

#### **c) Investment in associates / Joint Ventures**

Investment held by the company in associates / joint ventures as on the date of transition date i.e. 01.04.2015 is valued at cost. Investments made in associates / joint ventures, after the transition date, have been valued at Fair Value through Other Comprehensive Income [FVTOCI].

#### **d) Investment - Others**

##### **Current Investments**

Quoted financial assets have been classified as FVTOCI and unquoted financial assets have been classified as Fair Value through Profit & Loss [FVTPL].

##### **Non-Current Investments**

Quoted long term investments have been classified as FVTOCI and unquoted long term investments are have been classified as FVTPL.

## **2.9 Income taxes**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

Minimum Alternative Tax [MAT] paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax in future periods. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that future economic benefits associated with it flow to the company and the asset can be measured reliably.

## **2.10 Property, plant and equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation /amortization and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The cost of property, plant & equipment also includes initial estimates of dismantling cost and restoring the site to its original position, on

which the site is located. For transition to Ind AS, the company has elected to continue with net carrying value of all its property, plant and equipment recognized as on 01.04.2015 measured as per the previous GAAP in accordance with the principles of Part B of Schedule II of the Companies Act, 2013.

### **2.11 Financial instruments**

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets (Except Net Investments) and financial liabilities (Except Borrowings) are recognized at fair value on initial recognition, except for trade receivables and security deposits, which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination, which is subsequently measured at fair value through profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts are approximately at fair value due to the short maturity of these instruments.

### **De-recognition of financial instruments**

The company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under IND AS 109. A financial liability (or a part of a financial liability) is de-recognised from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

### **2.12 Borrowings**

Borrowings are initially measured at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Preference shares are separated into liability and equity components based on the terms of the issue / contract. On issuance of the preference shares, the fair value of the liability component is determined using a market rate for an equivalent instrument. This amount is classified as financial liability and is measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is recognised and included in equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the equity component is not re-measured in subsequent years.

### **2.13 Investments**

#### **a) Investment in subsidiaries**

Investment held by the company in subsidiaries as on the date of transition date i.e. 01.04.2015 is valued at cost. Investments made in subsidiaries, after the transition date, have been valued at Fair Value through Other Comprehensive Income [FVTOCI].

#### **b) Investment in associates / Joint Ventures**

Investment held by the company in associates / joint ventures as on the date of transition date i.e. 01.04.2015 is valued at cost. Investments made in associates/ joint ventures, after the transition date, have been valued at Fair Value through Other Comprehensive Income [FVTOCI].

#### **c) Investment - Others**

#### **Current Investments**

Quoted financial assets have been classified as FVTOCI and unquoted financial assets have been classified as Fair Value Through Profit & Loss [FVTPL].

#### **Non-Current Investments**

Quoted long term investments have been classified as FVTOCI and unquoted long term investments are have been classified as FVTPL.

### **2.14 Provisions**

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the

expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### **2.15 Inventories**

- Raw Materials and Goods under process are valued at cost (Net of provision for diminution) or \*Net Realizable value, whichever is lower.
- Waste and Scrap is valued at Net Realizable Value.
- Cost of inventories of Raw Materials and stores and Spares is ascertained on FIFO basis.
- Cost of goods under process comprise of cost of materials and proportionate production overhead. Cost of material for this purpose is ascertained on FIFO basis.
- Provision for obsolescence in inventories is made, whenever required.
- \*Net Realizable Value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

### **2.16 Earnings per equity share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

### **2.17 Excise Duty**

Excise Duty is paid on clearance of goods but is accounted for in the books on accrual basis. Accordingly, provision for excise duty is made for goods lying in the Bonded Warehouse.

### **2.18 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### **2.19 Cash Flow Statement**

- Cash flows are reported using the indirect method, except in case of dividend which has been considered on the basis of actual movement of cash with corresponding adjustments of assets and liabilities and where by profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### **2.20 Dividends**

- Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### **2.21 Leases**

- Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower.
- Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the Statement of Profit and Loss over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue.

The Previous period figures have been regrouped/re-classified, wherever considered necessary to conform to the current year presentation.

Note: 3 Property, plant and equipment

(Rupees in Lakhs)

Particulars	Land-Freehold	Land-Leasehold	Building	Plant and Equipment	Furniture & Fixtures	Vehicles	Total	Capital Work in Progress
<b>GROSS BLOCK</b>								
Carrying Value								
As at 1.04.2015	388.02	3,289.80	11,121.59	126,883.20	197.27	105.02	141,984.90	
Additions	174.83	-	3,470.67	27,517.45	41.18	-	31,204.13	
Disposals	0.12	-	-	143.50	-	-	143.62	
As at 31.03.2016	562.73	3,289.80	14,592.26	154,257.15	238.45	105.02	173,045.41	
Additions	-	-	10.89	160.13	6.76	-	177.78	
Disposals	-	-	-	73.33	0.35	-	73.68	
31.03.2017	562.73	3,289.80	14,603.15	154,343.95	244.86	105.02	173,149.51	
<b>DEPRECIATION</b>								
As at 1.04.2015	-	-	-	-	-	-	-	
Additions	-	110.98	725.38	7,489.97	45.16	31.21	8,402.70	
Deductions	-	-	-	4.33	-	-	4.33	
As at 31.03.2016	-	110.98	725.38	7,485.64	45.16	31.21	8,398.37	
Additions	-	33.30	736.48	8,681.95	31.03	21.82	9,504.58	
Deductions	-	-	-	4.13	0.20	-	4.33	
Capitalised	-	-	-	1.15	0.46	-	1.61	
As at 31.03.2017	-	144.28	1,461.86	16,164.61	76.45	53.03	17,900.23	
<b>NET BLOCK</b>								
As at 01.04.2015	388.02	3,289.80	11,121.59	126,883.20	197.27	105.02	141,984.90	30,483.51
As at 31.03.2016	562.73	3,178.82	13,866.88	146,771.51	193.29	73.81	164,647.04	3,870.12
As at 31.03.2017	562.73	3,145.52	13,141.29	138,179.34	168.41	51.99	155,249.28	5,443.70
<b>Reconciliation of Property, Plant and Equipment between previous GAAP and Ind AS is as under:</b>								
Particulars						(Rupees in Lakhs)		
				As at 31.03.2016	As at 01.04.2015			
A) Property, Plant & Equipment(PPE) as per previous GAAP				164,460.89	141,830.98			
B) Effects of transition of Ind AS on PPE:								
i) Adjustment of Depreciation on Dismantling				(10.82)	-			
ii) Adjustment of Cost of Dismantling				196.97	153.92			
Property, Plant & Equipment as per Ind AS				Total	141,984.90			
<b>Reconciliation of Capital Work-in-Progress between previous GAAP and Ind AS is as under:</b>								
Particulars						(Rupees in Lakhs)		
				As at 31.03.2016	As at 01.04.2015			
A) Capital Work-in-progress as per previous GAAP				6,489.60	30,483.51			
B) Effects of transition of Ind AS on Capital Work-in-progress:								
i) Adjustment of Exchange fluctuations.				(2,619.48)	-			
Capital Work-in-progress as per Ind AS				Total	30,483.51			

**Note: 4 Investments***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	<b>Investment in Equity Instrument</b>			
	<b>Unquoted Long Term (At Cost)</b>			
	<b>Domestic Subsidiaries</b>			
i)	1,98,50,000(31 March 2016 : 1,98,50,000, 1 April 2015 : 1,98,50,000) of Oriental Iron Casting Ltd. of Rs 10 each	19,850.00	19,850.00	19,850.00
ii)	99.75%(31 March 2016 : 99.75% , 1 April 2015 : 99.75%) of Equity Shares held 50,000(31 March 2016 : 50,000, 1 April 2015 : 50,000) of Aron Auto Ltd. of Rs 10 each	5.00	5.00	5.00
iii)	100%(31 March 2016 : 100% , 1 April 2015 : 100% ) of Equity Shares held 5000(31 March 2016 : 5,000, 1 April 2015 : 4900) of Krisum Mines & Minerals Private Limited of Rs 10 each	0.50	0.50	0.49
iv)	50%(31 March 2016 : 50% , 1 April 2015 : 49% ) of Equity Shares held 49,994 (31 March 2016 : 49,994, 1 April 2015 : NIL) of OISL Auto Ltd of Rs 10 Each 99.99% (31 March 2016 : 99.99%, 1 April 2015 : NIL) of Equity Shares held	5.00	5.00	—
	<b>TOTAL</b>	<b>19,860.50</b>	<b>19,860.50</b>	<b>19,855.49</b>

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Aggregate value of Unquoted Investment	19,860.50	19,860.50	19,855.49

**Note: 5 Other Financial Assets***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Security Deposit (Unsecured, Considered Good)	153.13	134.22	113.97
ii)	Fixed Deposits (held as margin money against Letter of Credits/Bank Guarantees)*	1,037.59	1,106.99	2,256.38
iii)	Fixed Deposits (Maturing after 12 months)	15.58	407.12	372.77
	<b>TOTAL</b>	<b>1,206.30</b>	<b>1,648.33</b>	<b>2,743.12</b>

\*Fixed Deposits , as on 31st March 2017, 31st March 2016 and 1st April 2015 includes restricted bank balance of Rs 1037.59 Lacs, Rs 1106.99 Lacs and Rs 2256.38 lacs respectively. The restriction is primarily on account of cash and balance held as margin money deposited against gurantee /LC's issued by bank.

**Note: 6 Deferred Tax Assets (Net)***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	<b>Deferred Tax Liabilities</b>			
a)	On account of depreciation of fixed Assets	15,424.09	13,380.86	1,850.24
b)	On items of Other Comprehensive income	1,326.01	286.98	0.05
		<b>16,750.10</b>	<b>13,667.84</b>	<b>1,850.29</b>
ii)	<b>Deferred Tax Assets</b>			
a)	On Account of carry forward losses/amortisation of expenses	35,432.67	21,784.30	2,634.66
b)	Impact due to transition of depreciation	—	—	35.51
		<b>35,432.67</b>	<b>21,784.30</b>	<b>2,670.17</b>
	<b>TOTAL</b>	<b>18,682.57</b>	<b>8,116.46</b>	<b>819.88</b>

**Reconciliation of Deferred tax between previous GAAP and Ind AS is as under**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2016	As at 01.04.2015
	<b>Deferred Tax as per previous GAAP</b>	7,299.83	819.93
i)	Effects of transition on Depreciation & Finance Costs on Dismantling	1,103.61	—
ii)	Deferred Tax on OCI items	(286.98)	(0.05)
	<b>Deferred Tax as per Ind AS</b>	<b>8,116.46</b>	<b>819.88</b>

**Note: 7 Other Non Current Assets**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Capital Advance* (Unsecured, Considered Good)	22,766.10	22,765.31	29,054.11
ii)	MAT Credit Entitlement	137.25	137.25	137.25
	<b>TOTAL</b>	<b>22,903.35</b>	<b>22,902.56</b>	<b>29,191.36</b>

Note: No loan is given to any director or other officer of the company.

\* Includes subscription money of Rs. 383.71 lacs towards shares in Joint Venture Radhikapur (west) Coal Mining Pvt Ltd

**Note: 8 Inventories (As Certified by the Management)**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Raw Material*	2,230.62	4,732.37	5,969.29
ii)	Work-in-Progress	300.96	512.80	428.69
iii)	Finished Goods	178.22	1,102.32	890.85
iv)	Stores & Spares	498.12	536.94	828.85
	<b>TOTAL</b>	<b>3,207.92</b>	<b>6,884.43</b>	<b>8,117.68</b>

Refer Point No 2.15 of Significant Accounting Policies for mode of valuation of inventories

\*Raw Material stock includes stock of Sized Iron Ore, Coal, Iron Lumps, Steel Coil, Scrap etc.

**Note: 9 Investments**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Investment in SBI mutual Fund	22.78	20.83	20.17
	<b>TOTAL</b>	<b>22.78</b>	<b>20.83</b>	<b>20.17</b>

Note : SBI Dual Advantage Fund Series-7 (Regular Plan Growth ) 2,00,000 (2,00,000)units and Market Rate as on 31.03.2017 is Rs 11.39 and as on 31.03.2016 is Rs 10.42 and as on 01.04.2015 is Rs 10.09.

*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	Aggregate value of quoted Investment	22.78	20.83	20.17
	<b>TOTAL</b>	<b>22.78</b>	<b>20.83</b>	<b>20.17</b>

**Note: 10 Trade Receivable**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	<b>Unsecured</b>			
i)	<b>Outstanding for a period exceeding six months</b>			
	a) Considered Good	1,285.84	414.76	614.62
	b) Considered Doubtful	65.14	65.14	426.41
	Less: Provision for Bad and Doubtful Debts	65.14	65.14	426.41
		<b>1,285.84</b>	<b>414.76</b>	<b>614.62</b>
ii)	<b>Other Receivables</b>			
	b) Unsecured, Considered Good :	928.99	1,390.63	2,299.03
	<b>TOTAL</b>	<b>2,214.83</b>	<b>1,805.39</b>	<b>2,913.65</b>

**Note: 11 Cash and Cash equivalents***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Cash on Hand	3.82	3.12	4.25
ii)	Balance With Banks			
	a) In Current Accounts	333.91	713.99	4,355.82
	b) Bank Deposits (Maturing within 12 months)	571.10	0.76	4,809.56
	c) Bank Deposits* (held as margin against Letter of credit/Bank Guarantees)	624.39	1,155.09	571.80
	<b>TOTAL</b>	<b>1,533.22</b>	<b>1,872.96</b>	<b>9,741.43</b>

\*Cash and cash equivalents, as on 31st March 2017, 31st March 2016 and 1st April 2015 includes restricted bank balance of Rs 624.39 Lacs, Rs 1155.09 Lacs and Rs 571.80 lacs respectively. The restriction is primarily on account of cash and balance held as margin money deposited against guarantee /LC's issued by bank.

