



Rohit Ferro-Tech Limited



Annual Report  
2017-18

# Contents

---

Notice	01
Directors' Report	07
Management Discussion and Analysis	24
Corporate Governance Report	26
Standalone Auditor's Report	41
Standalone Financial Statements	52
Consolidated Auditor's Report	93
Consolidated Financial Statements	98

# Notice

NOTICE is hereby given that the 18th Annual General Meeting of the members of the Company will be held on Thursday, the 27th day of September, 2018 at 11.00 a.m. at "Rotary Sadan", 94/2, Chowringhee Road, Kolkata – 700 020 to transact the following business:

## ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the Year ended at 31<sup>st</sup> March, 2018, (both Standalone and Consolidated basis), together with the Reports of the Auditors & Board of Directors' thereon.
2. To appoint a Director in place of Mr. Ankit Patni (DIN: 00034907) who retires by rotation and being eligible, offers himself for re-appointment.

## SPECIAL BUSINESS:

3. To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:  
"RESOLVED THAT pursuant to the provisions of Section 148 or any amendment thereto or modification thereof, and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the remuneration of M/s. S. B. & Associates, Cost Accountant (FRN No. 00109), Kolkata, appointed by the Board of Directors of the Company as the Cost Auditor to conduct audit of Cost Records maintained by the Company for the Financial Year 2018-19, at ₹ 35,000/- (Rupees Thirty Five Thousand only) plus applicable taxes, and reimbursement of out-of-pocket expenses incurred, be and is hereby ratified and confirmed."
4. To consider and if thought fit, to pass, the following Resolution as a **Special Resolution**:  
"RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder, including any amendment(s), statutory modification(s) or re-enactment(s) thereof, for the time being in force, approval of the members of the Company be and is hereby accorded for continuation of directorship of Mr. Jatindra Nath Rudra (DIN: 00059628) as the Non Executive Independent Director of the Company, who has already attained the age of 75 (Seventy Five) years.

**RESOLVED FURTHER THAT** any one of the Directors or Company Secretary be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

By Order of the Board  
For **Rohit Ferro-Tech Limited**

Place: Kolkata  
Date: 14<sup>th</sup> August, 2018

**Anil Prasad Shaw**  
Company Secretary

## NOTES:

**A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE, INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE CORPORATE OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. 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 member. In case of joint holders attending the meeting, only such joint holder whose name appears first in the Register of Members will be entitled to vote.

1. The Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013 and Clause 1.2.5 of Secretarial Standard (SS-2) on General Meeting relating to Special Business to be transacted at the Meeting, is annexed hereto.
2. The relevant details, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2) of person seeking appointment/re-appointment as Director is provided hereunder.
3. The Register of Members and Share Transfer Books shall remain closed from Thursday, the 20<sup>th</sup> September, 2018 to Thursday, 27<sup>th</sup> September, 2018 (both days inclusive).
4. As required under SS-2 issued by the ICSI, a route map, including a prominent landmark, showing directions to reach the AGM venue is annexed to the Notice.
5. Pursuant to the provisions of Section 72 of the Companies Act, 2013 and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, Members are informed that they may nominate at any time, in the prescribed manner, a person to whom their shares in the Company shall vest in the unfortunate event of their death. Members holding shares in physical mode should file their nomination with the Company or with M/s. Maheshwari Datamatics Private Limited,

## Notice

the Registrar and Share Transfer Agent (RTA) of the Company, at their address given in the Annual Report, whilst those Members holding shares in demat /electronic mode should file their nomination with their Depository Participants (DPs).

6. The Company has transferred unpaid/unclaimed Dividends for the Financial Year 2009-10 to Investor Education and Protection Fund (IEPF) established by the Central Government. The dividends from the Financial Year ended 31<sup>st</sup> March, 2011, which remain unpaid or unclaimed for a period of 7 (seven) years from the date of its transfer to the Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund established by the Central Government. Members who have not encashed the dividend warrant(s), so far from the Financial Year ended 31<sup>st</sup> March, 2011, or any subsequent Financial Years are requested to make their claim to the Company at its Registered Office. It may please be noted that once the unclaimed dividend is transferred to the said Fund, as above, no claims shall lie against the Company. However, claim can be made from the Fund in accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) second Amendment Rules, 2017. Further, pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 and Investor Education and Protection Fund (Uploading of Information Regarding Unpaid and Unclaimed Dividend Amounts Lying with Companies) Rules, 2012, the Company has also uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company [www.rohitferrotech.com](http://www.rohitferrotech.com) and also on the website of the Ministry of Corporate Affairs.
7. In compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, the Company has transferred 24,555 Equity Shares, in aggregate on which dividends remained unpaid or unclaimed for a period of seven consecutive years or more, to the Demat Account of IEPF Authority maintained with Central Depository Services (India) Limited had the details of the shares transferred are provided in the web site of the Company [www.rohitferrotech.com](http://www.rohitferrotech.com). Shareholders may note that the shares/dividend transferred to IEPF can be claimed by making an application to the Authority in a Form IEPF-5 (to be filed online) at the following link <http://iepf.gov.in/IEPFA/refund.html>. Members who have not yet encashed their dividend warrants for the financial years 2010-11 onwards, are requested to correspond with the Company to make their claims.
8. The Company has sent reminder letters on 21<sup>st</sup> June, 2018 to the shareholders relating to transfer of Shares and Dividend for the year ended 31<sup>st</sup> March, 2011, in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more, to the Investor Education and Protection Fund (IEPF) in terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. A newspaper notice was also published by the Company in Financial Express and Dainik Statesman on 23rd June, 2018 containing requisite details as required under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Further, the details of unclaimed Shares proposed to be transferred to IEPF have been uploaded on the website of the Company [www.rohitferrotech.com](http://www.rohitferrotech.com).
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in security market. The Members holding Shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. The Securities and Exchange Board of India (SEBI) has mandated registration of Permanent Account Number (PAN) and Bank Account details for all Members holding shares in physical form vide its circular dated April 20, 2018. In this regard, the Company has sent letters on 29<sup>th</sup> May, 2018 to the concerned shareholders requesting to comply with the same. Therefore, the Members are requested to submit their PAN and Bank Account details to the 'Secretarial Department' of the Company or to Maheshwari Datamatics Private Limited, the Registrar and Share Transfer Agent (RTA).
10. In view of circular issued by SEBI, the Electronics Clearing Services (ECS/NECS) facility should mandatorily be used by the companies for the distribution of dividend to its members. Members holding shares in physical form are requested to submit their Bank Account details to the Registrar and Share Transfer Agent (RTA) of the company.
11. Information in respect of such unclaimed Dividends and due dates for transfer to the Investor Education and Protection Fund of Government of India are given below:

Financial Year	Date of Declaration	Due date of transfer to IEPF
2010-11	15.09.2011	19.10.2018
2011-12	25.09.2012	26.10.2019

12. Shareholders holding shares in physical form are requested to advice any change of address immediately to the Company's Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics (P) Ltd., 23, R.N. Mukherjee Road, 5<sup>th</sup> Floor, Kolkata-700 001 and to their respective DPs in respect of Equity Shares held in dematerialized form.
13. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
14. Members/Proxies are requested to bring their Attendance Slip for attending the Meeting.

## Notice

15. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
16. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least ten days before the meeting so that the same could be complied in advance.
17. Since the securities of the Company are compulsorily tradable in electronic form, to ensure better investor service and elimination of risk of holding securities in physical form, it is requested that the members holding shares in physical form to get their shares dematerialised at the earliest.
18. All documents referred to in the Notice will be available for inspection at the Company's Corporate Office during all the working days except Saturday between 11.00 a.m and 1.00 p.m. up to the date of AGM.
19. Electronic copy of the Annual Report for 2018 is being sent to all the Members whose e-mail ids are registered with the Company/Depository Participants(s) for communication purposes unless any Member has requested for a hard copy of the same. For the Members who have not registered their e-mail address, physical copies of the Annual Report for 2018 is being sent in the permitted mode. Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014 requires a Company to provide advance opportunity at least once in a Financial Year, to the Member to register his e-mail address and any changes therein. In compliance with the same, we request the Members who do not have their e-mail id registered with the Company to get the same registered with the Company. Members are also requested to intimate to the Company the changes, if any in their e-mail address. The Annual Report of the Company, circulated to the Members of the Company, will also be made available on the Company's website i.e. [www.rohitferrotech.com](http://www.rohitferrotech.com).
20. Electronic copy of the Notice of the 18<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participants(s) for communication purposes. For members who have not registered their e-mail address, physical copies of the notice of the 18<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
21. The Securities and Exchange Board of India (SEBI) by amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated June 8, 2018 has mandated that transfer of securities would be carried out only in dematerialised form with effect from December 5, 2018 except in case of transmission or transposition of securities. Therefore, the Members holding shares in physical forms are requested to dematerialise their securities accordingly.
22. In compliance with provisions of Section 108 of the Companies Act, 2013, Reg. 44 of SEBI (LODR) Regulations 2015 and 8.6 of Secretarial Standard (SS-2) on General Meeting and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Members are informed that the Company is pleased to offer e-voting facility to cast their vote electronically. The Company has made necessary arrangement with the Central Depository Services (India) Limited (CDSL) to facilitate e-voting.