**Note 11.1 Disclosure required in Compliance of Amendments notified under the companies Act, 2013 by Ministry of Corporate affairs dated 30th March 2017.**

*(Amount in Rs.)*

S.No.	Particulars	Specified Bank Notes (SBNs)	Other denomination notes	Total
i)	Closing cash in hand as at 08.11.2016	97,000	1,47,961	2,44,961
ii)	Permitted receipts/withdrawn from Banks		5,52,978	5,52,978
iii)	Permitted Payments	9,000	4,54,975	4,63,975
iv)	Amount deposited in Banks	88,000	–	88,000
v)	Closing cash in hand as at 30.12.2016	–	2,45,964	2,45,964

\*including Rs 4,80,000/- withdrawn from Bank

**Note: 12 Other Financial Assets***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Interest Accrued on Deposits	44.92	39.36	34.50
ii)	Staff Advances	30.93	40.93	46.38
	<b>TOTAL</b>	<b>75.85</b>	<b>80.29</b>	<b>80.88</b>

**Note: 13 Current Tax Assets (Net)***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Advance Tax & TDS (Net)	320.71	287.7	240.03
	<b>TOTAL</b>	<b>320.71</b>	<b>287.70</b>	<b>240.03</b>

**Note: 14 Other Current Assets***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	<b>Loans &amp; Advances</b>			
	a) Unsecured, Considered Good	5,004.84	4,086.93	6,824.95
	b) Unsecured, Considered Doubtful	–	–	12.61
	Less : Provision for doubtful debts	–	–	12.61
		5,004.84	4,086.93	6,824.95
ii)	Inventories not moved for over one year*	1,248.74	–	–
	<b>TOTAL</b>	<b>6,253.58</b>	<b>4,086.93</b>	<b>6,824.95</b>

\*Represents items of inventory items for which the management is in process of getting technical/Commercial/Market evaluation.



**Note: 15 Equity Share Capital**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>1</b>	<b>AUTHORIZED CAPITAL</b>			
i)	34,00,00,000 (31 March 2016 : 34,00,00,000, 1 April 2015 : 34,00,00,000) Equity Shares of Rs.1/- each	3,400.00	3,400.00	3,400.00
ii)	7,00,00,000 (31 March 2016 : 7,00,00,000, 1 April 2015 : 7,00,00,000) Preference Shares of Rs.10/- each	7,000.00	7,000.00	7,000.00
		<b>10,400.00</b>	<b>10,400.00</b>	<b>10,400.00</b>
<b>2</b>	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>			
i)	34,00,00,000 (31 March 2016 : 13,41,43,160, 1 April 2015 : 13,41,43,160) Equity Shares of Rs.1/- each	1,341.43	1,341.43	1,341.43
	<b>TOTAL</b>	<b>1,341.43</b>	<b>1,341.43</b>	<b>1,341.43</b>

**Note: 15.1 Reconciliation of Share**
**a) Equity Shares**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017		As at 31.03.2016		As At 01.04.2015	
		Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
	<b>Number of Shares at the beginning</b>	13,41,43,160.00	1,341.43	13,41,43,160.00	1,341.43	13,41,43,160.00	1,341.43
	Add : Shares Issued	-	-	-	-	-	-
	<b>Number of Shares at the end</b>	<b>13,41,43,160.00</b>	<b>1,341.43</b>	<b>13,41,43,160.00</b>	<b>1,341.43</b>	<b>13,41,43,160.00</b>	<b>1,341.43</b>

**b) Preference Shares\***
*(Rupees in Lakhs)*

	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
<b>Number of Shares at the beginning</b>	5,30,05,000.00	5,300.50	5,30,05,000.00	5,300.50	5,30,05,000.00	5,300.50
Add : Shares Issued	-	-	-	-	-	-
<b>Number of Shares at the end</b>	<b>5,30,05,000.00</b>	<b>5,300.50</b>	<b>5,30,05,000.00</b>	<b>5,300.50</b>	<b>5,30,05,000.00</b>	<b>5,300.50</b>

\* Shown under the head Borrowings in note no 17 in terms of IND AS

**c) Right, preferences and restrictions attached to shares**
**Equity Shares :**

The Company has Issued equity shares having a par value of Rs 1/- per share. Each shareholder is eligible to one vote per share held and carry a right to dividend. The dividend, if proposed by the Board of Directors, is subjected to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity share held by the shareholders.

**Preference Shares :**

The Company currently has Issued 2% non cumulative redeemable preference shares of Rs 10/- each. Preference shares will not be redeemed before 10 years & not later than 18 years from the date of allotment at such premium as may be decided by the board of directors in accordance with the provision of Companies Act, 2013 or any re-enactment thereof.

**Note: 15.2 Details of Shareholders Holding more than 5% Share Capital**

S.No.	Particulars	As at 31.03.2017		As at 31.03.2016		As At 01.04.2015	
		Number of Shares (In Lakhs)	% of Holding	Number of Shares (In Lakhs)	% of Holding	Number of Shares (In Lakhs)	% of Holding
	<b>Equity Shares</b>						
	Garima Buildprop Pvt Ltd	917.37	68.39%	1,006.07	75%	1,006.07	75%
	<b>Preference Share Capital</b>						
	Brassco Estate Pvt Ltd	530.05	100%	530.05	100%	530.05	100%

**Note: 16 Other Equity***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	<b>Capital Reserve</b>			
	Opening Balance	4,817.29	4,817.29	4,817.29
	<b>Closing balance</b>	<b>4,817.29</b>	<b>4,817.29</b>	<b>4,817.29</b>
ii)	<b>Preference Shares Redemption Reserve</b>			
	Opening Balance	2,120.20	2,120.20	2,120.20
	<b>Closing balance</b>	<b>2,120.20</b>	<b>2,120.20</b>	<b>2,120.20</b>
iii)	<b>Securities Premium reserve</b>			
	Opening Balance	–	–	47,704.50
	Addition/(deduction) during the period (net)	–	–	(47,704.50)
	<b>Closing balance</b>	<b>–</b>	<b>–</b>	<b>–</b>
iv)	<b>General Reserve</b>			
	Opening Balance	1,494.74	1,030.77	686.24
	Addition/(deduction) during the period (net)	–	463.97	344.53
	<b>Closing balance</b>	<b>1,494.74</b>	<b>1,494.74</b>	<b>1,030.77</b>
v)	<b>Retained Earnings</b>			
	Opening Balance	(22,915.70)	(4,118.19)	(4,118.19)
	Add: Addition during the year	(20,900.41)	(18,797.51)	–
	<b>Closing balance</b>	<b>(43,816.11)</b>	<b>(22,915.70)</b>	<b>(4,118.19)</b>
vi)	<b>Equity component of Compound financial Instruments(Preference Shares)</b>			
	Opening Balance	42,090.69	42,090.69	–
	Add: Addition during the year	–	–	42,090.69
	<b>Closing balance</b>	<b>42,090.69</b>	<b>42,090.69</b>	<b>42,090.69</b>
vii)	<b>Other Comprehensive Income (OCI)(Net of Tax)</b>			
	Opening Balance	641.89	0.12	–
	Add: Addition during the year	2,965.27	641.77	0.12
		<b>3,607.16</b>	<b>641.89</b>	<b>0.12</b>
	<b>TOTAL</b>	<b>10,313.97</b>	<b>28,249.11</b>	<b>45,940.88</b>

**Note: 17 Borrowing***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i	<b>Secured</b>			
i)	Term Loans			
	From Banks	–	44,444.59	60,525.47
ii)	Foreign Currency Loans			
	External Commercial Borrowing from Banks	–	22,991.36	35,050.85
	<b>Unsecured</b>			
	<b>Liability Component of Compound Financial Instruments</b>			
i)	5,30,05,000 (31 March 2016 :5,30,05,000, 1 April 2015 : 5,30,05,000)			
	2% Non-cumulative Redeemable Preference Shares of Rs.10/- each fully paid	13,842.84	12,298.52	10,914.32
	<b>TOTAL</b>	<b>13,842.84</b>	<b>79,734.47</b>	<b>106,490.64</b>

**Reconciliation of Borrowings between previous GAAP and Ind AS is as under:**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2016	As at 01.04.2015
	<b>Borrowings as per previous GAAP</b>	67,867.52	95,920.85
	<b>Effects of transition of Ind AS on Long Term Borrowings</b>		
i)	Adjustment of Processing fees	(583.35)	(344.53)
ii)	Adjustment of Finance Cost	7,149.80	5,613.82
iii)	Liability Component of Compound Financial Instruments	5,300.50	5,300.50
	<b>Borrowings as per Ind AS</b>	<b>79,734.47</b>	<b>106,490.64</b>

**Note: 18 Provision**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	<b>Provision from Employee Benefits</b>			
a)	Gratuity	154.02	135.90	130.55
b)	Leave Encashment	122.00	119.46	102.94
ii)	<b>Provision for Dismantling</b>	227.39	210.31	153.92
	<b>TOTAL</b>	<b>503.41</b>	<b>465.67</b>	<b>387.41</b>

**Reconciliation of Provisions between previous GAAP and Ind AS is as under:**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2016	As at 01.04.2015
	<b>Provisions as per previous GAAP</b>	255.36	233.49
	<b>Effects of transition of Ind AS on Long Term Provisions:</b>		
i)	Provision of Dismantling	210.31	153.92
	<b>Provisions as per Ind AS</b>	<b>465.67</b>	<b>387.41</b>

**Note: 19 Other Non Current Liabilities**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Advance Against Long Term Supply Contracts	61,860.76	56,219.79	49,676.07
ii)	Other Long Term Liabilities	8,762.30	5,601.53	5,445.59
	<b>TOTAL</b>	<b>70,623.06</b>	<b>61,821.32</b>	<b>55,121.66</b>

**Note: 20 Borrowings**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	<b>Secured</b>			
i)	Deposits/ retention money	73.29	68.29	459.97
ii)	Loans			
	From Banks*	4,324.63	3,897.33	3,750.12
	<b>TOTAL</b>	<b>4,397.92</b>	<b>3,965.62</b>	<b>4,210.09</b>

\*Working capital facilities are secured by hypothecation of raw material, semi-finished goods, stock-in-process, consumable stores and book debts of the company.

**Note: 21 Trade Payables***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	<b>Trade Payable</b>			
	<b>(A) Total outstanding dues of micro and small enterprises</b>			
	(a) The principle amount relating to micro and small enterprises	140.76	143.75	124.20
	(b) The Interest amount due but not paid	-	-	-
	(c) The amount of the interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-
	(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-
	(e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
	(f) the amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure u/s 23 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-
	<b>(B) Total outstanding dues of creditor other than micro and small enterprises</b>	4,599.15	4,023.39	3,326.16
	<b>TOTAL</b>	<b>4,739.91</b>	<b>4,167.14</b>	<b>3,450.36</b>

**Note: 22 Other Current Financial Liabilities***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Current maturities of long- term debt	-	37,381.21	23,462.71
ii)	Installment due but not paid on borrowings	-	11,465.86	2,562.74
iii)	Term Loan from Bank*	112,575.48	-	-
iv)	Interest due but not paid on borrowings	-	3,340.82	856.01
v)	Interest accrued but not due on borrowings	-	613.95	564.53
vi)	Interest accrued and due on borrowings	12,229.47	-	-
	<b>TOTAL</b>	<b>124,804.95</b>	<b>52,801.84</b>	<b>27,445.99</b>

\* Since all term loans have become payable on demand in view of defaults in repayment of installment/ part of interest, entire term loan has been shown as current liabilities.

**Note: 23 Other Current Liabilities***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Statutory Dues	3,104.03	449.53	125.11
ii)	Unclaimed Bonus	6.40	7.27	4.89
iii)	Personnel Expenses Payable	145.98	144.97	165.66
iv)	Other expense payable	194.89	192.85	140.90
v)	Advance from Customers	1,181.41	1,276.01	790.00
vi)	Other Liabilities	1,728.21	1,363.57	7,344.82
	<b>TOTAL</b>	<b>6,360.92</b>	<b>3,434.20</b>	<b>8,571.38</b>

**Note: 24 Provisions***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	<b>Provision for Employee Benefits</b>			
	a) Provision for Bonus	38.22	86.73	45.71
	b) Provision for Gratuity	1.54	7.45	3.41
	c) Provision for Leave Encashment	6.42	8.56	8.09
	<b>TOTAL</b>	<b>46.18</b>	<b>102.74</b>	<b>57.21</b>

**Note: 25 Revenue from operation***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Sale of Products (Including Excise duty)*	29,581.29	37,953.68
ii)	Other Operating Revenues	959.87	1,182.71
	<b>TOTAL</b>	<b>30,541.16</b>	<b>39,136.39</b>

\*Includes Sponge Iron, Steel Billets, steel coil, Cold Rolling &amp; Other Steel Auto Components.

**Note: 26 Other Income***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Interest Income including TDS Rs 22.12 lacs (Previous year TDS Rs 36.08 lacs)	202.34	361.34
ii)	Other Income	113.79	258.11
iii)	Profit on disposal & property, plant & equipment	-	151.67
	<b>TOTAL</b>	<b>316.13</b>	<b>771.12</b>

**Note: 27 Cost of Material Consumed***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Opening Stock Raw material	4,732.37	5,969.29
ii)	Add: Purchase of raw material	21,574.51	27,655.40
iii)	Less: Closing Stock of Raw material	3,479.36	4,732.37
	<b>TOTAL</b>	<b>22,827.52</b>	<b>28,892.32</b>

**Note: Consumption of Imported and Indigenous Raw materials***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017		For the Year Ended 31.03.2016	
		%	Amount	%	Amount
i)	Imported	Nil	Nil	Nil	Nil
ii)	Indigenous	100	22,827.52	100	28,892.32

**Note: 28 Change in Inventories of Finished Goods, Work in Progress and Stock in Trade***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Opening Stock of WIP	512.80	428.69
ii)	Less: Closing Stock of WIP	300.95	512.80
		<b>211.85</b>	<b>(84.11)</b>
iii)	Opening Stock of Finished Goods	1,102.32	890.85
iv)	Less: Closing Stock of Finished Goods	178.23	1,102.32
		<b>924.09</b>	<b>(211.47)</b>
	<b>TOTAL</b>	<b>1,135.94</b>	<b>(295.58)</b>

**Note: 29 Employee Benefits Expenses***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Salaries and Wages	1,841.33	1,727.64
ii)	Contribution to provident and other Funds	171.83	156.79
iii)	Staff Welfare Expenses	149.26	83.90
	<b>TOTAL</b>	<b>2,162.42</b>	<b>1,968.33</b>

**Reconciliation of Employees Benefits Expenses between previous GAAP and Ind AS is as under:***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2016
	<b>Employees Benefits Expenses as per previous GAAP</b>	1,967.00
i)	Reclassification of actuarial gain/(losses), arising in respect of defined benefits plans	25.55
ii)	Adjustment of Interest Cost on Employees benefit obligations	(24.22)
		<b>1,968.33</b>

**Note: 30 Finance Costs***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Interest Expenses	14,955.83	15,455.55
ii)	Interest on Liability Component of Compound Financial Instruments	1,544.32	1,384.21
iii)	Interest cost on Dismantling	16.84	13.34
iv)	Interest cost on Employee Benefits Obligations	20.05	24.22
v)	Other Borrowing Costs	839.94	532.71
	<b>TOTAL</b>	<b>17,376.98</b>	<b>17,410.03</b>

**Reconciliation of Finance Cost between previous GAAP and Ind AS is as under:***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2016
	<b>Employees Benefits Expenses as per previous GAAP</b>	12,089.31
i)	Adjustment of Finance Cost on Borrowings	3,898.95
ii)	Adjustment of Finance Cost on employee benefit expenses	24.22
iii)	Adjustment of Finance Cost on Dismantling	13.34
iv)	Adjustment of Finance Cost on Liability Component of Compound Financial Instruments	1,384.21
	<b>Employees Benefits Expenses as per Ind AS</b>	<b>17,410.03</b>

**Note: 31 Depreciation and Amortization Expense***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Depreciation & Amortization	9,504.57	8,402.70
	<b>TOTAL</b>	<b>9,504.57</b>	<b>8,402.70</b>

Reconciliation of Depreciation and Amortisation between previous GAAP and Ind AS is as under:

(Rupees in Lakhs)

S.No.	Particulars	For the Year Ended 31.03.2016
	<b>Depreciation and Amortization for the period as per previous GAAP</b>	8,391.88
i)	Depreciation on Dismantling	10.82
		<b>8,402.70</b>

**Note: 32 Other Expenses**

(Rupees in Lakhs)

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
<b>A</b>	<b>Manufacturing Expenses</b>		
i)	Consumption of Stores and Spares Parts	2,286.33	1,600.79
ii)	Excise Duty on Stock and Others	(103.66)	23.76
iii)	Excise Duty on Sale of products	3,123.79	3,143.06
iv)	Freight, Transportation and Handling charges	478.19	101.42
v)	Payments to Contractors for Services	916.35	722.73
vi)	Payments to Outside Agencies	437.47	299.96
vii)	Power and Fuel	1,763.95	1,189.14
viii)	Repairs to Machinery	255.67	63.02
ix)	Transport Charges	139.69	292.91
		<b>9,297.78</b>	<b>7,436.79</b>
<b>B</b>	<b>Administration Expenses</b>		
i)	Auditors Remuneration	6.11	6.11
ii)	Bank Charges	132.72	116.19
iii)	Books & Periodicals	1.10	0.64
iv)	Business Promotion Expenses	24.45	15.52
v)	Charity & Donations	5.90	15.39
vi)	Director's Sitting Fee	0.40	-
vii)	Insurance	113.91	52.53
viii)	Legal and Professional Charges	65.62	118.18
ix)	Loss on disposal of property, plant & equipment	15.77	-
x)	Membership & Subscription Charges	0.55	1.91
xi)	Miscellaneous Expenses	74.98	59.30
xii)	Periphery Development Expenses	36.47	29.55
xiii)	Printing & Stationery	13.03	17.81
xiv)	Rates and Taxes, excluding, taxes on income	447.60	384.19
xv)	Recruitment & Training Expenses	2.29	3.61
xvi)	Rent	30.92	20.71
xvii)	Repairs to Buildings	26.60	44.88
xviii)	Repairs to Other	16.61	8.65
xix)	Telephone, Communication & Postage Charges	28.33	28.53
xx)	Travelling & Conveyance Expenses	168.69	170.09
		<b>1,212.05</b>	<b>1,093.79</b>
<b>C</b>	<b>Selling &amp; Distribution Expenses</b>		
i)	Advertisement and Publicity	1.89	6.02
ii)	Commission to Selling Agents	130.67	37.41
		<b>132.56</b>	<b>43.43</b>
	<b>Total (A+B+C)</b>	<b>10,642.39</b>	<b>8,574.01</b>

**Note: 32.1 Payment to Auditors***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	As Auditors	3.30	3.30
ii)	For Taxation Matters	1.00	1.00
iii)	For Management Services	1.15	1.15
iv)	For Reimbursement of Expenses	0.66	0.66
	<b>TOTAL</b>	<b>6.11</b>	<b>6.11</b>

**Note: 32.2 Consumption of Imported and Indigenous Spare Parts***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017		For the Year Ended 31.03.2016	
		%	Amount	%	Amount
i)	Imported	0.35	7.91	0.68	10.94
ii)	Indigenous	99.65	2,278.42	99.32	1,589.85

**Note: 33 Exceptional Items [Expense/ (Income)]***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Dimunition in value of inventory disposed off	—	1,336.77
	<b>TOTAL</b>	<b>—</b>	<b>1,336.77</b>

**Note :34 Other Comprehensive income(Net of Tax)***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
	<b>Items that will not be reclassified to Profit or loss</b>		
i)	FVTOCI-Equity Instrument	1.95	0.66
ii)	Deferred Tax effects	(0.60)	(0.20)
iii)	Reclassification of Actuarial gain/(loss) arising in respect of Gratuity	31.43	31.74
iv)	Deferred Tax effects	(9.71)	(9.81)
v)	Reclassification of Actuarial gain/(loss) arising in respect of Earned Leave	(1.26)	(6.19)
vi)	Deferred Tax effects	0.39	1.91
		<b>22.20</b>	<b>18.11</b>
	<b>Items that will be reclassified to Profit or loss</b>		
i)	FVTOCI-Debt Instrument	4,259.17	902.54
ii)	Deferred Tax effects	(1,316.09)	(278.88)
		<b>2,943.08</b>	<b>623.66</b>
		<b>2,965.28</b>	<b>641.77</b>

**Note: 34.1 Contingencies & Commitments (to the extent not provided for)***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
<b>1</b>	<b>Contingent Liabilities</b>		
i)	Claims against the company not acknowledged as debt*	1,234.46	1,143.45
ii)	Guarantees excluding financial guarantees;	9,766.27	9,877.00
iii)	Letter of credit issued on behalf of company (outstanding amount)	239.72	1,223.59
		<b>11,240.45</b>	<b>12,244.04</b>



**2 Commitments**

i)	Estimated amount of contracts remaining to be executed on capital amount (net of advance)	1,444.00	1,825.20
		<u>1,444.00</u>	<u>1,825.20</u>

**Note: 34.2 Value of Imports calculated on C.I.F. basis***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Components and spare parts	7.91	9.40
	<b>Total</b>	<u>7.91</u>	<u>9.40</u>

**Note: 34.3 Expenditure in Foreign currency***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Interest on ECB	504.09	897.57
ii)	Travelling	-	6.40
	<b>TOTAL</b>	<u>504.09</u>	<u>903.97</u>

**Note: 35 Earning Per Share (EPS) (Ind-AS 33)***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
<b>1</b>	<b>Basic</b>		
	Opening number of shares ( In lakhs)	1,341.43	1,341.43
	Shares issued during the year (in Lakhs)	-	-
	Closing number of shares (in Lakhs)	1,341.43	1,341.43
	Weighted Average number of shares(in Lakhs)	1,341.43	1,341.43
	Net Profit /(Loss) after Tax for the period from continuing operations	(20,900.41)	(18,797.51)
	EPS for continuing operations (Rs per Share)	(15.58)	(14.01)
	Net Profit /(Loss) after Tax for the period from discontinuing operations	-	-
	EPS for discontinuing operations (Rs per Share)	-	-
	Net Profit /(Loss) after Tax for the period from continuing and discontinued operations	(20,900.41)	(18,797.51)
	EPS for continuing and discontinuing operations (Rs per Share)	(15.58)	(14.01)
<b>2</b>	<b>Diluted</b>		
	Number of shares considered as basic weighted average shares outstanding	1,341.43	1,341.43
	Add: Weighted Average of Dilutive Equity	-	-
	Number of shares considered as diluted for calculating of Earning per share Weighted Average	1,341.43	1,341.43
	Net Profit/(Loss) after Tax for the period from continuing operation	(20,900.41)	(18,797.51)
	Add: Effective Cost of Dilutive Equity	-	-
	Net Profit /(Loss) after Tax for the period from continuing operations for Dilution	(20,900.41)	(18,797.51)
	Diluted EPS for continuing operations (Rs per Share)	(15.58)	(14.01)
	Net Profit /(Loss) after Tax for the period from discontinuing operations for Dilution	-	-
	Diluted EPS for discontinuing operations (Rs per Share)	-	-
	Net Profit /(Loss) after Tax for the period from continuing and discontinued operations for Dilution	(20,900.41)	(18,797.51)
	EPS for continuing and discontinuing operations (Rs per Share)	(15.58)	(14.01)

**Note:36 Employee Benefits (Ind-AS 19)**

The following data are based on the report of the Actuary.

The principal assumptions used in the actuarial valuation are as below:-

Discount rate	7.84%
Expected rate of future salary increase	10%

(Rupees in Lakhs)

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
<b>1)</b>	<b>Gratuity (Funded)</b>		
<b>1.A)</b>	<b>Change in Present Value of Obligations</b>		
	<b>Present value of obligations at beginning of year</b>	<b>219.15</b>	<b>201.80</b>
i)	Acquisition Adjustments	-	0.56
ii)	Interest Cost	16.34	15.73
iii)	Current Service cost	39.30	40.82
iv)	Benefits Paid	(22.05)	(4.33)
v)	Actuarial Loss on Obligations	(29.01)	(35.43)
	<b>Present Value of Obligations at the end of the year</b>	<b>223.73</b>	<b>219.15</b>
<b>1.B)</b>	<b>Changes in Fair Value of Plan Assets</b>		
	Present Value of Obligations at beginning of year	<b>74.84</b>	<b>67.85</b>
	Expected Return on Plan Assets	5.30	5.53
	Actual Company Contributions	7.66	9.48
	Actuarial Gain/(Loss)	2.42	(3.69)
	Benefits Paid	(22.05)	(4.33)
	<b>Plan assets at the end of the year</b>	<b>68.17</b>	<b>74.84</b>
<b>1.C)</b>	<b>Liability recognized in the Balance Sheet</b>		
	Present Value of Obligations at the end of year	223.73	219.14
	Fair Value of Plan Assets as at the end of year	68.17	74.84
	Funded/Unfunded Status	155.56	(144.30)
	Unrecognized Actuarial Gain/(Loss)	-	-
	<b>Net (Assets) (Not recognized)/Liability recognized in Balance sheet</b>	<b>155.56</b>	<b>144.30</b>
<b>1.D)</b>	<b>Expenses recognized in Profit and Loss Account</b>		
	Current Service Cost	39.30	40.82
	Past Service Cost	-	-
	Interest Cost	11.04	15.73
	Expected return on Plan Assets	-	(5.53)
	Net Actuarial (Gain)/Loss recognized during the year	-	(31.74)
	<b>Total Expenses recognized in Profit and Loss Account</b>	<b>50.34</b>	<b>19.28</b>
<b>1.E)</b>	<b>Other Comprehensive Income</b>		
	Actuarial (Gain)/Losses	(31.43)	(31.74)
	<b>Expenses/(Income) recognised in OCI</b>	<b>(31.43)</b>	<b>(31.74)</b>
<b>2)</b>	<b>Leave Encashment(Unfunded)</b>		
<b>2.A)</b>	<b>Change in present value of obligations</b>		
	Present value of obligations at beginning of year	128.26	111.03
i)	Acquisition Adjustments	-	0.29
ii)	Interest Cost	9.01	8.49
iii)	Current Service Cost	8.01	9.24
iv)	Benefits Paid	(30.00)	(6.98)
v)	Actuarial Loss on Obligations	13.14	6.19
vi)	Plan Amendments	-	-
	<b>Present Value of Obligations at the end of year</b>	<b>128.42</b>	<b>128.26</b>

<b>2.B) Liability recognized in the Balance Sheet</b>		
Present Value of Obligations at the end of year	128.42	128.26
Fair Value of Plan Assets as at the end of year	-	-
Funded/Unfunded Status	128.42	(128.26)
Unrecognized Actuarial Gain/(Loss)		
<b>Net (Assets) (Not recognized)/Liability recognized in Balance sheet</b>	<b>128.42</b>	<b>128.26</b>
<b>2.C) Expenses recognized in Profit and Loss Account</b>		
Current Service Cost	8.01	9.24
Interest Cost	9.01	8.49
Actuarial (Gain)/Losses	11.88	-
<b>Total Expenses recognized in Profit and Loss Account</b>	<b>28.90</b>	<b>17.73</b>
<b>2.D) Other Comprehensive Income</b>		
Actuarial (Gain)/Losses	1.26	6.19
<b>Expenses/(Income) recognised in OCI</b>	<b>1.26</b>	<b>6.19</b>

**Note: 37 Segment Reporting (Ind-AS 108)**

(Rupees in Lakhs)

Particulars	2016-17					2015-16				
	Sponge &	Power	Others steel	Total	Sponge &	Power	Others steel	Total		
<b>Segment Revenue</b>										
External	23,769.25	–	6,771.91	30,541.16	25,418.97	–	13,717.42	39,136.39		
Inter segment		3,117.76		3,117.76	–	3,235.52	–	3,235.52		
<b>Segment Result</b>				–						
<b>PBIT</b>	<b>(9,294.79)</b>	<b>(973.93)</b>	<b>(5,282.48)</b>	<b>(15,551.20)</b>	<b>(5,447.53)</b>	<b>(1,100.35)</b>	<b>(2,882.29)</b>	<b>(9,430.17)</b>		
Less : Interest				17,376.98	–	–	–	17,410.03		
Add: Unallocable Income				135.65	–	–	–	459.13		
PBT				(32,792.53)	–	–	–	(26,381.07)		
Tax Expense				(11,892.12)	–	–	–	(7,583.56)		
<b>PAT</b>				<b>(20,900.41)</b>	–	–	–	<b>(18,797.51)</b>		

**Other Information**

Segment Assets	69,166.72	40,126.43	69,826.11	179,119.26	71,232.85	44,221.25	72,335.43	187,789.53
Segment Liabilities	120,851.24	4,995.78	83,059.03	208,906.05	114,984.92	4,591.23	76,342.21	195,918.36
Unallocable Assets				57,855.33	–	–	–	48,294.01
Unallocable Liabilities				16,413.14	–	–	–	10,574.64
Depreciation	4,298.33	1,045.48	4,157.53	9,501.34	3,430.98	1,202.30	3,764.65	8,397.93
Unallocable Depreciation				3.23	–	–	–	4.77
Non cash Expenses Other than depreciation	–	–	–	–	–	–	–	–
Provision for Leave encashment	18.51	–	1.63	20.14	7.01	–	2.22	9.23
Provision for Gratuity	33.92	–	8.69	42.61	30.15	–	5.14	35.29

**Note: 38 Related Party Disclosures (Ind-AS 24)****A) List of Related parties and their relationships**

S.No.	Name of Related party	Relationship
1	Garima Buildprop Pvt Ltd.	Holding company
2	Oriental Iron Casting Limited	Subsidiary
3	Aron Auto Limited	Subsidiary
4	OISL Auto Limited	Subsidiary
5	Krisum Mines & Minerals Private Limited (formerly known as Krisum Auto Components Pvt. Ltd)	Subsidiary
6	Rose Fiscal Services Pvt Ltd	Subsidiary of Subsidiary
7	Meltron Vincom Pvt Ltd	Subsidiary of Subsidiary
8	BS Ispat Limited	Subsidiary of Subsidiary
9	Gondwana Ispat Limited	Subsidiary of Subsidiary of Subsidiary
10	Mr. Birendra Jee, Managing Director	Key Management Personnel
11	Yogesh Kapur, Director	Key Management Personnel
12	T.K. Laskar, CFO (upto August 31, 2016)	Key Management Personnel
13	Kamadev Behera, CFO (w.e.f. December 11, 2016)	Key Management Personnel
14	Mr. Ajay Kumar Gupta, Company Secretary (up to May 17, 2016)	Key Management Personnel
15	Ms. Yugami Arora, Company Secretary (w.e.f May 27, 2016)	Key Management Personnel

**B) Related Parties Transaction (Rupees in Lakhs)**

S.No.	Transactions	Subsidiaries	Key Management Personnel	Total
1	Key Management Personnel's Remuneration	NIL	14.97 (25.96)	14.97 (25.96)
2	Advance Given	469.57 (776.02)	NIL	469.57 (776.02)
3	Payable at the year end	530.16 (530.16)	NIL	530.16 (530.16)
4	Receivable at the year end	19202.20 (18732.63)	NIL	19202.20 (18732.63)

As per our report of even date attached.