The e-voting facility is available at the link [www.evotingindia.com](http://www.evotingindia.com) vide the EVSN 180811009.

The e-voting facility will be available during the following voting period :

<b>Commencement of e-voting</b>	From : 09.00 a.m. of 24 <sup>th</sup> September, 2018
<b>End of e-voting</b>	Upto : 05.00 p.m. of 26 <sup>th</sup> September, 2018

E-voting shall not be allowed beyond 5.00 p.m. of 26<sup>th</sup> September, 2018.

The detailed procedure is mentioned below. For the aforesaid purpose, the Company has appointed CS K.C. Dhanuka of M/s K. C. Dhanuka & Co., Practicing Company Secretaries for scrutinizing the e-voting process in a true and transparent manner.

### 23. e-Voting Procedure

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 24<sup>th</sup> September, 2018 at 09.00 a.m. and ends on 26<sup>th</sup> September, 2018 at 05.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20<sup>th</sup> September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

## Notice

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in physical form should enter folio number registered with the Company.
- (vi) Next enter the image verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
<b>PAN</b>	<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.</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>
<b>Dividend Bank Details or Date of Birth (DOB)</b>	<ul style="list-style-type: none"> <li>• 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.</li> <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 (iv).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <ROHIT FERRO-TECH LTD.> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
- (xviii) 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.
- (xix) 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.

# Notice

## (xx) 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 as Corporates.
- 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 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.
- 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.

(xxi) (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)).

## DISTRIBUTION OF GIFTS

Attention of the Members is drawn that in conformity with regulatory requirements, the Company will NOT be distributing any gift, gift coupons or cash in lieu of gifts at the Annual General Meeting (AGM) or in connection therewith.

## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND CLAUSE 1.2.5 OF SECRETARIAL STANDARDS SS-2 ON GENERAL MEETING

### Item No.3

The Board of Directors had reappointed M/s. S. B. & Associates, Cost Accountant (FRN No.00109), as per recommendation of Audit Committee, being eligible as Cost Auditor of the Company, for a remuneration of ₹ 35,000/- plus applicable taxes and reimbursement of out of pocket expenses incurred by them to conduct an audit of the cost accounting records maintained by the Company for the current Financial Year beginning from 1st April, 2018 and ending on 31<sup>st</sup> March, 2019.

In terms of Section 148 of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration is required to be ratified by the members. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

The Board recommends the resolution set out at Item No. 3 of the notice for approval by the Shareholders.

### Item No.4

Pursuant to Regulation 17(1A) of SEBI Listing Regulations which would be effective from 1st April 2019, listed entities have to pass a special resolution to appoint a non-executive director or continue the directorship of a non-executive director who has attained the age of 75 years with justification for the same. Therefore, for continuation of directorship by Mr. Jatindra Nath Rudra (DIN: 00059628) as the Non Executive Independent Director of the Company who have already attained the age of 75 years, special resolution, have been proposed by the Board of the Company and justifications for aforesaid item No. 4 is given below:

Mr. Jatindra Nath Rudra is a Non Executive Independent Director of the Company. He joined the Board of the Company from 5th September, 2005. He is a Bachelor of Civil Engineering from Jadavpur University and has done his Master of Engineering from Calcutta University. He is also a life member of Institute of Surveyors. He was the CEO of WBIIDC, Government of West Bengal. He was deputed by Government of India for 6 years as Town Engineer, Kabwe, Republic of Zambia and Africa.

Mr. Jatindra Nath Rudra is having wide experience in Iron & Steel & Ferro Alloys business and servicing the company independently since long time. On the basis of recommendation of the Nomination & Remuneration Committee and in view of qualification, extensive experience and considering in best interest of the Company, the Board of Directors therefore proposed to continue him after expiry of his existing term.

Mr. Jatindra Nath Rudra does not hold any shares in the Company.

Except Mr. Jatindra Nath Rudra, being appointee, none of the Directors/Key Managerial Personnel of the Company and their relatives are, 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 resolution set out at Item No. 4 of the notice for approval by the Shareholders.

# Notice

## ANNEXURE TO ITEM NO. 2 OF THE NOTICE:

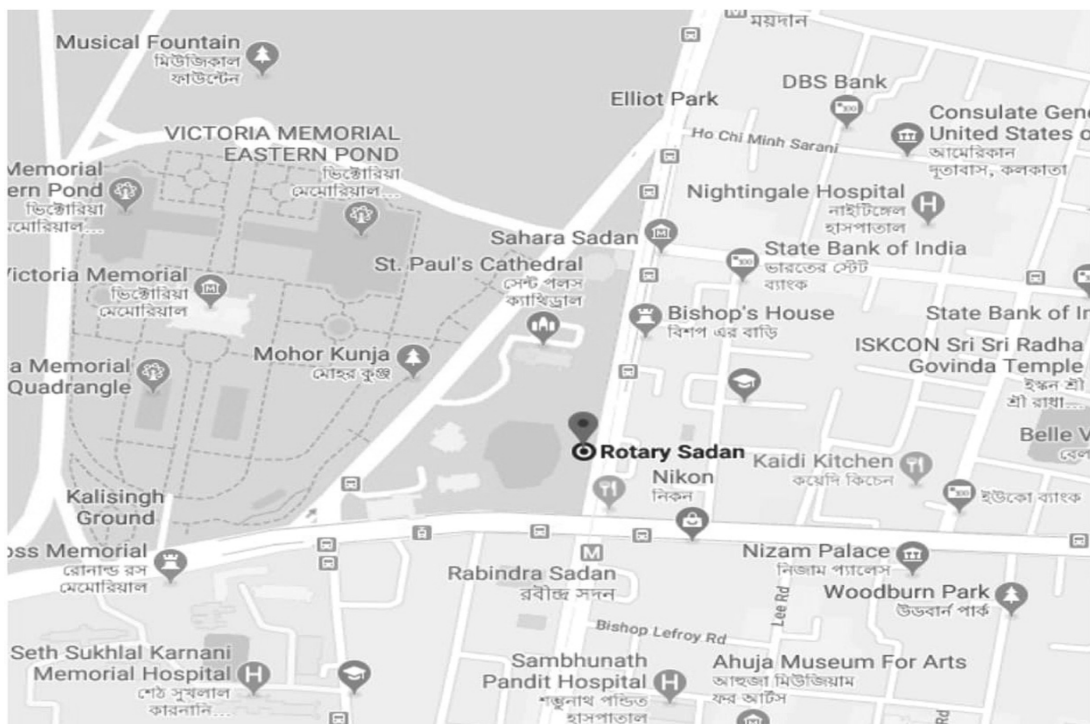
### 1. Details of Directors seeking re-appointment/appointment at the forthcoming Annual General Meeting pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Disclosure pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting (Refer Item No. 2 of the Notice):

<b>Name of Director</b>	<b>Mr. Ankit Patni</b>
<b>Date of Birth</b>	13.01.1985
<b>Nationality</b>	Indian
<b>Date of appointment on the Board</b>	30.09.2015
<b>Qualifications</b>	B.Com, CFA and MBA
<b>Expertise</b>	He is having a good amount of experience in the matters of finance, raw material procurements and marketing.
<b>Number of Shares held in the Company</b>	1128589
<b>List of Directorship held in other listed Companies</b>	1. Ankit Metal & Power Limited 2. Impex Ferro Tech Limited
<b>Chairmanship/Membership in Committee of other listed companies*</b>	1. <b>Ankit Metal &amp; Power Limited</b> Member in Stakeholder Relationship Committee 2. <b>Impex Ferro Tech Limited</b> Member in Audit Committee Member in Nomination & Remuneration Committee
<b>Relationship between Directors inter-se</b>	Mr. Ankit Patni is son of Mr. Suresh Kumar Patni

\* Committee herein refers Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee.

## ROUTE MAP OF AGM VENUE





# Directors' Report

*Dear Shareholders,*

The Directors are pleased to present the 18th Annual Report of the Company together with Audited Accounts for the Financial Year ended 31st March, 2018.