**For and on behalf of the Board****For A.C GUPTA & ASSOCIATES**Chartered Accountants  
Firm Regd. No. 008079NSd/-  
**A.C Gupta**  
Partner  
Membership No.: 8565Sd/-  
**Birendra Jee**  
Managing DirectorSd/-  
**Kamadev Behera**  
Chief Financial OfficerSd/-  
**Yogesh Kapur**  
DirectorSd/-  
**Yugami Arora**  
Company SecretaryPLACE : New Delhi  
DATE : 29th May, 2017

**CONSOLIDATED FINANCIAL STATEMENT**  
**Of**  
**OCL IRON & STEEL LIMITED**  
**AND**  
**ITS SUBSIDIARIES**

# Form AOC - I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

## Statement containing salient features of the Financial Statement of Subsidiaries Companies

### Part "A": Subsidiaries

S. No.	Name of Subsidiaries Company	Reporting Period	Reporting Currency	Equity Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Tax	Provision for Tax	Profit after Tax	Proposed Dividend	% of Shareholding
1.	Oriental Iron Casting Limited (consolidated)	31.03.2017	INR	1,990.00	6,943.91	37,441.88	28,507.97	1.60	-	(4,355.66)	(1,547.29)	(2,808.37)	Nil	99.75%
2.	Aron Auto Limited	31.03.2017	INR	5.00	(4.22)	534.52	533.74	-	-	(0.24)	-	(0.24)	Nil	100%
3.	Kisum Mines & Minerals Private Limited (formerly known as Kisum Auto Components Private Limited)	31.03.2017	INR	1.00	(0.57)	20.27	19.84	-	-	(0.07)	-	(0.07)	Nil	100%
4.	OISL Auto Limited	31.03.2017	INR	5.00	-	5.33	0.33	-	-	-	-	-	Nil	99.99%

#### Notes :

- Name of subsidiaries which are yet to commence operations.
  - OISL Auto Limited
- Names of subsidiaries which have been liquidated or sold during the year : NIL

As per our report of even date attached.

FOR A.C GUPTA & ASSOCIATES

Chartered Accountants

Firm Regd. No. 008079N

Sd/-

A.C Gupta

Partner

Membership No.: 8565

Sd/-

Birendra Jee

Managing Director

Sd/-

Yogesh Kapur

Director

Sd/-

Kamadev Behera

Chief Financial Officer

Sd/-

Yugami Arora

Company Secretary

Place : New Delhi

Date : 29th May, 2017

For and on behalf & Board

**Additional Information as required under Schedule III to the Companies Act, 2013, of enterprises Consolidated as Subsidiary**

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	Reporting Currency	As % of Consolidated net assets	Amount (Rs. in Lakhs)	As % of Consolidated profit or loss	Amount (Rs. in Lakhs)	As % of Consolidated net assets	Amount (Rs. in Lakhs)	As % of Consolidated profit or loss
	1	2	3	4	5	6	7	8
								9
<b>Parent</b>								
OCL Iron & Steel Limited	INR	1470.60%	11,655.40	88.18%	(20900.41)	99.91%	2965.28	86.50%
<b>Subsidiaries</b>								
<b>Indian</b>								
1 Oriental Iron Casting Limited (consolidated)	INR	1127.22%	8,933.91	11.85%	(2808.37)	0.09%	2.69	13.53%
2 Aron Auto Limited	INR	0.10%	0.78	0.00%	(0.24)	0.00%	–	0.00%
3 Krisum Mines & Minerals Private Limited (formerly known as Krisum Auto Components Pvt. Ltd.)	INR	0.05%	0.43	0.00%	(0.07)	0.00%	–	0.00%
4. OISL Auto Limited	INR	0.63%	5.00	0.00%	–	0.00%	–	0.00%
Adjustment due to Consolidation		(2503.09%)	(19838.49)	–	–	–	–	–
Minority Interests in all subsidiaries		4.48%	35.53	(0.03%)	7.06	0.00%	(0.01)	(0.03%)
<b>Total</b>		<b>100.00%</b>	<b>792.56</b>	<b>100.00%</b>	<b>(23702.03)</b>	<b>1000.00%</b>	<b>2,967.96</b>	<b>100.00%</b>
								<b>(20734.07)</b>

For and on Behalf of Board

**FOR A.C GUPTA & ASSOCIATES**

Chartered Accountants.

Firm Regd. No. 008079N

Sd/-

A.C Gupta

Partner

Membership No.: 8565

Place : New Delhi

Date : 29th May, 2017

Sd/-

Birendra Jee

Managing Director

Sd/-

Kamadev Behera

Chief Financial Officer

Sd/-

Yogesh Kapur

Director

Sd/-

Yugami Arora

Company Secretary



## **Independent Auditors' Report**

### **To the Members of OCL Iron and Steel Limited Report on the Consolidated Ind AS financial statements**

We have audited the accompanying consolidated Ind AS financial statements of OCL Iron and Steel Limited ("the holding company") and its subsidiaries (collectively referred to as "the Group"), comprising the consolidated balance sheet as at 31st March 2017, the consolidated statement of profit and loss [including other comprehensive income], the consolidated cash flow statement and the consolidated statement of changes in equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

### **Management's Responsibility for the Consolidated Ind AS financial statements**

The Holding Company's board of directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance [including other comprehensive income], the consolidated changes in equity and the consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian accounting standards prescribed under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with relevant Rules of the Companies (Accounts) Rules, 2014. The respective board of directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the 'Act' for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the directors of the Holding Company, as aforesaid.

### **Auditors' Responsibility**

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

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 consolidated Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of certain subsidiary companies referred to in the 'Other Matter' below, the aforesaid consolidated Ind AS 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 consolidated financial position of the Group as at March 31, 2017, and its consolidated financial performance [including other comprehensive income], its consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

## Other Matter

We have not audited the Ind AS financial statements / financial information of one subsidiary company included in the consolidated Ind AS financial statements, whose Ind AS financial statements reflect total assets of Rs. 20.27 Lakh as on 31<sup>st</sup> March, 2017, total net assets of Rs. 0.43 Lakh as on 31<sup>st</sup> March 2017, total revenues of Rs. NIL for the year ended March 31, 2017 and net cash flows of Rs. 0.01 Lakh for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report, in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

## Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, based on our audit and on the consideration of the report of other auditors on separate financial statements and the other financial information of the subsidiaries Companies, as noted in 'Other Matter' paragraph above, we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements.
  - (b) In our opinion, proper books of accounts relating to preparation of the aforesaid consolidated Ind AS financial statements as required by law have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The consolidated balance sheet, the consolidated statement of profit and loss [including other comprehensive income], consolidated cash flow and the consolidated statement of changes in equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
  - (d) In our opinion, consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed 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 of the holding company as on 31 March 2017 taken on record by the board of directors of the holding company and the reports of the other statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March 2017 from being appointed as a director of that company in terms of sub-section 2 of Section 164 of the Act.
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the holding company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of subsidiaries, as noted in the 'Other Matter' paragraph:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. [Refer Note no. 38.1 to the consolidated Ind AS financial statements];
  - ii. The Group did not have any material foreseeable losses on long term contracts including derivatives contracts.
  - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the holding company and subsidiary companies incorporated in India.
  - iv. The requisite disclosures in the consolidated Ind AS financial statements for holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 have been provided with respect to Holding Company and subsidiaries incorporated in India. Based on audit procedures and reliance on management representation, we report that the disclosures are in accordance with books of account and other records maintained by the Holding Company and subsidiaries incorporated in India and as produced to us by the Management of the Holding Company- Refer Note 14.1 to the consolidated Ind AS financial statements

**For A. C. Gupta & Associates**  
**Chartered Accountants**  
**Firm's registration number: 008079N**

Sd/-

**A.C.Gupta**  
**Partner**  
**Membership number: 8565**

**New Delhi**  
**May 29, 2017**

## **Annexure - A to the Independent Auditors' Report**

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

In conjunction with our audit of the consolidated Ind AS financial statements of OCL Iron and Steel Limited [the Holding Company] as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of OCL Iron and Steel Limited ("the holding company"), its subsidiary companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective board of directors of the holding company, its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the holding company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with

authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion and to the best of our information and according to the explanation given to us and based on consideration of reporting of other auditors as mentioned in "Other Matters" paragraph of Audit Opinion, the holding company, its subsidiaries, associate companies and joint venture companies, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the holding company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### **Other Matters**

Our aforesaid report under section 143(3)(i) of the Companies Act, 2013 on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to One subsidiary Company which is incorporated in India, is based on the corresponding reports of the auditor of such Company incorporated in India.

**For A. C. Gupta & Associates**

**Chartered Accountants**

**Firm's registration number: 008079N**

Sd/-

**A.C. Gupta**

**Partner**

**Membership number: 8565**

**New Delhi**

**May 29, 2017**

# Consolidated Balance Sheet as at 31st March, 2017

(Rupees In Lakhs)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>(A) ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Property, plant and equipment	3	170,483.61	179,939.70	158,009.24
(b) Capital work-in-progress	3	6,728.21	5,492.08	30,930.32
(c) Goodwill		10,992.76	10,992.76	10,992.76
(d) Other intangible assets	4	0.37	0.37	0.37
(e) Intangible Assets under Development	5	25.04	25.04	25.04
(f) Assets held for sale	6	-	3,567.31	3,567.31
(g) Financial assets				
Investments	7	1.10	1.10	1.10
Other Financial Assets	8	1,217.75	1,648.80	2,767.63
(h) Deferred tax assets (Net)	9	24,033.35	11,921.16	4,053.16
(i) Other non-current assets	10	5,461.62	5,219.24	12,289.27
<b>Sub total-Non-current assets</b>		<b>218,943.81</b>	<b>218,807.56</b>	<b>222,636.20</b>
<b>2 Current assets</b>				
(a) Inventories	11	3,765.85	7,442.36	9,532.62
(b) Financial assets				
Investments	12	22.78	20.83	20.17
Trade receivables	13	2,218.32	1,823.29	3,193.25
Cash and cash equivalents	14	2,526.88	2,962.72	11,593.07
Other financial assets	15	424.64	386.09	269.79
(c) Other Current Tax Assets (Net)	16	376.30	335.38	249.91
(d) Other current assets	17	7,157.70	4,862.02	7,802.52
<b>Sub total-Current assets</b>		<b>16,492.47</b>	<b>17,832.69</b>	<b>32,661.33</b>
<b>TOTAL-ASSETS</b>		<b>235,436.28</b>	<b>236,640.25</b>	<b>255,297.53</b>
<b>(B) EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
(a) Equity share capital	18	1,341.43	1,341.43	1,341.43
(b) Other equity	19	(584.40)	19,028.39	39,076.13
Non Controlling Interest		35.53	39.77	45.70
<b>Sub total-Equity</b>		<b>792.56</b>	<b>20,409.59</b>	<b>40,463.26</b>
<b>2 Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities				
Borrowings	20	13,933.83	83,276.94	111,481.07
Other Financial Liabilities	21	335.15	335.55	335.55
(b) Provisions	22	547.26	510.99	429.70
(c) Other non-current liabilities	23	71,596.45	63,046.78	55,121.66
<b>Sub total-Non-current liabilities</b>		<b>86,412.69</b>	<b>147,170.26</b>	<b>167,367.98</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
Borrowings	24	4,887.79	4,454.96	4,699.42
Trade payables	25			
(i) Total outstanding dues of Micro enterprises & Small enterprises		156.07	148.88	120.13
(ii) Total outstanding dues other than Micro enterprises & Small enterprises		5,011.84	4,446.25	3,951.94
Other financial liabilities	26	130,928.52	55,856.91	29,157.42
(b) Other current liabilities	27	7,199.32	4,045.15	9,476.13
(c) Provisions	28	47.49	108.25	61.25
<b>Sub total-Current liabilities</b>		<b>148,231.03</b>	<b>69,060.40</b>	<b>47,466.29</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>235,436.28</b>	<b>236,640.25</b>	<b>255,297.53</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS 1-39

As per our report of even date attached.

**For A.C GUPTA & ASSOCIATES**

Chartered Accountants  
Firm Regd. No. 008079N

Sd/-  
**A.C Gupta**  
Partner  
Membership No.: 8565

Sd/-  
**Birendra Jee**  
Managing Director

Sd/-  
**Kamadev Behera**  
Chief Financial Officer

PLACE : New Delhi  
DATE : 29th May, 2017

For and on behalf of the Board

Sd/-  
**Yogesh Kapur**  
Director

Sd/-  
**Yugami Arora**  
Company Secretary

# Consolidated Statement of Profit and loss for the year Ended 31st March, 2017

(Rupees In Lakhs)

Particulars	Note No.	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
I Revenue from operation	29	30,541.17	40,031.84
II Other Income	30	395.16	775.76
III <b>Total Revenue (I+II)</b>		<b>30,936.33</b>	<b>40,807.60</b>
IV <b>Expenses:</b>			
Cost of materials consumed	31	22,827.52	29,850.09
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	32	1,135.94	(7.86)
Employee benefit expenses	33	2,331.08	2,312.83
Financial costs	34	18,250.87	18,427.53
Depreciation and amortization expense	35	10,261.73	9,164.31
Other expenses	36	11,494.98	9,056.91
<b>Total Expenses (IV)</b>		<b>66,302.12</b>	<b>68,803.81</b>
V <b>Profit before exceptional and tax (III-IV)</b>		<b>(35,365.79)</b>	<b>(27,996.21)</b>
VI Exceptional Items [Expense/ (Income)]	37	1,782.71	1,336.77
VII <b>Profit before tax (V-VII)</b>		<b>(37,148.50)</b>	<b>(29,332.98)</b>
VIII <b>Tax expense:</b>			
Deferred tax		(13,439.41)	(8,155.73)
<b>Total Tax Expenses</b>		<b>(13,439.41)</b>	<b>(8,155.73)</b>
IX <b>Profit(Loss) from the period from continuing operations (VII-VIII)</b>		<b>(23,709.09)</b>	<b>(21,177.25)</b>
X <b>Profit/(loss) from Discontinued operations (after tax)</b>		<b>-</b>	<b>-</b>
XI <b>Profit/(loss) for the period (IX+X)</b>		<b>(23,709.09)</b>	<b>(21,177.25)</b>
XII <b>Other Comprehensive Income</b>	38		
A) (i) Items that will not be reclassified to profit or loss		36.01	28.62
ii) Income tax relating to items that will not be reclassified to profit or loss		(11.12)	(8.84)
B) (i) Items that will be reclassified to profit or loss		4,259.17	902.54
ii) Income tax relating to items that will be reclassified to profit or loss		(1,316.09)	(278.89)
<b>Total of Other comprehensive Income</b>		<b>2,967.97</b>	<b>643.43</b>
XIII <b>Total Comprehensive Income/(Loss) for the period (XI+XII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>(20,741.12)</b>	<b>(20,533.82)</b>
Profit/(loss) for the year			
Attributable to :			
Equity holders of the parent		(23,702.03)	(21,171.27)
Non-controlling interests		(7.06)	(5.98)
		<b>(23,709.09)</b>	<b>(21,177.25)</b>
Total comprehensive Income for the year			
Attributable to :			
Equity holders of the parent		(20,734.07)	(20,527.84)
Non-controlling interests		(7.05)	(5.98)
		<b>(20,741.12)</b>	<b>(20,533.82)</b>
XIV <b>Earning per equity share(for continuing operation):</b>	39		
(1) Basic		(17.67)	(15.78)
(2) Diluted		(17.67)	(15.78)
<b>Earning per equity share(for discontinued operation):</b>	39		
(1) Basic		-	-
(2) Diluted		-	-
<b>Earning per equity share(for continuing &amp; discontinued operation):</b>	39		
(1) Basic		(17.67)	(15.78)
(2) Diluted		(17.67)	(15.78)
XV <b>NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS</b>	1-39		

As per our report of even date attached.

**For A.C GUPTA & ASSOCIATES**

Chartered Accountants  
Firm Regd. No. 008079N

Sd/-  
**A.C Gupta**  
Partner  
Membership No.: 8565

Sd/-  
**Birendra Jee**  
Managing Director

Sd/-  
**Kamadev Behera**  
Chief Financial Officer

PLACE : New Delhi  
DATE : 29th May, 2017

**For and on behalf of the Board**

Sd/-  
**Yogesh Kapur**  
Director

Sd/-  
**Yugami Arora**  
Company Secretary

**Consolidated Statement of Changes in Equity for the period ended 31st March, 2017**

A. Equity Share Capital		Changes during the Period					Balance as at 31.03.2016			(Rupees in Lakhs)
Balance as at 01.04.2015		-					1341.43			
1341.43										
Balance as at 01.04.2016		Changes during the Period					Balance as at 31.03.2017			
1341.43		-					1341.43			
B. Other Equity		Reserves and Surplus					Other Comprehensive Income (OCI)			(Rupees in Lakhs)
Particulars	Capital Reserve	Securities Premium Reserve	Preference Share Redemption Reserve	General Reserve	Retained Reserve	Equity Component of Compound financial Instruments (Preference Share)	Re-measurement of net Defined Benefits Obligation	FVTOCI-Equity Instrument	FVTOCI-Debt Instrument	Total
As at 01.04.2016	4,817.29	-	2,120.20	1,544.99	(32,188.33)	42,090.69	19.32	0.58	623.65	19,028.39
Restated balance at the beginning of the reporting period	-	-	-	-	-	1,121.27	-	-	-	1,121.27
Total Comprehensive Income for the year	-	-	-	-	(20,900.41)	-	23.54	1.35	2,943.08	(20,734.06)
As at 31.03.2017	4,817.29	-	2,120.20	1,544.99	(55,890.36)	43,211.96	42.86	1.93	3,566.73	(584.40)
Particulars		Reserves and Surplus					Other Comprehensive Income (OCI)			Total
	Capital Reserve	Securities Premium Reserve	Preference Share Redemption Reserve	General Reserve	Retained Reserve	Equity Component of Compound financial Instruments (Preference Share)	Re-measurement of net Defined Benefits Obligation	FVTOCI-Equity Instrument	FVTOCI-Debt Instrument	Total
As at 01.04.2015	4,817.29	-	2,120.20	1,064.89	(11,017.06)	42,090.69	-	0.12	-	45,940.88
Restated balance at the beginning of the reporting period	-	-	-	480.10	-	-	-	-	-	480.10
Total Comprehensive Income for the year	-	-	-	-	(21,171.27)	-	19.32	0.46	623.65	(20,527.84)
As at 31.03.2016	4,817.29	-	2,120.20	1,544.99	(32,188.33)	42,090.69	19.32	0.58	623.65	19,028.39
Particulars		Reserves and Surplus					Other Comprehensive Income (OCI)			Total
	Capital Reserve	Securities Premium Reserve	Preference Share Redemption Reserve	General Reserve	Retained Reserve	Equity Component of Compound financial Instruments (Preference Share)	Re-measurement of net Defined Benefits Obligation	FVTOCI-Equity Instrument	FVTOCI-Debt Instrument	Total
As at 01.04.2015	4,817.29	47,704.50	2,120.20	686.24	(11,017.06)	-	-	-	-	44,311.17
Restated balance at the beginning of the reporting period	-	(47,704.50)	-	378.65	-	42,090.69	-	0.12	-	(5,235.16)
As at 01.04.2015	4,817.29	-	2,120.20	1,064.89	(11,017.06)	42,090.69	-	0.12	-	39,076.13

**C. Notes forming part of the financial statement 1 - 38**

As per our report of even date attached  
**For A.C. Gupta & Associate**  
Chartered Accountants  
ICAI Firm Regd. No. 008079N

Sd/-  
A.C. Gupta  
Partner  
Membership No. - 8565

Place : New Delhi  
Dated : 29th May, 2017

Sd/-  
**Birendra Jee**  
Managing Director

Sd/-  
**Kamadev Behera**  
Chief Financial Officer

Sd/-  
**Yogesh Kapur**  
Director

Sd/-  
**Yugami Arora**  
Company Secretary

For and on behalf of the Board



# Consolidated Statement of Cash Flow for the year Ended 31st March, 2017

(Rupees in Lakhs)

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
<b>A Cash Flow From Operating Activities</b>		
Profit /(Loss) Before Tax	(37,148.50)	(29,332.98)
<b>Adjustment for :</b>		
Depreciation	10,261.73	9,167.09
Financial Expenses	18,250.87	18,427.53
Exceptional Items	1,782.71	-
Provision for doubtful debt	724.65	-
Interest Income	(280.97)	(365.83)
(Profit)/ Loss on disposal of Property, Plant & Equipment	15.77	(151.67)
<b>Operating Profit Before Working Capital Changes</b>	<b>(6,393.74)</b>	<b>(2,255.86)</b>
<b>Adjustment For Working Capital Changes</b>		
Inventories	3,676.51	2,090.26
Trade receivables	(409.44)	1,369.96
Other financial assets	21.96	(37.68)
Other current assets	(2,295.68)	2,940.50
Current Liabilities, Non Current Liabilities and Provisions	12,677.66	2,844.74
<b>Net Cash Flow From Working Capital Changes</b>	<b>13,671.01</b>	<b>9,207.78</b>
<b>Cash Flow From Operating Activities</b>	<b>7,277.27</b>	<b>6,951.92</b>
Income Tax (Paid) / Refund (incl TDS)	(40.92)	(85.47)
<b>Net Cash Flow From Operating Activities</b>	<b>7,236.35</b>	<b>6,866.45</b>
<b>B Cash Flow From Investing Activities</b>		
Payment for purchase of Property, Plant & Equipment	(876.51)	(31,193.79)
Proceeds from disposal of Property, Plant & Equipment	53.58	290.96
Proceeds from disposal of Assets held for sale	1,784.60	-
Adjustment to Capital Work in Progress and Non Current Assets	(1,756.09)	33,625.39
Interest Income Received	220.46	287.21
<b>Net Cash Flow From Investing Activities</b>	<b>(573.96)</b>	<b>3,009.77</b>
<b>C Cash Flow From Financing Activities</b>		
Repayment of Long Term Borrowings	(4,131.77)	(10,608.71)
Proceeds from Long Term Borrowings	1,257.69	2,589.00
Finance Expenses Paid	(4,224.15)	(10,486.86)
<b>Net Cash Flow From Financing Activities</b>	<b>(7,098.23)</b>	<b>(18,506.57)</b>
Net Increase /(Decrease) In Cash or Cash Equivalents	(435.84)	(8,630.35)
Cash and Cash Equivalents at the beginning of the year	2,962.72	11,593.07
<b>Cash and Cash Equivalents at the end of the year</b>	<b>2,526.88</b>	<b>2,962.72</b>
<b>D NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS 1-39</b>		

As per our report of even date attached.

**For A.C GUPTA & ASSOCIATES**

Chartered Accountants

Firm Regd. No. 008079N

Sd/-

**A.C Gupta**

Partner

Membership No.: 8565

Sd/-

**Birendra Jee**

Managing Director

Sd/-

**Kamadev Behera**  
Chief Financial Officer

Sd/-

**Yogesh Kapur**

Director

Sd/-

**Yugami Arora**  
Company Secretary

PLACE : New Delhi

DATE : 29th May, 2017

## **Notes to the Consolidated Financial Statements**

### **1. Company Overview**

M/s OCL Iron and Steel Limited ("the company") and its subsidiaries (collectively referred to as "the Group") have engaged in Coal Mining, Generation of Power, manufacturing of Sponge Iron, Steel billets, Manufacturing activities and other financial activities.

The Company is a public limited company incorporated in India. The address of its registered office is Village- Lamloi, P.O. Garvana, Rajgangpur District Sundergarh, Orissa-770017. As at March 31, 2017, Garima Buildprop Private Limited, the holding company owned 68.39% of the Company's equity share capital.

The consolidated financial statements for the year ended March 31, 2017 were approved by Board of Directors and authorized for issue on May 29, 2017.

### **2. Significant Accounting Policies**

#### **2.1 Statement of Compliance**

The Consolidated Financial Statements have been prepared in accordance with IND ASs notified under the Companies (Indian Accounting Standard) Rules, 2015. The Group has adopted Indian Accounting Standards from April 1, 2016 and accordingly these consolidated financial statements have been prepared in accordance with Ind ASs notified by section 133 of the Companies Act, 2013 read with relevant rules issued there under from time to time, to the extent applicable to the company. Accordingly, the transition date to Ind AS for the company is April 1, 2015.

There is a possibility that these consolidated financial statements and comparatives may require adjustment due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by MCA or ICAI.

#### **2.2 Basis of preparation of consolidated financial statements**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values; the provisions of the Companies Act, 2013 ('Act') (to the extent notified and applicable); and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind ASs are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The group has adopted all notified Indian Accounting standards to the extent applicable. The adoption was carried out in accordance with Ind AS 101 (First time adoption of Indian Accounting Standards). The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in notes.

Accounting policies have been consistently applied except where a newly issued Indian accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Further the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances except for items, for which the accounting treatment is given on the basis of local laws applicable in respective countries for which using uniform accounting policies for the purpose of consolidation is impracticable.

#### **2.3 Use of estimates**

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. Appropriate changes in estimates are made as management becomes aware of changes in

circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### **2.3.1 Useful lives of property, plant and equipment**

The group reviews the useful life of property, plant and equipment at the end of each reporting period or more frequently. This reassessment may result in change in depreciation expense in future periods.

### **2.3.2 Valuation of deferred tax assets / liabilities**

The group reviews the carrying amount of deferred tax assets / liabilities at the end of each reporting period. The policy for the same has been explained under Note 2.11

### **2.3.3 Provisions and contingent liabilities**

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the consolidated financial statements. A contingent asset is neither recognised nor disclosed in the consolidated financial statements.

## **2.4 Principles of Consolidation and Equity Accounting**

Consolidated financial statements are the financial statements of the group in which assets, liabilities, equity, income, expenses and cash flows of the parent and its subsidiaries are presented as those of a single economic entity.

### **(i) Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls the entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date, the control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line, adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealized gains all transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of impairment of the transferred assets. Accounting policies of subsidiaries have been changed wherever considered necessary to ensure consistency with the policies adopted by the group.

Non- controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of the profit and loss, consolidated statement of changes in equity and balance sheet respectively.

### **(ii) Associates**

Associates are all entities over which the group has significant influence but does not have control or joint control. This is generally a case where the group holds between 20%-50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognized at cost.

### **(iii) Joint Ventures**

Interests in Joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated balance sheet.

## **2.5 Foreign currency translations**

### ***(i) Functional and Presentation Currency***

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

### ***(ii) Transactions and balances***

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as part of the entity's net investment in that foreign operation.

### ***(iii) Group Companies***

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations that have a functional currency other than Indian rupees are translated into Indian rupees using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity, except to the extent that the translation difference is allocated to non-controlling interest.

## **2.6 Revenue Recognition**

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured regardless of when the payment is being made. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

- All Expenses and income are accounted for on accrual basis.

## **2.7 Employee benefits**

### **• Long - Term Employee Benefits**

The liability for gratuity, leave encashment, pension, superannuation and other benefits is determined using Projected Unit Credit [PUC] Method and is accounted for on the basis of actuarial valuation in Accordance with IND AS - 19. The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Actuarial Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. The current service cost is included in the employee benefit expense in the statement of profit & loss account. The interest cost calculated by applying the discount rate to the net balance of defined benefit obligation, is included in the finance cost in the statement of profit & loss account.

### **• Short-Term Employee Benefits**

Short - term employee benefits include performance incentive, salaries & wages, bonus and leave travel allowance. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the services.

## **2.8 Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset.

Processing fee paid for borrowings is amortised over the term of long term loan through statement of profit & loss. All other borrowing costs are expensed in the period in which they occur.

Preference Shares are separated into equity and liability components based on the terms of the issue / contract. Interest on liability component of preference shares is determined using amortised cost method and is charged to the statement of profit & loss.

## **2.9 Depreciation & amortisation**

The group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. Depreciation methods, useful lives and residual values are reviewed at each reporting period. Depreciation on additions/deductions to property, plant and equipment is provided on pro-rata basis from the date of actual installation or up to the date of such sale or disposal, as the case may be.

Leasehold assets are amortised equally over the period of their lease.

## **2.10 Impairment of Assets**

### **i) Financial assets (other than at fair value)**

The group assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The group recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction.