## Financial Highlights

(₹ in Crores)

Particulars	Standalone	
	Current Year 31-03-2018	Previous year 31-03-2017
Revenue from Operation	731.39	724.14
Other Income	4.42	6.49
Total Revenue	735.81	730.63
<b>Profit before Finance Cost, Depreciation and Tax</b>	<b>(251.90)</b>	<b>(320.47)</b>
Less: Depreciation & Amortisation	33.74	34.18
Less: Finance Cost	53.23	(18.66)
Less: Tax Expenses	–	–
<b>Net Profit after Tax</b>	<b>(338.87)</b>	<b>(336.00)</b>
Less: Exceptional Item	–	–
Other Comprehensive Income/(Loss) (net of tax)	(.07)	(0.55)
<b>Total Comprehensive Income/(Loss)</b>	<b>(338.94)</b>	<b>(336.55)</b>

- Figures of the previous period has been regrouped / reclassified, wherever necessary to conform to the classification for the year ended 31st March 2018.

## FINANCIAL AND OPERATIONAL REVIEW

During the year under review the Company has achieved a total Revenue from Operation of ₹ 731.39 Crores (P.Y. ₹ 724.14 Crores). The Company incurred a net loss of ₹ 338.87 Crores due to increase in input cost and lower realisations owing to availability of cheaper imports etc.

The suspension of work at our plant at Haldia still continues.

## INDIAN ACCOUNTING STANDARDS (IND AS)

The Company adopted Ind AS from the last Financial Year with the transition date of 1st April, 2015.

## DIVIDEND

In view of the losses incurred by the Company, the Directors of the Company do not recommend any Dividend for the Financial Year 2017-18.

## TRANSFER TO RESERVE

In view of the losses incurred by the Company during the year under review, no amount has been transferred to reserves.

## DIRECTORS & KEY MANAGERIAL PERSONNEL

In accordance of provisions of Companies Act, 2013 Mr. Ankit Patni (DIN: 00034907), Managing Director retires by rotation and being eligible, offers himself for re-appointment.

Pursuant to Regulation 17(1A) of SEBI Listing Regulations which would be effective from 1st April 2019, listed entities have to pass a special resolution to appoint a non-executive director or continue the directorship of a non-executive director who has attained the age of 75 years with justification for the same. Mr. Jatindra Nath Rudra (DIN: 00059628), Non Executive Independent Director of the Company has already attained the age of 75 years. In view of qualification and extensive experience and considering in best interest of the Company, the Board of Director therefore proposed to continue him after expiry of his present term.

The brief particulars of the Directors seeking their appointment/re-appointment have been given in the notice convening the ensuing Annual General Meeting and is annexed to the notice as required in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 ('SEBI Listing Regulations') and the Board recommends their appointment/re-appointment as set out in the notice.

# Directors' Report

There was no change in other Directors & Key Managerial Personnel during year under review.

## DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 134(3)(c) of the Companies Act, 2013, your Directors confirm:

- a. that in the preparation of the Annual Accounts, for the Year ended 31st March, 2018 the applicable Accounting Standards have been followed with proper explanation relating to material departures, if any;
- b. that they have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at end of Financial Year and of the profit or loss of the Company for that period;
- c. that they 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. that they have prepared the accounts for the Financial Year ended on 31st March, 2018 on a 'Going Concern' basis.;
- e. that they have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively and
- f. that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## NUMBER OF MEETINGS OF BOARD OF DIRECTORS

The details of the number of meetings of the Board of Directors held during the Financial Year 2017-18 forms a part of the Corporate Governance Report.

## STATEMENT ON DECLARATION BY THE INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations with Stock Exchanges.

## NOMINATION & REMUNERATION POLICY

The Company's Nomination & Remuneration Policy and other matters provided under Section 178(3) of the act, has been disclosed in the Corporate Governance Report which form part of Directors Report.

## BOARD EVALUATION

The Board has carried out an annual evaluation of its own performance, the directors individually as well as the evaluation of the functioning of various Committees. The Independent Directors also carried out the evaluation of the Chairman and the Non-Independent Directors, the details of which are covered in the Corporate Governance Report.

## MANAGEMENT DISCUSSION & ANALYSIS REPORT (MDA)

The details of operating performance of the Company for the year, the state of affairs and the key changes in the operating environment have been analysed in the Management Discussion and Analysis Report which forms a part of the Annual Report.

## CORPORATE GOVERNANCE

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations), the Corporate Governance Report and the Auditors' Certificate regarding compliance of conditions of Corporate Governance are annexed to this report.

## SUBSIDIARIES

As on 31st March, 2018, the Company has 2 (two) Subsidiaries i.e. M/s. SKP Overseas Pte. Ltd. (Wholly Owned Subsidiary) and M/s. PT Bara Prima Mandiri of Indonesia (Step Down Subsidiary). There is no change in the status of the holding in the Financial Year under review.

Pursuant to the provisions of Section 129(3) of the Act, the Balance Sheet, Profit & Loss Account and other documents of its Subsidiary Company are required to be attached to Balance Sheet. Accordingly, the said documents are included in this Annual Report. The financial data of the Subsidiaries forms part of the Annual Report.

## CONSOLIDATED FINANCIAL STATEMENT

As per requirement of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Company has prepared Consolidated Financial Statements in accordance with the relevant Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI). The Audited Consolidated Financial Statements along with the Auditors Report thereon form part of the Annual Report.

# Directors' Report

## CREDIT RATING

During the year under review Credit Rating has not been done. The Company's credit rating for last available year for Long-Term Loans & Fund Based Limits was [ICRA] D and for Short-Term Limits was [ICRA] D, as given by ICRA Limited.

## PUBLIC DEPOSITS

The Company has not accepted any fixed deposits from the public and as such, no amount of principal and interest was outstanding as on the date of the Balance Sheet.

## INSURANCE

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

## AWARDS & ACHIEVEMENTS

During the year under review there was no award received by the Company.

## CHANGE IN CAPITAL STRUCTURE & MEMORANDUM OF ASSOCIATION

During the year under review there were no changes in capital structure or memorandum & Articles of Association of the Company.

## EXTRACT OF ANNUAL RETURN

An extract of Annual Return as on the Financial Year ended on 31st March, 2018 in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is set out as an **Annexure-I** to the Directors' Report and form part of this Annual Report.

## AUDITORS AND AUDITORS' REPORT

Pursuant to the provisions of section 139 of the Act and the rules framed there under, M/s. R. Kothari & Co., Chartered Accountants (FRN:307069E), were appointed as Statutory Auditors of the Company from conclusion of the 15th AGM held in the year 2015 until the conclusion of the Nineteenth (19th) AGM of the Company.

It may be noted that due to amendment in the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 by the Ministry of Corporate Affairs (MCA) vide notification dated May 7, 2018, in proviso to Section 139(1) of the Companies Act, 2013 read with explanation to sub-rule 7 of Rule 3 of the Companies (Audit and Auditors) Rules, 2014, the requirement of ratification of appointment of Auditors by the Members at every AGM has been done away with. In view of the said amendment, the Company is not seeking any ratification of appointment of M/s. R. Kothari & Co, Chartered Accountants as the Auditors of the Company, by the Members at the ensuing AGM.

Further, the Company has received a certificate from M/s. R. Kothari & Co, Chartered Accountants confirming their eligibility to continue as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules framed there under. They have also confirmed that they hold a valid Peer Review Certificate as prescribed under Regulation 33(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Observations of the Auditors M/s. R. Kothari & Co, Chartered Accountants, on Standalone Financial Statement of the Company have been dealt with hereunder:

Attention to Note No.6 of the accompanying statement regarding non provision of interest expenses on the borrowing of the company amounting to ₹ 7,450 Lacs for the quarter ended 31st March, 2018 and ₹ 29,797 Lacs for year ended 31st March, 2018 was not in accordance with the requirements of Ind AS 23.

Further, the Company has not provided accrued interest in its books of accounts during the year. The unprovided liability in respect of interest on Borrowings amounted to ₹ 35,120 Lacs for the year under review. The same have consequential impact on the reported figures of this year. Had the aforesaid interest expense been recognized the finance cost would have been ₹ 35,120 Lacs instead reported amount of ₹ 5,323 Lacs for the year under review. Net loss after tax for the year ended 31st March, 2018 would have been ₹ 63,684 Lacs instead of reported amount of ₹ 33,887 Lacs. Total comprehensive Loss for the year ended 31st March, 2018 would have been ₹ 63,691 Lacs instead reported amount of ₹ 33,894 Lacs. Other Equity would have been ₹ (1,34,642) Lacs against reported amount of ₹ (1,04,845) Lacs and other current financial liability would have been ₹ 89,747 Lacs instead of reported amount of ₹ 59,950 Lacs.