### **(i) Non-financial assets**

#### **a) Property, Plant & equipment and Intangible Assets**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss.

#### **b) Investment in subsidiaries**

Investment held by the group as on the date of transition date i.e. 01.04.2015 is valued at cost. Investments made in subsidiaries, after the transition date, have been valued at Fair Value through Other Comprehensive Income [FVTOCI].

#### **c) Investment in associates / Joint Ventures**

Investment held by the company in associates / joint ventures as on the date of transition date i.e. 01.04.2015 is valued at cost. Investments made in associates / joint ventures, after the transition date, have been valued at Fair Value through Other Comprehensive Income [FVTOCI].

#### **d) Investment - Others**

##### **Current Investments**

Quoted financial assets have been classified as FVTOCI and unquoted financial assets have been classified as Fair Value Through Profit & Loss [FVTPL].

##### **Non-Current Investments**

Quoted long term investments have been classified as FVTOCI and unquoted long term investments are have been classified as FVTPL.

## **2.11 Non-Current Assets held for sale/ Discontinued Operations/**

The Group classifies non-current assets and disposal groups as held for sale, if their carrying amounts is likely to be recovered principally through a sale rather than through continuing use and there is a commitment from the management to sell the above assets within one year from the date of classification. The asset is regarded as held for sale only when the assets or disposal group is available for immediate sale in its present condition, subject only to the terms that are usual and customary for sales and its sale is highly probable and also it will genuinely be sold, not abandoned.

Non current assets held for sale to owners and disposal groups are measured at lower of their carrying amount and the fair value less cost to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipment and intangible assets held for sale, once classified as held for sale are not further depreciated or amortised. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

## **2.12 Income taxes**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

Minimum Alternative Tax [MAT] paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax in future periods. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that future economic benefits associated with it flow to the company and the asset can be measured reliably.

While preparing consolidated financial statements the accounting treatment for tax is given on the basis of local laws applicable in respective countries.

## **2.13 Property, plant and equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation /amortization (applied as per local laws of respective countries) and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The cost of property, plant & equipment also includes initial estimates of dismantling cost and restoring the site to its original position, on which the site is located. For transition to IND AS, the company has elected to continue with carrying value of all its property, plant and equipment recognized as on 01.04.2015 measured as per the previous GAAP.

## **2.14 Financial instruments**

The group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets (Except Net Investments) and financial liabilities (Except Borrowings) are recognized at fair value on initial recognition, except for trade receivables and security deposits, which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination, which is subsequently measured at fair value through profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts are approximately at fair value due to the short maturity of these instruments.

### **De-recognition of financial instruments**

The group de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under IND AS 109. A financial liability (or a part of a financial liability) is de-recognised from the group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

### **2.15 Borrowings**

Borrowings are initially measured at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Preference shares are separated into liability and equity components based on the terms of the issue / contract. On issuance of the preference shares, the fair value of the liability component is determined using a market rate for an equivalent instrument. This amount is classified as financial liability and is measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is recognised and included in equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the equity component is not re-measured in subsequent years.

### **2.16 Investments**

#### **a) Investment in subsidiaries**

Investment held by the group in subsidiaries as on the date of transition date i.e. 01.04.2015 is valued at cost. Investments made in subsidiaries, after the transition date, have been valued at Fair Value through Other Comprehensive Income [FVTOCI].

#### **b) Investment in associates / Joint Ventures**

Investment held by the group in associates / joint ventures as on the date of transition date i.e. 01.04.2015 is valued at cost. Investments made in associates / joint ventures, after the transition date, have been valued at Fair Value through Other Comprehensive Income [FVTOCI].

#### **c) Investment - Others**

##### **Current Investments**

Quoted financial assets have been classified as FVTOCI and unquoted financial assets have been classified as Fair Value through Profit & Loss [FVTPL].

##### **Non-Current Investments**

Quoted long term investments have been classified as FVTOCI and unquoted long term investments are have been classified as FVTPL.

### **2.17 Provisions**

A provision is recognized if, as a result of a past event, the group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

## **2.18 Inventories**

- Raw Materials and Goods under process are valued at cost (Net of provision for diminution) or \*Net Realizable value, whichever is lower.
- Waste and Scrap is valued at Net Realizable Value.
- Cost of inventories of Raw Materials and stores and Spares is ascertained on FIFO basis.
- Cost of goods under process comprise of cost of materials and proportionate production overhead. Cost of material for this purpose is ascertained on FIFO basis.
- Provision for obsolescence in inventories is made, whenever required.
- \*Net Realizable Value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

## **2.19 Earnings per equity share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

## **2.20 Dividends**

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's board of directors.

## **2.21 Leases**

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower.

Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the Statement of Profit and Loss over the lease term.



The Previous period figures have been regrouped/re-classified, wherever considered necessary to conform to the current year presentation.  
Note: 3 Property, plant and equipment

(Rupees in Lakhs)

Particulars	Land- Freehold	Land- Leasehold	Building	Plant and Equipment	Furnitures & Fixtures	Vehicles	Mine Development	Total	Capital Work in Progress
<b>GROSS BLOCK</b>									
Carrying Value									
As at 1.04.2015	1,216.93	3,289.80	13,417.82	139,699.78	221.10	160.65	3.16	158,009.24	
Additions	174.83	-	3,504.30	27,516.53	41.18	-	-	31,236.84	
Disposals	0.12	-	-	143.50	-	-	-	143.62	
As at 31.03.2016	1,391.64	3,289.80	16,922.12	167,072.81	262.28	160.65	3.16	189,102.46	
Additions	698.43	-	10.89	160.43	6.76	-	-	876.51	
Disposals	-	-	-	73.33	0.35	-	-	73.68	
31.03.2017	2,090.07	3,289.80	16,933.01	167,159.91	268.69	160.65	3.16	189,905.29	
<b>DEPRECIATION</b>									
As at 1.04.2015	-	-	-	-	-	-	-	-	
Additions	-	110.98	805.20	8,154.47	57.23	39.21	-	9,167.09	
Deductions	-	-	-	4.33	-	-	-	4.33	
As at 31.03.2016	-	110.98	805.20	8,150.14	57.23	39.21	-	9,162.76	
Additions	-	33.30	817.44	9,344.97	32.04	33.89	-	10,261.64	
Deductions	-	-	-	4.13	0.20	-	-	4.33	
Capitalised	-	-	-	1.15	0.46	-	-	1.61	
As at 31.03.2017	-	144.28	1,622.64	17,492.13	89.53	73.10	-	19,421.68	
<b>NET BLOCK</b>									
As at 01.04.2015	1,216.93	3,289.80	13,417.82	139,699.78	221.10	160.65	3.16	158,009.24	30,930.32
As at 31.03.2016	1,391.64	3,178.82	16,116.92	158,922.67	205.05	121.44	3.16	179,939.70	5,492.08
As at 31.03.2017	2,090.07	3,145.52	15,310.37	149,667.78	179.16	87.55	3.16	170,483.61	6,728.21
<b>Reconciliation of Property, Plant and Equipment between previous GAAP and Ind AS is as under:</b>									
Particulars						As at 31.03.2016		As at 01.04.2015	
A) Property, Plant & Equipment(PPE) as per previous GAAP						1,79,734.48		1,57,834.56	
B) Effects of transition of Ind AS on PPE:								-	
i) Adjustment of Depreciation on Dismantling						(12.51)			
ii) Adjustment of Cost of Dismantling						217.73		174.68	
Property, Plant & Equipment as per Ind AS					Total	1,79,939.70		1,58,009.24	
<b>Reconciliation of Capital Work-in-Progress between previous GAAP and Ind AS is as under:</b>									
Particulars						As at 31.03.2016		As at 01.04.2015	
A) Capital Work-in-progress as per previous GAAP						8,111.56		30,930.32	
B) Effects of transition of Ind AS on Capital Work-in-progress:						(2,619.48)		-	
i) Adjustment of Exchange fluctuations.									
Capital Work-in-progress as per Ind AS					Total	5,492.08		39,930.32	

**Note: 4 Other Intangible Assets**
**(Rupees in Lakhs)**

Particulars		Computer Software
GROSS BLOCK	Carrying Value	
	As at 1.04.2015	0.37
	Additions	–
	Disposals	–
	As at 31.03.2016	0.37
	Additions	–
	Disposals	–
	31.03.2017	0.37
DEPRECIATION	As at 1.04.2015	
	Additions	–
	Deductions	–
	As at 31.03.2016	–
	Additions	–
	Deductions	–
	As at 31.03.2017	–
NET BLOCK	As at 01.04.2015	0.37
	As at 31.03.2016	0.37
	As at 31.03.2017	0.37

**Note: 5 Intangible Assets under Development**
**(Rupees in Lakhs)**

Particulars		Computer Software
GROSS BLOCK	Carrying Value	
	As at 1.04.2015	25.04
	Additions	–
	Disposals	–
	As at 31.03.2016	25.04
	Additions	–
	Disposals	–
	31.03.2017	25.04
DEPRECIATION	As at 1.04.2015	
	Additions	–
	Deductions	–
	As at 31.03.2016	–
	Additions	–
	Deductions	–
	As at 31.03.2017	–
NET BLOCK	As at 01.04.2015	25.04
	As at 31.03.2016	25.04
	As at 31.03.2017	25.04

**Note: 5 Assets Held for Sale**
**(Rupees in Lakhs)**

Particulars		Computer Software
GROSS BLOCK	Carrying Value	
	As at 1.04.2015	3,567.31
	Additions	-
	Disposals	-
	As at 31.03.2016	3,567.31
	Additions	-
	Disposals	-
DEPRECIATION	31.03.2017	3,567.31
	As at 1.04.2015	
	Additions	-
	Deductions	-
	As at 31.03.2016	-
	Additions	-
	Deductions	-
NET BLOCK	As at 31.03.2017	-
	As at 01.04.2015	3,567.31
	As at 31.03.2016	3,567.31
	As at 31.03.2017	-

**Note: 7 Investment**
**(Rupees in Lakhs)**

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	<b>Investment in Equity Instrument</b>			
	<b>Unquoted Long Term (At Cost)</b>			
i)	1,100 (1,100 in FY 16), (1,100 in FY 15) Equity shares of Vimla Infrastructure (India) Pvt Ltd of Rs 10/- each	1.10	1.10	1.10
	<b>Total</b>	<b>1.10</b>	<b>1.10</b>	<b>1.10</b>

**(Rupees in Lakhs)**

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Aggregate value of Unquoted Investment	1.10	1.10	1.10

**Note: 8 Other Financial Assets**
**(Rupees in Lakhs)**

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Security Deposit (Unsecured, Considered Good)	153.60	134.69	138.47
ii)	Fixed Deposits (held as margin money against Letter of Credits/Bank Guarantees)*	1,048.57	1,106.99	2,256.39
iii)	Fixed Deposits (Maturing after 12 months )	15.58	407.12	372.77
	<b>Total</b>	<b>1,217.75</b>	<b>1,648.80</b>	<b>2,767.63</b>

\*Fixed Deposits , as on 31st March 2017, 31st March 2016 and 1st April 2015 includes restricted bank balance of Rs 1048.57 Lacs, Rs 1106.99 Lacs and Rs 2256.39 lacs respectively. The restriction is primarily on account of cash and balance held as margin money deposited against gurantee /LC's issued by bank.

**Note: 9 Deferred Tax Assets (Net)***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	<b>Deferred Tax Liabilities</b>			
	On account of depreciation of fixed Assets	16,716.28	15,117.98	2,976.96
	On Items of Other Comprehensive income	1,327.21	287.72	0.05
		<u>18,043.49</u>	<u>15,405.70</u>	<u>2,977.01</u>
ii)	<b>Deferred Tax Assets</b>			
	On Account of carry forward losses/amortisation of expenses	42,076.84	27,326.86	6,994.66
	Impact due to transition of depreciation	—	—	35.51
		<u>42,076.84</u>	<u>27,326.86</u>	<u>7,030.17</u>
	<b>Total</b>	<u>24,033.35</u>	<u>11,921.16</u>	<u>4,053.16</u>

**Reconciliation of Deferred tax between previous GAAP and Ind AS is as under***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2016	As at 01.04.2015
	<b>Deferred Tax Assets as per previous GAAP</b>	11,103.49	4,053.21
i)	Effects of transition on Depreciation & Finance Costs on Dismantling	1,104.65	—
ii)	Deferred Tax on OCI Items	(286.98)	(0.05)
	<b>Deferred Tax Assets for the period as per Ind AS</b>	<u>11,921.16</u>	<u>4,053.16</u>

**Note: 10 Other Non Current Assets***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	<b>Capital advance*</b>			
	a) Unsecured, Considered Good	5,323.39	5,080.97	12,151.31
	b) Unsecured, Considered Doubtful	710.24	—	—
	Less : Provision for Bad and doubtful Debts	710.24	—	—
		<u>5,323.39</u>	<u>5,080.97</u>	<u>12,151.31</u>
ii)	MAT Credit Entitlement	137.25	137.25	137.25
iii)	Misc Expenditures	0.98	1.02	0.71
	<b>Total</b>	<u>5,461.62</u>	<u>5,219.24</u>	<u>12,289.27</u>

Note: No loan is given to any directors or other officers of the company.

\* Includes subscription money of Rs. 383.71 lacs towards shares in Joint Venture Radhikapur (west) Coal Mining Pvt Ltd.

**Note: 11 Inventories (As Certified by the Management)***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Raw Material*	2,640.36	5,142.10	6,917.41
ii)	Work-in-Progress	308.25	520.11	443.03
iii)	Finished Goods	299.76	1,223.85	1,293.07
iv)	Fines	17.10	17.10	48.00
v)	Stores & Spares	498.12	536.94	828.85
vi)	Other	2.26	2.26	2.26
	<b>Total</b>	<u>3,765.85</u>	<u>7,442.36</u>	<u>9,532.62</u>

Refer Point No 2.18 of Significant Accounting Policies for mode of valuation of inventories

\*Raw Material stock includes stock of Sized Iron Ore, Coal, Iron Lumps, Steel Coil, Scrap etc.

**Note: 12 Investments***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Investment in SBI mutual Fund	22.78	20.83	20.17
	<b>Total</b>	<b>22.78</b>	<b>20.83</b>	<b>20.17</b>

Note : SBI Dual Advantage Fund Series-7 (Regular Plan Growth) 2,00,000 (2,00,000) units and Market Rate as on 31.03.2017 is Rs 11.39 and as on 31.03.2016 is Rs 10.42 and as on 01.04.2015 is Rs 10.09

*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	Aggregate value of quoted Investment	22.78	20.83	20.17
	<b>Total</b>	<b>22.78</b>	<b>20.83</b>	<b>20.17</b>

**Note: 13 Trade Receivable***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	<b>Unsecured</b>			
i)	<b>Outstanding for a period exceeding six months</b>			
a)	Considered Good	1,289.33	418.24	620.08
b)	Considered Doubtful	79.55	65.14	426.41
	Less: Provision for Bad and Doubtful Debts	79.55	65.14	426.41
		<b>1,289.33</b>	<b>418.24</b>	<b>620.08</b>
ii)	<b>Others Receivables</b>			
b)	Unsecured, Considered Good :	928.99	1,405.05	2,573.17
	<b>Total</b>	<b>2,218.32</b>	<b>1,823.29</b>	<b>3,193.25</b>

**Note: 14 Cash and Cash equivalents***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Cash on Hand	17.38	28.98	32.04
ii)	Balance With Banks			
a)	In Current Accounts	397.31	747.86	5,748.72
b)	Fixed Deposits (Maturing within 12 Months)	608.60	396.80	1,000.44
c)	Fixed Deposits (held as margin money against Letter of Credits/Bank Guarantees)	1,503.59	1,789.08	4,811.87
	<b>Total</b>	<b>2,526.88</b>	<b>2,962.72</b>	<b>11,593.07</b>

\*Cash and cash equivalents, as on 31st March 2017, 31st March 2016 and 1st April 2015 includes restricted bank balance of Rs 1,503.59 Lacs, Rs 1,789.08 Lacs and Rs 4,811.87 lacs respectively. The restriction is primarily on account of cash and balance held as margin money deposited against gurantee /LC's issued by bank.

**Note 14.1 Disclosure required in Compliance of Amendments notified under the companies Act, 2013 by Ministry of Corporate affairs dated 30th March 2017.***(Amount in Rupees)*

S.No.	Particulars	Specified Bank Notes (SBNs)	Other Denomination Notes	Total
ii)	Closing cash in hand as at 08.11.2016	2,597,000	1,507,300	4,104,300
ii)	Permitted receipts/withdrawn from Banks	—	587,978	587,978
iii)	Permitted Payments	9,000	493,095	502,095
iv)	Amount deposited in Banks	2,588,000	—	2,588,000
v)	Closing cash in hand as at 30.12.2016	—	1,602,183	1,602,183

\*including Rs 4,80,000/- withdrawn from Banks

**Note: 15 Other Financial Assets***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Interest Accrued on Deposits	176.12	115.61	36.99
ii)	Staff Advances	168.45	186.17	149.94
iii)	Security Deposits	80.07	84.31	82.86
	<b>Total</b>	<b>424.64</b>	<b>386.09</b>	<b>269.79</b>

**Note: 16 Current Tax Assets (Net)***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Advance Tax & TDS (Net)	376.30	335.38	249.91
	<b>Total</b>	<b>376.30</b>	<b>335.38</b>	<b>249.91</b>

**Note: 17 Other Current Assets***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	<b>Loans &amp; Advances</b>			
	(Unsecured, Considered Good)	5,908.96	4,670.10	7,610.60
ii)	Mininig O/B adjustment Account	—	191.92	191.92
iii)	Inventories not moved for over one year*	1,248.74	—	—
	<b>Total</b>	<b>7,157.70</b>	<b>4,862.02</b>	<b>7,802.52</b>

\*Represents Items of Inventory items for which the management is in process of getting Technical/Commercial/Market evaluation.

**Note: 18 Equity Share Capital***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>1</b>	<b>AUTHORIZED CAPITAL</b>			
i)	34,00,00,000 (31 March 2016 : 34,00,00,000, 1 April 2015 : 34,00,00,000) Equity Shares of Rs.1/- each	3,400.00	3,400.00	3,400.00
ii)	7,00,00,000 (31 March 2016 :7,00,00,000, 1 April 2015 : 7,00,00,000) Preference Shares of Rs.10/- each	7,000.00	7,000.00	7,000.00
		<b>10,400.00</b>	<b>10,400.00</b>	<b>10,400.00</b>
<b>2</b>	<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>			
i)	34,00,00,000 (31 March 2016 : 13,41,43,160, 1 April 2015 : 13,41,43,160) Equity Shares of Rs.1/- each	1,341.43	1,341.43	1,341.43
	<b>Total</b>	<b>1,341.43</b>	<b>1,341.43</b>	<b>1,341.43</b>

**Note: 18.1 Reconciliation of Shares****a) Equity Shares***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017		As at 31.03.2016		As At 01.04.2015	
		Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
	<b>Number of Shares at the beginning</b>	13,41,43,160	1,341.43	13,41,43,160	1,341.43	13,41,43,160	1,341.43
	Add : Shares Issued	—	—	—	—	—	—
	<b>Number of Shares at the end</b>	<b>13,41,43,160</b>	<b>1,341.43</b>	<b>13,41,43,160</b>	<b>1,341.43</b>	<b>13,41,43,160</b>	<b>1,341.43</b>

## b) Preference Shares

(Rupees in Lakhs)

S.No.	Particulars	As at 31.03.2017		As at 31.03.2016		As At 01.04.2015	
		Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
	Number of Shares at the beginning	5,30,05,000	5,300.50	5,30,05,000	5,300.50	5,30,05,000	5,300.50
	Add : Shares Issued	—	—	—	—	—	—
	Number of Shares at the end	5,30,05,000	5,300.50	5,30,05,000	5,300.50	5,30,05,000	5,300.50

\* Shown under the head Borrowings in note no 20 in terms of IND AS

## c) Right, preferences and restrictions attached to shares

## Equity Shares :

The Company has Issued equity shares having a par value of Rs 1/- per share. Each shareholder is eligible to one vote per share held and carry a right to dividend. The dividend, if proposed by the Board of Directors, is subjected to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity share held by the shareholders.

## Preference Shares :

The Company currently has Issued 2% non cumulative redeemable preference shares of Rs 10/- each. Preference shares will not be redeemed before 10 years & not later than 18 years from the date of allotment at such premium as may be decided by the board of directors in accordance with the provision of Companies Act, 2013 or any re-enactment thereof.

## Note: 18.2 Details of Shareholders Holding more than 5% Share Capital

S.No.	Particulars	As at 31.03.2017		As at 31.03.2016		As At 01.04.2015	
		Number of Shares (In Lakhs)	% of Holding	Number of Shares (In Lakhs)	% of Holding	Number of Shares (In Lakhs)	% of Holding
	Equity Shares						
	Garima Buildprop Pvt Ltd	917.37	68.39%	1,006.07	75%	1,006.07	75%
	Preference Share Capital						
	Brassco Estate Pvt Ltd	530.05	100%	530.05	100%	530.05	100%

## Note: 19 Other Equity

(Rupees in Lakhs)

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	<b>Capital Reserve</b>			
	Opening Balance	4,817.29	4,817.29	4,817.29
	Closing balance	4,817.29	4,817.29	4,817.29
ii)	<b>Preference Shares Redemption Reserve</b>			
	Opening Balance	2,120.20	2,120.20	2,120.20
	Closing balance	2,120.20	2,120.20	2,120.20
iii)	<b>Securities Premium reserve</b>			
	Opening Balance	—	—	47,704.50
	Addition/(deduction) during the period (net)	—	—	(47,704.50)
	Closing balance	—	—	—
iv)	<b>General Reserve</b>			
	Opening Balance	1,544.99	1,064.89	686.24
	Addition/(deduction) during the period (net)	—	480.10	378.65
	Closing balance	1,544.99	1,544.99	1,064.89
v)	<b>Retained Earnings</b>			
	Opening Balance	(32,188.33)	(11,017.06)	(11,017.06)
	Add: Addition during the year	(23,702.03)	(21,171.27)	—
	Closing balance	(55,890.36)	(32,188.33)	(11,017.06)

vi)	<b>Equity component of Compound financial Instruments(Preference Shares)</b>			
	Opening Balance	42,090.69	42,090.69	–
	Add: Addition during the year	1,121.27	–	42,090.69
	<b>Closing balance</b>	<b>43,211.96</b>	<b>42,090.69</b>	<b>42,090.69</b>
vii)	<b>Other Comprehensive Income (OCI)(Net of Tax)</b>			
	Opening Balance	643.55	0.12	–
	Add: Addition during the year	2,967.97	643.43	0.12
	<b>Closing balance</b>	<b>3,611.52</b>	<b>643.55</b>	<b>0.12</b>
	<b>TOTAL</b>	<b>(584.40)</b>	<b>19,028.39</b>	<b>39,076.13</b>

**Note: 20 Borrowing**

*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	<b>Secured</b>			
i)	Term Loans			
	From Banks	–	47,987.06	65,515.90
ii)	Foreign Currency Loans			
	External Commercial Borrowing	–	22,991.36	35,050.85
	<b>Unsecured</b>			
	Liability Component of Compound Financial Instruments			
i)	5,30,05,000 (31st March, 2016: 5,30,05,000, 1st April 2015: 5,30,05,000)			
	2% Non Cumulative Redeemable preference shares of Rs.10/-each fully paid up	13,842.84	12,298.52	10,914.32
ii)	1,20,54,600 (31st March, 2016: NIL, 1st April 2015: NIL) 0.1% Non-cumulative non convertible Redeemable Preference shares of Rs. 10/- each fully paid up.	90.99	–	–
	<b>Total</b>	<b>13,933.83</b>	<b>83,276.94</b>	<b>111,481.07</b>

**Reconciliation of Borrowings between previous GAAP and Ind AS is as under:**

*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2016	As at 01.04.2015
	<b>Long Term Borrowings as per previous GAAP</b>	71,438.08	100,945.50
	<b>Effects of transition of Ind AS on Long Term Borrowings</b>		
i)	Adjustment of Processing fees	(633.75)	(378.75)
ii)	Adjustment of Finance Cost	7,172.11	5,613.82
iii)	Liability Component of Compound financial Instruments	5,300.50	5,300.50
		<b>83,276.94</b>	<b>1,11,481.07</b>

**Note: 21 Other Financial Liabilities**

*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	<b>Unsecured</b>			
i)	Advances from Related Parties	335.15	335.55	335.55
	<b>Total</b>	<b>335.15</b>	<b>335.55</b>	<b>335.55</b>

**Note: 22 Provision**

*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	<b>Provision for Employee Benefits</b>			
	a) Gratuity	162.74	150.41	144.27
	b) Leave Encashment	132.92	127.85	110.75
ii)	<b>Provision for Dismantling</b>	251.60	232.73	174.68
	<b>Total</b>	<b>547.26</b>	<b>510.99</b>	<b>429.70</b>



**Reconciliation of Provisions between previous GAAP and Ind AS is as under:**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2016	As at 01.04.2015
1	<b>Long Term Provisions as per previous GAAP</b>	278.26	255.02
	Effects of transition of Ind AS on Long Term Provisions:		
i)	Adjustment of Provision for Dismantling	232.73	174.68
	<b>Long Term Provisions as per Ind AS</b>	<b>510.99</b>	<b>429.70</b>

**Note: 23 Other Non Current Liabilities**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Advance Against Long Term Supply Contracts	61,860.76	56,219.79	49,676.07
ii)	Other Long Term Liabilities	9,735.69	6,826.99	5,445.59
	<b>Total</b>	<b>71,596.45</b>	<b>63,046.78</b>	<b>55,121.66</b>

**Note: 24 Borrowings**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	<b>Secured</b>			
i)	Deposits/ retention money	103.22	97.69	489.37
ii)	Loans			
	From Banks	4,324.64	3,897.34	3,750.12
	<b>Unsecured</b>			
i)	Others	459.93	459.93	459.93
	<b>Total</b>	<b>4,887.79</b>	<b>4,454.96</b>	<b>4,699.42</b>

\*Working capital facilities are secured by hypothecation of raw material, semi-finished goods, stock-in-process, consumable stores and book debts of the company.

**Note: 25 Trade Payables**
*(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
1	<b>i) Trade Payable</b>			
	<b>(A) Total o/s dues of micro and small enterprises</b>			
	(a) The principle amount relating to micro and small enterprises	156.07	148.88	120.13
	(b) The Interest amount due but not paid	—	—	—
	(c) The amount of the interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.	—	—	—
	(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	—	—	—
	(e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	—	—	—
	(f) the amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure u/s 23 of Micro, Small and Medium Enterprises Development Act, 2006.	—	—	—
	<b>(B) Total o/s dues of creditor other than micro and small enterprises</b>	<b>5,011.84</b>	<b>4,446.25</b>	<b>3,951.94</b>
	<b>Total</b>	<b>5,167.91</b>	<b>4,595.13</b>	<b>4,072.07</b>

**Note: 26 Other Current Financial Liabilities***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Current maturities of long- term debt	–	40,378.20	27,736.88
ii)	Installment due but not paid on borrowings	–	11,465.86	–
iii)	Term Loan from Bank*	117,748.60	–	–
iv)	Interest due but not paid on borrowings	–	3,398.91	856.01
v)	Interest accrued but not due on borrowings	–	613.94	564.53
vi)	Interest accrued & due on borrowings	13,179.92	–	–
	<b>Total</b>	<b>130,928.52</b>	<b>55,856.91</b>	<b>29,157.42</b>

\* Since all term loans have become payable on demand in view of defaults in repayment of installment/ part of interest, entire term loan has been shown as current liabilities.