The Board of Directors comments on the above observations are:

The lenders have stopped charging interest on debts, since the dues from the company have been categorised as Non Performing Asset. The company is in active discussion/ negotiation with it lenders to restructure its debt at a sustainable level. In view of the above, pending finalization of the restructuring plan, the company has not provided accrued interest in its books during the quarter as the account has been declared Non Performing Asset (NPA) by the respective lenders. The amount of interest not so

# Directors' Report

provided for the quarter ended 31st March, 2018 stands at ₹ 7,450 Lacs and for the twelve months ended 31st March, 2018 at ₹ 29,797 Lacs.

Observations of the Auditors M/s. R. Kothari & Co, Chartered Accountants, on Consolidated Financial Statement of the Company have been dealt with hereunder:

We draw attention with regard to non-recognition of interest expense amounting to ₹ 30,058 lacs on the Borrowings of the Company for the year ended 31st March, 2018 which is not in accordance with the requirements of Ind AS 23.

Further, had the aforesaid interest expenses been recognized, the finance cost for the year ended 31st March, 2018 would have been ₹35,382 lacs, instead of reported amount of ₹ 5,324 lacs. Total expenses for the year ended 31st March, 2018 would have been ₹ 1,45,816 lacs instead of reported amount of ₹ 1,15,758 lacs. Net loss after tax for the year ended 31st March, 2018 would have been ₹ 75,831 lacs instead of reported amount of ₹ 45,773 lacs. Total comprehensive losses for the year ended 31st March, 2018 would have been ₹ 76,017 lacs instead of ₹ 45,959 lacs. Other Equity would have been ₹ 146,246 lacs instead of reported amount of ₹ 1,16,188 lacs. Other current financial liability would have been ₹ 92,418 lacs instead of reported amount of ₹ 62,360 lacs.

The unprovided liability in respect of interest on long term and short term borrowings as on 31st March, 2018 amounted to ₹ 61,449 lacs. The same have consequential impact on the reported figures of current financial year as well as earlier periods on finance cost, total expenses, total comprehensive loss etc.

The Board of Directors comments are:

The lenders have stopped charging interest on debts, since the dues from the company have been categorised as Non-Performing Asset. The company is in active discussion/negotiation with its lenders to restructure its debt at a sustainable level. In view of the above, pending finalization of the restructuring plan, the company has not provided accrued interest in its books during the year as the account has been declared NPA by the respective lenders.

## INTERNAL AUDITORS

M/s. NR & Associates, Cost Accountants, has been appointed as Internal Auditors of the Company for the Financial Year 2018-19.

## COST AUDITORS

In terms of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, on the recommendation of Audit Committee, the Board of Directors has appointed M/s. S. B. & Associates, Cost Accountant (FRN No.00109), as Cost Auditor of the Company, at a remuneration of ₹ 35,000/- plus applicable taxes and reimbursement of out of pocket expenses incurred by them to conduct an audit of the Cost Accounting Records maintained by the Company for the Financial Year beginning from 1st April, 2018 and ending on 31st March, 2019.

As required under Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor is being placed at the ensuing Annual General Meeting for ratification by the members.

## INTERNAL FINANCIAL CONTROLS

The Companies Act, 2013 has mandated the Company to have a formal framework of Internal Financial Controls (IFC) and has also laid down specific responsibilities on the Board, Audit Committee, Independent Directors and Statutory Auditors with regard to IFC.

The Financial Control System and framework is required to ensure:

- The orderly and efficient conduct of its business,
- 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.

The Board reviews the effectiveness of controls documented as part of Internal Affairs and Financial Control (IAFC) framework and take necessary corrective actions, where weaknesses are identified as a result of such reviews. This review covers entity level controls, fraud risk controls and information technology environment.

The policies and procedure adopted by the Company ensures the orderly and efficient conduct of its business and adherence to the Company's policies, prevention and detection of frauds and errors, accuracy and completeness of the records and the timely preparation of reliable financial information. Based on this evaluation, no significant events had come to notice during the year that have materially affected, or are reasonably likely to materially affect our Internal Financial Control. The management has also come to the conclusion that the Internal Financial Control and other Financial Reporting was effective during the year and is adequate considering the business operations of the Company. The Statutory Auditor of the Company has audited the Internal

# Directors' Report

Financial Control over Financial Reporting and their Audit Report is annexed as Annexure- B to the Independent Auditor's Report under Financial Statements.

## AUDIT COMMITTEE

The details pertaining to composition and terms of reference of the Audit Committee are included in the Corporate Governance Report, which form part of this report.

## NOMINATION AND REMUNERATION COMMITTEE

The details pertaining to composition and terms of reference of the Nomination and Remuneration Committee are included in the Corporate Governance Report, which form part of this report.

## STAKEHOLDERS RELATIONSHIP COMMITTEE

The details pertaining to composition and other matters of the Stakeholders Relationship Committee are included in the Corporate Governance Report, which form part of this report.

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)

The details pertaining to composition and other matters of the Corporate Social Responsibility Committee (CSR Committee) are included in the Corporate Governance Report, which form part of this report.

## VIGIL MECHANISM POLICY

In compliance with provisions of the Section 177(9) of the Companies Act, 2013, and the Listing Agreement, the Company has formulated a Vigil Mechanism Policy for Directors and employees to report their genuine concerns, details of which has been given in the Corporate Governance Report annexed to this report and also posted on the website of the Company [www.rohitferrotech.com](http://www.rohitferrotech.com).

## RISK MANAGEMENT POLICY

The Company has a Risk Management framework in place which is designed to identify, assess and monitor various risks related to key business and strategic objectives and lead to the formulation of a mitigation plan which is reviewed by the Audit Committee and approved by the Board from time to time. All identified risks are categorised based on a matrix of likelihood of occurrence and impact thereof and a mitigation plan is worked out to the extent possible. Major risks in particular areas monitored regularly and the Board of Directors of the Company is kept abreast.

## EXECUTIVE COMMITTEE

The details pertaining to composition and terms of reference of the Executive Committee are included in the Corporate Governance Report, which form part of this report.

## FAMILIARIZATION PROGRAMME

The Company at its meetings held during the Financial Year 2017-18 had familiarised the Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc. The Independent Directors have been provided with necessary documents, reports and internal policies to familiarise them with the Company's policies, procedures and practices.

Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, business strategy and risks involved.

The details of such Programmes are uploaded on the website of the Company at and available at the link <https://www.rohitferrotech.com/familiarization-programme-17-18.pdf>

## SECRETARIAL AUDITORS & REPORT

The Company has appointed M/s K. C. Dhanuka & Co., (Prop. Mr. K.C. Dhanuka, FCS – 2204) as the Secretarial Auditor of your Company for Financial Year 2017-18 to conduct the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report for the Financial Year ended 31st March, 2018 is annexed as **Annexure-II** and forms part of the Report.

## SECRETARIAL AUDITOR OBSERVATION

The Secretarial Auditor has the following observations in Form MR-3 enclosed as Annexure-II.

- (i) It has been observed that the Company has defaulted in the payments of statutory dues within the prescribed time.

### Our Comments are as under:

- (i) Statutory payments were delayed mainly due to poor liquidity position.

# Directors' Report

## CONTRACT AND ARRANGEMENT WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the Financial Year were on an arm's length basis and were in the ordinary course of business. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company's materiality of related party transactions. Hence, the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus, disclosure in Form AOC-2 is not required. Further, there are no materially significant Related Party Transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons.

The Policy on materiality of related party transaction as approved by the Board may be accessed on the Company's Website, [www.rohitferrotech.com](http://www.rohitferrotech.com). Your Directors drew attention of the members to Note 40 to the Financial Statement which sets out related party disclosures.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 if any, are given in the notes to the Financial Statement.

## TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND (IEPF)

During the year under review, your Company transferred a sum of ₹1,60,785.00 (Rupees One Lac Sixty Thousand Seven Hundred Eighty five only) to IEPF of the Central Government, being the dividend amount pertaining to the Financial Year ended on 31st March, 2010, which was due and payable and remained unclaimed and unpaid for a period of 7 years or more. The Company has also sent Reminder letters dated 21st June, 2018 to the concerned shareholders for the transfer of Dividend from the year ended 31st March, 2011 to the Investor Education and Protection Fund (IEPF), which has not been paid or claimed and a reference in this respect was also published by the Company in Newspaper i.e. in Financial Express and Dainik Statesman on 23rd June, 2018.

In compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, the Company has transferred 24,555 Equity Shares, in aggregate in respect of shares on which dividends remained unpaid or unclaimed for a period of seven consecutive years or more, to the Demat Account of IEPF Authority maintained with Central Depository Services (India) Limited (CDSL).

Further, the Company has sent Reminder letters dated 21st June, 2018 to the shareholders relating to transfer of shares from the year ended 31st March, 2011, in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more, to the Investor Education and Protection Fund (IEPF) in terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. A Newspaper Notice was also published by the Company in Financial Express and Dainik Statesman on 23rd June, 2018 containing requisite details as required under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Further, the details of unclaimed shares proposed to be transferred to IEPF have been uploaded on the website of the Company ([www.rohitferrotech.com](http://www.rohitferrotech.com)).