**Note: 27 Other Current Liabilities***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	Statutory Dues	3,214.40	560.47	267.82
ii)	Unclaimed Bonus	6.40	7.27	4.89
iii)	Personnel Expenses Payable	222.66	204.99	165.66
iv)	Other expense payable	327.45	392.08	366.85
v)	Advance From Customers	1,196.42	1,291.48	821.48
vi)	Other Liabilities	2,216.06	1,572.93	7,849.43
vii)	Guarantee against Performance	15.93	15.93	–
	<b>Total</b>	<b>7,199.32</b>	<b>4,045.15</b>	<b>9,476.13</b>

**Note: 28 Provisions***(Rupees in Lakhs)*

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
i)	<b>Provision for Employee Benefits</b>			
a)	Provision for Bonus	38.22	86.73	45.71
b)	Provision for Gratuity	1.66	7.66	3.65
c)	Provision for Leave Encashment	6.59	12.84	10.87
ii)	<b>Contingent provision for Standard Assets</b>	1.02	1.02	1.02
	<b>Total</b>	<b>47.49</b>	<b>108.25</b>	<b>61.25</b>

**Note: 29 Revenue from operation***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Sale of Products (Including of Excise duty)*	29,581.29	38,849.13
ii)	Other Operating Revenues	959.88	1,182.71
	<b>TOTAL</b>	<b>30,541.17</b>	<b>40,031.84</b>

\*Includes Sponge Iron, Steel Billets &amp; Other Steel Auto Components

**Note: 30 Other Income***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Interest Income	280.97	365.83
ii)	Other Income	114.19	258.26
iii)	Profit on Disposal of Property, Plant & Equipment	—	151.67
	<b>TOTAL</b>	<b>395.16</b>	<b>775.76</b>

**Note: 31 Cost of Material Consumed***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Opening Stock of Raw material	5,142.10	6,917.41
ii)	Add: Purchase of raw material	21,574.51	28,074.78
iii)	Less: Closing Stock of Raw material	3,889.09	5,142.10
	<b>TOTAL</b>	<b>22,827.52</b>	<b>29,850.09</b>

**Note: 32 Change in Inventories of Finished Goods, Work in Progress and Stock in Trade***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Opening Stock of WIP	520.11	443.03
ii)	Less: Closing Stock of WIP	308.26	520.11
		<b>211.85</b>	<b>(77.08)</b>
iii)	Opening Stock of Finished Goods	1,223.85	1,293.07
iv)	Less: Closing Stock of Finished Goods	299.76	1,223.85
		<b>924.09</b>	<b>69.22</b>
	<b>TOTAL</b>	<b>1,135.94</b>	<b>(7.86)</b>

**Note: 33 Employees Benefit Expenses***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Salaries and Wages	1,992.53	2,034.30
ii)	Contribution to provident and other Funds	182.82	177.46
iii)	Staff Welfare Expenses	155.73	101.07
	<b>TOTAL</b>	<b>2,331.08</b>	<b>2,312.83</b>

**Reconciliation of Employees Benefits Expenses between previous GAAP and Ind AS is as under:** *(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
	<b>Employees Benefits Expenses as per previous GAAP</b>		2,311.11
i)	Reclassification of actuarial gain/(losses), arising in respect of defined benefits plans		27.96
ii)	Adjustment of Interest Cost on employees benefit obligations		(26.24)
			<b>2,312.83</b>

**Note: 34 Finance Costs** *(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Interest Expenses	15,816.11	16,469.37
ii)	Interest on Liability Component of Compound Financial Instruments	1,553.94	1,384.21
iii)	Interest cost on Dismantling	18.64	15.00
iv)	Interest cost on Employee Benefits	22.24	26.24
v)	Other Borrowing Costs	839.94	532.71
	<b>TOTAL</b>	<b>18,250.87</b>	<b>18,427.53</b>

**Reconciliation of Finance Cost between previous GAAP and Ind AS is as under:** *(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2016
	<b>Employees Benefits Expenses as per previous GAAP</b>	13,080.83
i)	Adjustment of Finance Cost on Borrowings	3,921.25
ii)	Adjustment of Finance Cost on Liability Component of Compound Financial Instruments	1,384.21
iii)	Adjustment of Finance Cost on Dismantling	15.00
iv)	Adjustment of Finance Cost on employee benefit obligation	26.24
		<b>18,427.53</b>

**Note: 35 Depreciation and Amortization Expense** *(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Depreciation	10,261.64	9,167.09
ii)	Preliminary Expenses written off	0.09	0.19
iii)	Less : Mining Depreciation transfer to mining cost	–	(2.97)
	<b>TOTAL</b>	<b>10,261.73</b>	<b>9,164.31</b>

**Reconciliation of Depreciation and Amortisation between previous GAAP and Ind AS is as under:** *(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2016
	<b>Depreciation and Amortization Expenses as per previous GAAP</b>	9,151.79
i)	Depreciation on Dismantling	12.52
		<b>9,164.31</b>

**Note: 36 Other Expenses**
*(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
<b>A</b>	<b>Manufacturing Expenses</b>		
i)	Consumption of Stores and Spares Parts	2,286.33	1,636.52
ii)	Excise Duty on Stock and Others	(100.64)	(5.33)
iii)	Excise Duty on Sale of products	3,123.79	3,216.60
iv)	Freight, Transportation and Handling charges	478.60	117.16
v)	Payments to Contractors for Services	926.64	737.18
vi)	Payments to Outside Agencies	437.47	307.65
vii)	Power and Fuel	1,783.25	1,342.12
viii)	Repairs to Machinery	255.98	63.02
ix)	Transport Charges	139.69	292.91
	<b>Total (A)</b>	<b>9,331.11</b>	<b>7,707.83</b>
<b>B</b>	<b>Administration Expenses</b>		
i)	Auditors Remuneration	7.18	7.18
ii)	Bank Charges	135.35	121.73
iii)	Books & Periodicals	1.11	0.64
iv)	Business Promotion Expenses	24.45	15.52
v)	Charity & Donations	5.90	15.39
vi)	Director's Sitting Fee	0.40	–
vii)	Insurance	119.54	60.94
viii)	Legal and Professional Charges	85.93	149.86
ix)	Loss on disposal of property, Plant & Equipment	15.77	–
x)	Membership & Subscription Charges	0.83	2.56
xi)	Miscellaneous Expenses	92.01	58.32
xii)	Periphery Development Expenses	36.47	29.55
xiii)	Printing & Stationery	13.19	18.98
xiv)	Provision for Bad & Doubtful Debt	724.65	–
xv)	Rates and Taxes, excluding, taxes on income	475.86	460.94
xvi)	Recruitment & Training Expenses	2.29	3.61
xvii)	Rent	30.92	21.91
xviii)	Repairs to Buildings	26.60	44.88
xix)	Repairs to Other	18.24	21.08
xx)	Vehicle Hire & Running Expenses	6.49	45.92
xxi)	Telephone, Communication & Postage Charges	31.26	32.81
xxii)	Travelling & Conveyance Expenses	176.30	188.77
xxiii)	General Office Expenses	0.57	3.99
xxiv)	Packing & other Selling Expenses	–	1.07
	<b>Total (B)</b>	<b>2,031.31</b>	<b>1,305.65</b>
<b>C</b>	<b>Selling Expenses</b>		
i)	Advertisement and Publicity	1.89	6.02
ii)	Commission to Selling Agents	130.67	37.41
	<b>Total (C)</b>	<b>132.56</b>	<b>43.43</b>
	<b>Total (A+B+C)</b>	<b>11,494.98</b>	<b>9,056.91</b>

**Note: 36.1 Payment to Auditors***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	As Auditors	4.37	4.37
ii)	For Taxation Matters	1.00	1.00
iii)	For Management Services	1.15	1.15
iv)	For Reimbursement of Expenses	0.66	0.66
	<b>TOTAL</b>	<b>7.18</b>	<b>7.18</b>

**Note: 37 Exceptional Items [Expense/ (Income)]***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
i)	Loss on de-allocation of coal mines*	1,782.71	–
ii)	Diminution in value of inventory disposed off	–	1,336.77
	<b>TOTAL</b>	<b>1,782.71</b>	<b>1,336.77</b>

\*represent write off on account of de-allocation of coal-mines, held by the step down subsidiaries of the company.

**Note : 38 Other Comprehensive income***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
	<b>Items that will not be reclassified to Profit or loss</b>		
i)	FVTOCI- Equity Instrument	1.95	0.66
ii)	Deferred Tax effects	(0.60)	(0.20)
iii)	Reclassification of Actuarial gain/(loss) arising in respect of Gratuity	37.32	35.19
iv)	Deferred Tax effects	(11.53)	(10.87)
v)	Reclassification of Actuarial gain/(loss) arising in respect of Earned Leave	(3.26)	(7.23)
vi)	Deferred Tax effects	1.01	2.23
		<b>24.89</b>	<b>19.78</b>
	<b>Items that will be reclassified to Profit or loss</b>		
i)	FVTOCI- Debt Instrument	4,259.17	902.54
ii)	Deferred Tax effects	(1,316.09)	(278.89)
		<b>2,943.08</b>	<b>623.65</b>
	<b>TOTAL</b>	<b>2,967.97</b>	<b>643.43</b>

**Note: 38.1 Contingencies & Commitments (to the extent not provided for)***(Rupees in Lakhs)*

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
<b>A</b>	<b>Contingent Liabilities</b>		
i)	Claims against the company not acknowledged as debt;	1,234.46	2,021.59
ii)	Guarantees excluding financial guarantees;	12,181.65	12,331.15
iii)	Letter of credit issued on behalf of company(outstanding amount)	239.72	1,223.59
	<b>TOTAL</b>	<b>13,655.83</b>	<b>15,576.33</b>
<b>B</b>	<b>Commitments</b>		
i)	Estimated amount of contracts remaining to be executed on capital amount (net of advance)	1,444.00	1,927.70
	<b>TOTAL</b>	<b>1,444.00</b>	<b>1,927.70</b>

**Note: 39 Earning Per Share (EPS)(Ind-AS 33 )**
**(Rupees in Lakhs)**

S.No.	Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
<b>1</b>	<b>Basic</b>		
	Opening number of shares ( In Lakhs)	1,341.43	1,341.43
	Shares Issued during the year (in Lacks)	—	—
	Closing number of shares (in Lakhs)	1,341.43	1,341.43
	Weighted Average number of shares(in Lakhs)	1,341.43	1,341.43
	Net Profit /(Loss) after Tax for the period from continuing operations	(23,709.09)	(21,177.25)
	EPS for continuing operations (Rs per Share)	(17.67)	(15.78)
	Net Profit /(Loss) after Tax for the period from discontinuing operations	—	—
	EPS for discontinuing operations (Rs per Share)	—	—
	Net Profit /(Loss) after Tax for the period from continuing and discontinued operations	(23,709.09)	(21,177.25)
	EPS for continuing and Discontinuing operations (Rs per Share)	(17.67)	(15.78)
<b>2</b>	<b>Diluted</b>		
	Number of shares considered as basic weighted average shares outstanding	1,341.43	1,341.43
	Add: Weighted Average of Dilutive Equity	—	—
	Number of shares considered as diluted for calculating of Earning per share Weighted Average	1,341.43	1,341.43
	Net Profit/(Loss) after Tax for the period from continuing operation	(23,709.09)	(21,177.25)
	Add: Effective Cost of Dilutive Equity	—	—
	Net Profit /(Loss) after Tax for the period from continuing operations for Dilution	(23,709.09)	(21,177.25)
	Diluted EPS for continuing operations (Rs per Share)	(17.67)	(15.78)
	Net Profit /(Loss) after Tax for the period from discontinuing operations for Dilution	—	—
	Diluted EPS for discontinuing operations (Rs per Share)	—	—
	Net Profit /(Loss) after Tax for the period from continuing and discontinued operations for Dilution	(23,709.09)	(21,177.25)
	EPS for continuing and Discontinuing operations (Rs per Share)	(17.67)	(15.78)

As per our report of even date attached.

**For and on behalf of the Board**
**For A.C GUPTA & ASSOCIATES**

Chartered Accountants  
Firm Regd. No. 008079N

Sd/-  
**A.C Gupta**  
Partner  
Membership No.: 8565

Sd/-  
**Birendra Jee**  
Managing Director

Sd/-  
**Yogesh Kapur**  
Director

Sd/-  
**Kamadev Behera**  
Chief Financial Officer

Sd/-  
**Yugami Arora**  
Company Secretary

PLACE : New Delhi  
DATE : 29th May, 2017



# OCL IRON AND STEEL LIMITED

**Registered Office:** Vill. Lamloi, P.O. Garvana, Rajgangpur-770017 (Distt. Sundargarh, Orissa)  
**Tel. :** +91-6624 222562/563 **Fax :** +91-6624 222 564 **E-mail:** ocliron@gmail.com  
**Web :** www.oclsteel.in **CIN :** L27102OR2006PLC008594

**FORM MGT-11**

## PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member (s) : \_\_\_\_\_

Registered address : \_\_\_\_\_

E-mail id : \_\_\_\_\_

Folio No./Client Id : \_\_\_\_\_

DP ID : \_\_\_\_\_

I / We, being the member(s) of \_\_\_\_\_ Equity Shares of OCL Iron and Steel Limited, hereby appoint

1. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him / her

2. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him / her

3. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Annual General Meeting of the Company, to be held on the **Saturday, the 23rd September, 2017 at 10.00 A.M.** at the Registered Office of the Company and at any adjournment thereof, in respect of such resolutions set out in the Annual General Meeting Notice convening the meeting, as are indicated below:

Resolution No.	Description	Vote	
		FOR	AGAINST
<b>1</b>	To receive, consider and adopt: a) The Audited Standalone Financial Statements of the Company for the Financial Year ended <b>March 31, 2017</b> and the Reports of the Board of Directors and the Auditors thereon; and b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended <b>March 31, 2017</b> and the Report of the Auditors thereon.		
<b>2</b>	To appoint a Director in place of <b>Mr. Vinod Kumar Uppal (DIN: 00897121)</b> who retires by rotation and being eligible, offers himself for re-appointment.		
<b>3</b>	Ratification of Appointment of Statutory Auditors.		
<b>4</b>	Ratification of remuneration to be paid to Mr. Yash Pal Sardana, Cost Accountants, Cost Auditors of the Company for the financial year 2017-18.		

Signed this ..... day of ..... 2017

Revenue  
Stamp

Signature of Shareholder..... Signature of Proxy Holder(s).....

### Notes :

- (1) The 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) A proxy need not be a Member of the Company.





# OCL IRON AND STEEL LIMITED

Registered Office: Vill. Lamloi, P.O. Garvana, Rajgangpur-770017 (Distt. Sundargarh, Orissa)  
Tel. : +91-6624 222562/563 Fax : +91-6624 222 564 E-mail: ocliron@gmail.com  
Web : www.oclsteel.in CIN : L27102OR2006PLC008594

## ATTENDANCE SLIP

(to be handed over at the Registration Counter)

Folio No.	
No. of Shares:	

DP ID -	
Client ID No.:	

I/We hereby record my/our presence at the Annual General Meeting of the Company being held on Saturday, the **23<sup>rd</sup> day of September, 2017 at 10.00 a.m at Vill. Lamloi, P.O. Garvana, Rajgangpur – 770017 Distt: Sundargarh, Orissa.**

1. Name(s) of the Member: 1. Mr./Ms. \_\_\_\_\_  
and Joint Holder(s) 2. Mr./Ms. \_\_\_\_\_  
(in block letters) 3. Mr./Ms. \_\_\_\_\_
2. Address : \_\_\_\_\_  
\_\_\_\_\_
3. Father's/Husband's Name (of the Member) : Mr . \_\_\_\_\_
4. Name of Proxy : Mr./Ms. \_\_\_\_\_  
1. \_\_\_\_\_  
2. \_\_\_\_\_  
3. \_\_\_\_\_

\_\_\_\_\_  
Signature of the Proxy

\_\_\_\_\_  
Signature(s) of Member and Joint Holder(s)

### Notes:

1. Please complete the Attendance slip and hand it over at the Registration Counter at the venue.
- 2.\*\*\*\* Applicable for Investors holding Shares in electronic form.

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**BOOK-POST**

*If undelivered please return to :*

**OCL IRON AND STEEL LIMITED**

**Regd Office:**

Vill. Lamloi, P.O. Garvana, Rajgangpur - 770017

Distt: Sundargarh, Orissa