The concerned members are therefore requested to claim the aforementioned Dividend remaining unclaimed immediately to the Company or our Registrar and Share Transfer Agent M/s. Maheshwari Datamatics Pvt. Ltd. having address at 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001.

## DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms a part of the Board's Report as **Annexure-III**.

## PARTICULARS OF EMPLOYEES

As required under provisions of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of the employees are not applicable to the Company.

## DETAILS OF SIGNIFICANT ORDERS PASSED BY REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATION

To the best of our knowledge the Company has not received any such order by Regulators, Courts or Tribunals during the year under review which may impact the Going Concern status or the Company's operations in future during year under review. The Company has complied with all the requirements of the Uniform Listing Agreement/Listing Regulations with the Stock Exchanges as well as regulations and guidelines of SEBI.

However during the year under review, SEBI vide its circular dated 7th August, 2017 declares 331 companies as Shell company including our company without giving any notice, information and any opportunity of being heard. Subsequently the both Stock exchanges i.e. NSE and BSE had restricted the trading of the Security of the Company on instruction of SEBI on account of suspect of a Shell Company w.e.f. 8th August, 2017. It may be noted by the shareholders that our company is not a shell company as

# Directors' Report

alleged. We are not a company which can by any stretch of imagination be termed as such and we are a manufacturing company having a turnover of ₹ 735,851 Lacs in current financial year (FY 2017-18) and ₹ 73,063 Lacs during the last year (FY 2016-17). We also have over 18,000 Shareholders. We have complied with all regulations and at no time have the authorities issued any notices to us in this regard. Further we have no investor complaints which are pending.

Further, the investments and advances of SKP Overseas PTE Limited (Singapore), a wholly owned subsidiary of the company, in the step down subsidiary namely PT Bara Prima Mandiri (Indonesia) was written off in the last available audited financial statements. Accordingly, the company has made provision for diminution in the value of its investments, receivables, loans & advances etc. in the wholly owned subsidiary totalling to ₹ 9,309 Lacs and shown as exceptional items in the quarterly financial results.

## **MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT**

Pursuant to a written request received by the Company from State Bank of India (SBI) vide their communication dated 22nd May, 2017, the Board of the Company at its meeting held on 30th May, 2017 has resolved to execute the Deed of Undertaking binding itself together with the Promoters (including persons belonging to the Promoter Group) to the sale of the entire shareholding of the Promoters in the Company (Promoter Shares) to a prospective Investor to be identified by SBI through Swiss Challenge Method leading to change in the management of the Company from the existing Promoters to the prospective Investor. SBI, however, has informed vide their letter dated 4th May, 2018 that their Competent Authority has decided to cancel the process of Change in Management under Swiss Challenge Method in view of various reasons impeding the process.

Further, due to no operations and non-realization from non-current and current assets of the Step down subsidiary PT Bara Prima Mandiri, write off has been made in the books of SKP Overseas Pte Ltd. thus completely eroding the Networth of SKP Overseas Pte Ltd. Accordingly the carrying value of Goodwill amounting to ₹ 3,507 has been impaired and shown under exceptional items. Appropriateness of the going concern assumption on which the financial statements of the SKP Overseas Pte Ltd. are prepared is dependent on the continued financial support from its director and the operations of Indonesia coal mine being restarted. Accordingly the financial statement of SKP Overseas Pte Ltd. has been prepared on 'Going Concern' basis.

## **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN**

Year company has adopted a policy under the sexual Harrasment of women at work place (Presention, Prohibition and Redressal ) Act 2013 and ruls foamed there under.

The Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. During the year under review, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act , 2013.

## **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGOING**

As required under provisions of Section 134 of the Companies Act, 2013 and read with Rule 8(3) of the Companies (Accounts) Rules, 2014, details relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in the 'Annexure-IV' which is annexed hereto and forms part of the Board's Report.

## **GREEN INITIATIVE**

The Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report to shareholders at their e-mail address previously registered with the DPs/Company/RTAs. Those holding shares in demat form can register their e-mail address with their concerned DPs. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Registrar and Share Transfer Agent/Depositories for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

## **INDUSTRIAL RELATIONS**

During the year under review industrial relations and the Company's manufacturing complexes were remained cordial.

## **APPRECIATION**

The Directors wish to place on record their sincere appreciation for the continued assistance and co-operation extended to the Company by the Shareholders, Regulatory & Government Authorities, Suppliers, Customers and Bankers and to other entire workforce including valuable contribution of the employees at all levels who are continuing their assistance to the Company.

**For and on behalf of the Board**  
**Rohit Ferro-Tech Limited**

**Suresh Kumar Patni**  
**Chairman**

Kolkata, 14th August, 2018

# Annexure to the Directors' Report

## Annexure - I

### FORM NO. MGT 9

#### EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2018

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

#### I REGISTRATION & OTHER DETAILS:

i	CIN	L27104WB2000PLC091629
ii	Registration Date	7th April, 2000
iii	Name of the Company	Rohit Ferro-Tech Limited
iv	Category/Sub-category of the Company	Public Company (Limited by Shares having Share Capital)
v	Address of the Registered Office & contact details	35, Chittaranjan Avenue, Kolkata - 700 012 Phone No.: +91 33 2211 0225/0226
vi	Whether listed company	Yes (BSE Limited & National Stock Exchange of India Limited)
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Maheshwari Datamatics Pvt. Ltd. 23, R N Mukherjee Road, 5th Floor, Kolkata - 700 001 Phone : 033 22435029 / 22482248

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are given below:

S. No.	Name & Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1.	Ferro-alloys	3309	55%
2.	Iron & Steel	3301	45%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	"M/S SKP Overseas Pte. Ltd. 141, Cecil Street, #07-05, Tung Ann Association Building, Singapore-069541"	200806931E	Wholly-Owned Subsidiary	100.00%	2(87)

#### IV. Shareholding 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 [As on 01-April-2017]				No of Shares held at the end of the year [As on 31-March-2018]				% 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	60,65,638	-	60,65,638	5.33	60,65,638	-	60,65,638	5.33	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	7,58,52,204	-	7,58,52,204	66.67	7,58,52,204	-	7,58,52,204	66.67	-
e) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(1)</b>	<b>8,19,17,842</b>	<b>-</b>	<b>8,19,17,842</b>	<b>72.00</b>	<b>8,19,17,842</b>	<b>-</b>	<b>8,19,17,842</b>	<b>72.00</b>	<b>-</b>



## Annexure to the Directors' Report

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2017]				No of Shares held at the end of the year [As on 31-March-2018]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
a) NRIs - Individuals	–	–	–	–	–	–	–	–	–
b) Other - Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corp.	–	–	–	–	–	–	–	–	–
d) Banks/FI	–	–	–	–	–	–	–	–	–
e) Any other(specify)	–	–	–	–	–	–	–	–	–
<b>Sub-Total (A)(2)</b>	–	–	–	–	–	–	–	–	–
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>8,19,17,842</b>	–	<b>8,19,17,842</b>	<b>72.00</b>	<b>8,19,17,842</b>	–	<b>8,19,17,842</b>	<b>72.00</b>	–
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Fund	–	–	–	–	–	–	–	–	–
b) Banks/ Financial Institutions	–	–	–	–	–	–	–	–	–
c) Central Government	–	–	–	–	–	–	–	–	–
d) State Government(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Fund	–	–	–	–	–	–	–	–	–
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FI's	–	–	–	–	–	–	–	–	–
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
j) Any Other	–	–	–	–	–	–	–	–	–
<b>Sub-total(B)(1)</b>	–	–	–	–	–	–	–	–	–
<b>2. Non-Institutions</b>									
a) Bodies Corporate									
1. Indian	18,34,957	–	18,34,957	1.61	18,20,828	–	18,20,828	1.60	–0.01
2. Overseas	–	–	–	–	–	–	–	–	–
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh.	1,50,38,938	14,602	1,50,53,540	13.23	1,46,13,911	14,653	1,46,28,564	12.86	–0.37
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,28,44,293	–	1,28,44,293	11.29	1,34,76,883	–	1,34,76,883	11.85	0.56
c) Others (Specify)									
1. Non Resident Indians	10,55,427	–	10,55,427	0.93	11,04,192	–	11,04,192	0.97	0.04
2. Clearing Members	10,63,264	–	10,63,264	0.93	7,99,259	–	7,99,259	0.70	–0.23
3. NBFCs registered with RBI	6,800	–	6,800	0.01	4,000	–	4,000	0.00	–0.00
4. Investor Education and Protection Fund Authority	–	–	–	–	24,555	–	24,555	0.02	0.02
<b>Sub-total(B)(2)</b>	<b>3,18,43,679</b>	<b>14,602</b>	<b>3,18,58,281</b>	<b>28.00</b>	<b>3,18,43,628</b>	<b>14,653</b>	<b>3,18,58,281</b>	<b>28.00</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>3,18,43,679</b>	<b>14,602</b>	<b>3,18,58,281</b>	<b>28.00</b>	<b>3,18,43,628</b>	<b>14,653</b>	<b>3,18,58,281</b>	<b>28.00</b>	–
<b>C. Shares held by Custodians for GDR's &amp; ADR's</b>	–	–	–	–	–	–	–	–	–
<b>Grand Total (A+B+C)</b>	<b>11,37,61,521</b>	<b>14,602</b>	<b>11,37,76,123</b>	<b>100.00</b>	<b>11,37,61,470</b>	<b>14,653</b>	<b>11,37,76,123</b>	<b>100.00</b>	–

## Annexure to the Directors' Report

### ii) SHAREHOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year (As on 1st April, 2017)			Shareholding at the end of the year (As on 31st March, 2018)			% change in share holding during the year
		No of Shares	% of total Shares of the Company	% of shares pledged encumbered to total shares	No of Shares	% of total shares of the Company	% of shares pledged encumbered to total shares	
Directors & their Relatives								
1	Mr. Ankit Patni	11,28,589	0.99	100.00	11,28,589	0.99	100.00	–
2	Mr. Rohit Patni	12,00,952	1.06	100.00	12,00,952	1.06	100.00	–
3	Mr. Suresh Kumar Patni	21,86,403	1.92	100.00	21,86,403	1.92	100.00	–
4	Mrs. Sarita Patni	15,49,694	1.36	100.00	15,49,694	1.36	100.00	–
Bodies Corporate								
5	M/s. Invesco Finance Pvt. Ltd.	1,10,39,317	9.70	100.00	1,10,39,317	9.70	100.00	–
6	M/s. Vasupujya Enterprises Pvt. Ltd.	1,13,59,538	9.98	100.00	1,13,59,538	9.98	100.00	–
7	M/s. Shreyansh Leafin Pvt. Ltd.	1,09,93,150	9.66	100.00	1,09,93,150	9.66	100.00	–
8	M/s. Whitestone Suppliers Pvt. Ltd.	1,09,07,765	9.59	100.00	1,09,07,765	9.59	100.00	–
9	M/s. Poddar Mech Tech Services Pvt. Ltd.	1,29,79,933	11.41	100.00	1,29,79,933	11.41	100.00	–
10	M/s. Suanvi Trading & Investment Co. Pvt. Ltd.	1,12,37,501	9.88	100.00	1,12,37,501	9.88	100.00	–
11	M/s. VNG Mercantiles Pvt. Ltd.	9,85,000	0.87	100.00	9,85,000	0.87	100.00	–
12	M/s. Nucore Exports Pvt. Ltd.	11,00,000	0.97	100.00	11,00,000	0.97	100.00	–
13	M/s. Arthodock Vinimay Pvt. Ltd.	52,50,000	4.61	100.00	52,50,000	4.61	100.00	–
	TOTAL	8,19,17,842	72.00	100.00	8,19,17,842	72.00	100.00	–

### (iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl No.	Shareholder's Name	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares held as on 1st April, 2017	% of total Shares of the Company	No. of Shares held as on 31st March, 2018	% of total Shares of the Company
	At the beginning of the year	8,19,17,842	72.00	8,19,17,842	72.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change during the year			
	At the end of the year	8,19,17,842	72.00	8,19,17,842	72.00

### (iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDR'S & ADR'S)

Sl No.	Name of Shareholders	Shareholding at the beginning of the year		Transaction during the year		Reason	Cumulative Shareholding at the End of the Year	
		No. of Shares held as on 1st April, 2017	% of total Shares of the Company	Date of transaction	No. of Shares		No. of Shares held as on 31st March, 2018	% of total Shares of the Company
1	GIRDHARILAL SEKSARIA	8,07,512	0.71				8,07,512	0.71
	At the end of the Year						8,07,512	0.71

## Annexure to the Directors' Report

Sl No.	Name of Shareholders	Shareholding at the beginning of the year		Transaction during the year		Reason	Cumulative Shareholding at the End of the Year	
		No. of Shares held as on 1st April, 2017	% of total Shares of the Company	Date of transaction	No. of Shares		No. of Shares held as on 31st March, 2018	% of total Shares of the Company
2	<b>MSUNILKUMAR</b>	5,80,200	0.51				5,80,200	0.51
	Transfer			9-Feb-2018	4,900	Purchase	5,85,100	0.51
	<b>At the end of the Year</b>						<b>5,85,100</b>	<b>0.51</b>
3	<b>BMA WEALTH CREATORS LIMITED</b>	5,37,259	0.47				5,37,259	0.47
	Transfer			14-Apr-2017	(2,000)	Sell	5,35,259	0.47
	Transfer			21-Apr-2017	(300)	Sell	5,34,959	0.47
	Transfer			28-Apr-2017	(500)	Sell	5,34,459	0.47
	Transfer			19-May-2017	(25)	Sell	5,34,434	0.47
	Transfer			2-Jun-2017	(1,000)	Sell	5,33,434	0.47
	Transfer			4-Aug-2017	100	Purchase	5,33,534	0.47
	Transfer			8-Sep-2017	(100)	Sell	5,33,434	0.47
	Transfer			16-Mar-2018	(40)	Sell	5,33,394	0.47
	<b>At the end of the Year</b>						<b>5,33,394</b>	<b>0.47</b>
4	<b>SAURIN C KAPADIA</b>	3,69,475	0.32				3,69,475	0.32
	Transfer			21-Apr-2017	(10,000)	Sell	3,59,475	0.32
	Transfer			7-Jul-2017	(5,600)	Sell	3,53,875	0.31
	Transfer			21-Jul-2017	(5,000)	Sell	3,48,875	0.31
	Transfer			4-Aug-2017	(5,000)	Sell	3,43,875	0.30
	Transfer			23-Mar-2018	(50,400)	Sell	2,93,475	0.26
	<b>At the end of the Year</b>						<b>2,93,475</b>	<b>0.26</b>
5	<b>SUNITHA M V</b>	2,78,041	0.24				2,78,041	0.24
	<b>At the end of the Year</b>						<b>2,78,041</b>	<b>0.24</b>
6	<b>VAISHALI ARYA</b>	2,53,827	0.22				2,53,827	0.22
	<b>At the end of the Year</b>						<b>2,53,827</b>	<b>0.22</b>
7	<b>CHETAN AGGARWALA</b>	-	-				-	-
	Transfer			23-Jun-2017	43,132	Purchase	43,132	0.04
	Transfer			30-Jun-2017	76,752	Purchase	1,19,884	0.11
	Transfer			7-Jul-2017	52,754	Purchase	1,72,638	0.15
	Transfer			14-Jul-2017	36,362	Purchase	2,09,000	0.18
	<b>At the end of the Year</b>						<b>2,09,000</b>	<b>0.18</b>
8	<b>KIRTI RAJNIKANT SHAH</b>	1,82,000	0.16				1,82,000	0.16
	<b>At the end of the Year</b>						<b>1,82,000</b>	<b>0.16</b>
9	<b>SANDEEP SHARMA</b>	1,43,600	0.13				1,43,600	0.13
	<b>At the end of the Year</b>						<b>1,43,600</b>	<b>0.13</b>
10	<b>CHARITA SHARMA</b>	92,703	0.08				92,703	0.08
	Transfer			23-Feb-2018	42,335	Purchase	1,35,038	0.12
	<b>At the end of the Year</b>						<b>1,35,038</b>	<b>0.12</b>

Notes : 1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 11,37,76,123 Shares.  
2. The above details was as on 31.03.2018  
3. The details of holding has been clubbed based on PAN.

### (v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Reasons	Cumulative Shareholding at the end of the year	
		No. of Shares held as on 1st April, 2017	% of total Shares of the Company	Date of transaction	No. of Shares		No. of Shares held as on 31st March, 2018	% of total Shares of the Company
1	Mr. Suresh Kumar Patni (Non-Executive Promoter Director)	21,86,403	1.92	-	-	-	21,86,403	1.92
2	Mr. Ankit Patni (Managing Director)	11,28,589	0.99	-	-	-	11,28,589	0.99
3	Mr. Ranjeet Kumar Burnwal (Executive Director)	-	-	-	-	-	-	-
4	Mr. Parama Bhattacharya Lahiri (Nominee Director)	-	-	-	-	-	-	-

## Annexure to the Directors' Report

Sl. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Reasons	Cumulative Shareholding at the end of the year	
		No. of Shares held as on 1st April, 2017	% of total Shares of the Company	Date of transaction	No. of Shares		No. of Shares held as on 31st March, 2018	% of total Shares of the Company
5	Mr. Ankit Jain (Independent Director)	–	–	–	–	–	–	–
6	Mr. Jatindra Nath Rudra (Independent Director)	–	–	–	–	–	–	–
7	Mr. Ankit Rungta (Independent Director)	–	–	–	–	–	–	–
8	Mrs. Sujata Agarwal (Independent Director)	–	–	–	–	–	–	–
9	Mr. Vipul Jain (Chief Financial Officer)	–	–	–	–	–	–	–
10	Mr. Anil Prasad Shaw (Company Secretary)	–	–	–	–	–	–	–

### V INDEBTEDNESS

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

(₹ in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (i.e. as on 01.04.2017)</b>				
i) Principal Amount	2,47,211.90	7,765.01	–	2,54,976.91
ii) Interest due but not paid	6,710.57	–	–	6,710.57
iii) Interest accrued but not due	–	–	–	–
<b>Total (i+ii+iii)</b>	<b>2,53,922.47</b>	<b>7,765.01</b>	<b>–</b>	<b>2,61,687.48</b>
Change in Indebtedness during the financial year				
Additions	6,547.03	–	–	6,547.03
Reduction	–	338.45	–	338.45
<b>Net Change</b>	<b>6,547.03</b>	<b>-338.45</b>	<b>–</b>	<b>6,208.58</b>
<b>Indebtedness at the end of the financial year (i.e. as on 31.03.2018)</b>				
i) Principal Amount	2,51,639.04	7,426.56	–	2,59,065.60
ii) Interest due but not paid	8,830.46	–	–	8,830.46
iii) Interest accrued but not due	–	–	–	–
<b>Total (i+ii+iii)</b>	<b>2,60,469.50</b>	<b>7,426.56</b>	<b>–</b>	<b>2,67,896.06</b>

### VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager:

(₹ in Lacs)

Sl. No	Particulars of Remuneration	Managing Director	Whole Time Director	Manager	Total amount
		Mr. Ankit Patni	Mr. Ranjeet Kumar Burnwal	N.A.	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	–	25,68,000.00	–	25,68,000.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	–	–	–	–
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	–	–	–	–
2	Stock option	–	–	–	–
3	Sweat Equity	–	–	–	–
4	Commission as % of profit	–	–	–	–
5	Others	–	–	–	–
	<b>Total (A)</b>	<b>–</b>	<b>25,68,000.00</b>	<b>–</b>	<b>25,68,000.00</b>
	Ceiling as per the Act	₹ 1,20,00,000/- p.a.			

## Annexure to the Directors' Report

### B. Remuneration to other directors:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of the Directors				Total
1	<b>Independent Directors</b>	<b>Mr. Ankit Jain</b>	<b>Mr. Jatindra Nath Rudra</b>	<b>Mrs. Sujata Agarwal</b>	<b>Mr. Ankit Rungta</b>	
	(a) Fee for attending board committee meetings	20,000.00	22,500.00	27,500.00	12,500.00	82,500.00
	(b) Commission					
	(c) Others, please specify					
	<b>Total (1)</b>	<b>20,000.00</b>	<b>22,500.00</b>	<b>27,500.00</b>	<b>12,500.00</b>	<b>82,500.00</b>
2	<b>Other Non Executive Directors</b>	<b>Mr. Suresh Kumar Patni</b>	<b>Mr. Parama Bhattacharaka Lahiri</b>			
	(a) Fee for attending board committee meetings	25,000.00	10,000.00			35,000.00
	(b) Commission	-				-
	(c) Others, please specify	-				-
	<b>Total (2)</b>	<b>25,000.00</b>	<b>10,000.00</b>	<b>-</b>	<b>-</b>	<b>35,000.00</b>
	<b>Total (B)=(1+2)</b>		<b>-</b>	<b>-</b>		<b>1,17,500.00</b>
	<b>Total Managerial Remuneration</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
	<b>Overall Ceiling as per the Act.</b>	<b>₹ 1,00,000/- (Per Meeting)</b>				<b>-</b>

Note: Sitting fees was excluding of TDS. Actual Payment was made after deduction of 10% TDS.

### C. Remuneration to Key Managerial Personnel other than - MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	CFO	
1	<b>Gross Salary</b>	<b>Mr. Anil Prasad Shaw</b>	<b>Mr. Vipul Jain</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	5,20,024	6,30,000	11,50,024
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit	-	-	-
5	Others	-	-	-
	<b>Total</b>	<b>5,20,024</b>	<b>6,30,000</b>	<b>11,50,024</b>

### VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
------	------------------------------	-------------------	--	----------------------------	-----------------------------------

#### A. COMPANY

Penalty					
Punishment					
Compounding					

#### B. DIRECTORS

Penalty	NIL				
Punishment					
Compounding					

#### C. OTHER OFFICERS IN DEFAULT

Penalty					
Punishment					
Compounding					

# Annexure to the Directors' Report

ANNEXURE - II

**FORM No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018**

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

To,  
The Members,  
**M/s. Rohit Ferro-Tech Limited**  
35, Chittaranjan Avenue,  
Kolkata – 700 012

1. We have conducted the Secretarial Audit of **M/s. Rohit Ferro-Tech Limited** having its registered office at 35, Chittaranjan Avenue, Kolkata – 700012 and (hereinafter called “**The Company**”), for the Financial Year ended on 31st March, 2018 (“the period under review”). The aforesaid Secretarial Audit has been conducted pursuant to the provisions of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with the Guidance Note on Secretarial Audit (Release-1.2) of The Institute of Company Secretaries of India, in a manner that provided us a reasonable basis for evaluating the corporate conduct and the process of statutory compliances under various statutes, rules, regulations, guidelines, as indicated here in below in the instant report and as such expressing my opinion thereon.
2. Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
3. We have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2018 and as shown to us during our audit, according to the provisions of the following laws:
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
  - (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, 2015.
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
    - e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - (vi) Other than the fiscal, labour and environmental laws, which are generally applicable to all manufacturing, trading companies, there is no such law that applies specifically to the Company. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes in place to monitor and ensure compliance with those laws.
  - (vii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) were not applicable to the Company during the period under review:-
    - a. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
    - b. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

## Annexure to the Directors' Report

- c. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
4. We have also examined compliance of Secretarial Standards (SS 1 and SS 2) issued by the Institute of Company Secretaries of India.
  5. During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Standards, etc. mentioned above except to the extent as mentioned below:
    - It has been observed that the Company has defaulted in the payment of statutory dues within the prescribed time.
  6. We further report to the best of our understanding that,
    - a) The Board of Directors of the Company is duly constituted as per the provision of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the time being. There has been no changes in the composition of Board of Directors during the period under review.
    - b) Adequate notice is given to all Directors for the Board and Committee Meetings. Agenda and notes on agenda were sent in advance, and further information and clarifications on the agenda items were provided for meaningful participation at the meeting.
    - c) All decisions at Board Meetings and Committee Meetings are carried out unanimously, as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that during the year under audit:

1. The accumulated losses of the Company have eroded the entire net worth of the Company indicating the uncertainty about the Company's ability to continue on a Going Concern basis.
2. The Company has paid the penalty of ₹ 30,000/- to NSE for the late submission of Financial Result for the Quarter ended 30th June, 2016.
3. During the year under review, SEBI vide its circular dated 7th August, 2017 declared 331 companies as Shell Company including this Company without giving any notice and information. Subsequently the both Stock exchanges i.e. NSE and BSE had restricted the trading of the Security of the Company on instruction of SEBI on account of suspect of a Shell Company w.e.f. 8th August, 2017. However, both NSE and BSE has withdrawn the restrictions on the trading of the Security of the Company vide letter dated 31.01.2018 subject to certain audit to be conducted by the NSE in consultation with SEBI.
4. In compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, the Company has transferred 24,555 Equity Shares, in aggregate in respect of share on which dividends remained unpaid or unclaimed for a period of seven consecutive years or more, to the Demat Account of IEPF Authority maintained with Central Depository Services (India) Limited (CDSL).

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.

It is stated that the compliance of all the applicable provisions of the Companies Act, 2013 and other laws is the responsibility of the management. We have relied on the representation made by the Company and its Officers for systems and mechanism set-up by the Company for compliance under applicable laws. Our examination, on a test-check basis, was limited to procedures followed by the Company for ensuring the compliance with the said provisions. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities / statements of the Company. Moreover, we have not covered any matter related to any other law which may be applicable to the Company except the aforementioned corporate laws of the Union of India.

For **K. C. Dhanuka & Co.**  
Company Secretaries

**CS K. C. Dhanuka**  
Proprietor  
FCS No.: 2204  
C. P. No: 1247

Date : 14th August, 2018  
Place : Kolkata

## Annexure to the Directors' Report

### ANNEXURE - III

**Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

SN	Name of Director/ KMP & Designation	Remuneration of Director/ KMP for Financial Year 2017-18 (₹ in Lacs)	% Increase in Remuneration in the Financial Year 2017-18	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. R. K. Burnwal (Executive Director –Works)	25.68	21.25	9.24
2.	Mr. Anil Prasad Shaw (Company Secretary)	5.20	8.33	1.87
3.	Mr. Vipul Jain (CFO)	6.30	31.25	2.27

- i) No other Director other than Whole Time Director received any remuneration other than sitting fees during the Financial Year 2017-18.
- ii) In the Financial Year, there was an increase of 5.93 % in the median remuneration of employees.
- iii) There were 314 Permanent employees on the rolls of Company as on 31st March, 2018.
- iv) The remuneration of the Key Managerial Personnel put together is ₹ 37.18 Lacs which increased by 20.79% from ₹ 30.78 Lacs .
- v) The key parameter for any variable component of remuneration availed by director considered by Board of Director on recommendation of Nomination & Remuneration Committee as per Remuneration policy of the Company.
- vi) It is hereby declared that the remuneration of Directors/KMPs/Senior Management Personnel for the Financial Year 2017-18 are as per the Remuneration Policy of the Company.

\*Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company for the year under review.

For and on behalf of the Board  
**Rohit Ferro-Tech Limited**

**Suresh Kumar Patni**  
Chairman

Kolkata, 14th August, 2018



# Annexure to the Directors' Report

## ANNEXURE – IV

### Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required pursuant to Section 134(3)(m) of the Companies Act, 2013.

#### A) Conservation of Energy

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

- Continuously monitoring of energy consumption and taking necessary action for optimisation of power consumption.
- Using power factor controller/capacitors to maintain power factor.
- Keeping maximum demand under control by scheduling other load during equipment testing, among others
- Effective maintenance and daily monitoring of Capacitor bank for improvement of power factor
- Right sizing of motors
- Modifications in lighting circuits to switch off light when not required

##### ii. Steps taken for Utilizing Alternate Source of Energy

- Installation of energy efficient light fittings in shop floor, offices and other areas
- Installation of HT & LT Capacitor bank
- Installation of VVVF driver with ID fans
- Replacement of old motors with energy efficient motor

##### iii. Capital investment on energy conservation equipment

Due to huge loss for the year under review the Company is not able to make any fresh capital investment on energy conservation.

#### B) Technology Absorption

##### i. Efforts made towards technology absorption

The Company has adopted and is continually updating the latest available technology to extent possible including process & product development and energy savings.

##### ii. Benefits derived like product improvement, cost reduction, product development or import substitution

- Improvement in the quality of its products
- High Chromium recovery in finished goods
- Better Metal recovery from Slag
- Improvement in the safe and environment friendly process.

##### iii. In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year) - Nil

##### iv. Expenditure incurred on Research and Development

a) Capital	Nil
b) Recurring	Nil
c) Total	Nil
d) Total R & D expenditure as a percentage of total Turnover	0.00%

#### C) Foreign Exchange Earnings and Outgo for FY-2017-18

Sl. No.	Particulars	(₹ in Crores)
1	Foreign exchange earned	40.10
2	Foreign exchange used	47.26

For and on behalf of the Board  
Rohit Ferro-Tech Limited

Suresh Kumar Patni  
Chairman

Kolkata, 14th August, 2018

# Management Discussion and Analysis

## Economic Overview

Global growth was 3.9 % in 2018 and growth is expected to remain steady for the coming years.

The Indian economy grew at 6.7 % during the financial year 2017-18 against 7.1 % for the previous financial year. The lower growth is due to the impact of the demonetisation and other drive. The growth has reduced in all the sectors, except for agriculture due to good monsoon.

## Steel Industry

India was the world's third-largest steel producer in 2017-18. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. India's finished steel consumption grew at CAGR of 5.69% during financial year 2008 - 2018 to reach 90.68 MT. In 2017-18, the Country's finished steel exports increased 17% year on year to 9.62 MT.

Government of India's focus on infrastructure and undertaking road projects is aiding the boost in demand for steel.

## Ferro Alloys Industry

Ferro-alloys are critical additives in the production of Iron & Steel and the fortune of Ferro Alloys Industry is directly linked with the growth of Iron & Steel Industry. The Company produces Ferro chrome and Manganese based alloys.

The demand for Ferro Chrome is expected to remain stable in the near future. Due to stability in the Chinese economy and new foreign regime, massive infrastructure projects are expected to raise demand for Stainless Steel and, thereby, Ferro Chrome.

Manganese Alloys viz Ferro-Manganese (FeMn) and Silico-Manganese (SiMn) are used in the production of Steel. Steels usually contain from 0.2% to 2% manganese depending on grades .

The industry is expected to see substantial consolidations which will drive market discipline and cut down inefficiencies in the production capacity. India holds a lot of promise with government initiatives easing mining operations for consolidated Ferro Alloys producers.

## Stainless Steel Industry

India is the world's third-largest producer of crude steel and consumption of stainless steel in India is projected to maintain its growth potential. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Moreover, growing urbanisation and disposable income will enhance demand for white goods which is mostly made of stainless steel. Consequently, the steel sector has been a major contributor to India's manufacturing output

## Risk, Opportunities and Threats

The Company manufactures ferro alloys as well as stainless steel. In Financial Year 2017-18 the overall growth of stainless steel business was satisfactory with increase in demand. Though increase of demand in year under review was satisfactory, the business was severely impacted by the increase in cost of raw material. The domestic consumption of steel is likely to increase 2018-19 due to Government initiatives like make in India, building Smart Cities, focus on sanitation facilities, and development in areas of roads and railways etc.

Further, the electrical energy is one of the major inputs in production of ferro alloys and high power tariff is a great threat for the ferro alloys industry. High power cost has already impacted us severely and that led to suspension of our plant at Haldia since 1st July, 2015.

The Company has a Risk Management framework in place which is designed to identify, assess and monitor various risks related to key business and strategic objectives. All identified risks are categorised based on a matrix of likelihood of occurrence and impact thereof and a mitigation plan is worked out to extent possible

The government has already initiated so many steps for the betterment of Indian economy and has also undertaken two large initiatives viz. putting more money into the rural economy especially after demonetisation and putting a renewed focus on infrastructure development and this would certainly enable the ferro alloys and steel producers to survive and grow in the markets.

## Segment-wise performance

### Ferro Alloys

During the year under review the Company has produced 57150 MT of Ferro Alloys against 60211 MT of Ferro Alloys in previous year registering a decline of 5.08% over previous year.

# Management Discussion and Analysis

## Iron & Steel

During the year under review, the Company has produced 48205 MT of Stainless Steel against 38109 MT in previous year registering an increase of 26.49% over previous year.

The secondary segment details identified as the geographical segment based on the location of customers within India and outside India is given in notes no. 39 to the Annual Accounts.

## Health, Safety and Environment

The Company is committed to conducting its activities in a manner that promotes the health and safety of its employees, assets and the public, as well as protection of the environment. The Company's Integrated Management System comprises of quality, environment and occupational health and safety certification. New employees are being given intensive safety induction training and are being issued with "Safety Passports" related to their work area. All the statutory requirements related to safety, health and environment are being complied with.

Requirements of environmental acts and regulations are complied with. Monitoring and analysis of water, stack emissions and ambient air quality etc., are undertaken periodically to verify whether the level of environmental parameters are maintained and are well within the specified limits.

## Internal Controls Systems and their adequacy

Your Company maintains adequate Internal Control Systems in all areas of operation. Services of Internal and External Auditors are utilized from time to time, as also in-house expertise and resources. The Company continuously upgrade these systems in line with the best available practices. An independent Audit Committee of the Board reviews the adequacy of Internal Control. Some significant features of Internal Control Systems are :

- Adequate documentation of policies, guidelines, authorities and approval procedures covering all important functions.
- Deployment of an ERP system which covers most operations and is supported by a defined on-line authorisation protocol.
- Ensuring complete compliance with laws, regulations, standards, and internal procedures and systems.
- Ensuring the integrity of the accounting system; the properly authorised recording and reporting of all transactions.
- Ensuring a reliability of all financial and operational information.

The Company has an Audit Committee with majority of independent directors as members. The committee periodically reviews significant audit findings, adequacy of internal control and compliance with Accounting Standards, amongst others. The Internal Audit Reports are placed before the Audit Committee for consideration. The management duly considers and takes appropriate action on the recommendations made by the Statutory Auditors, Internal Auditors and the independent Audit Committee of the Board of Directors. The Company also takes quarterly compliance certificate in respect of various applicable laws from the concerned departmental heads and place the same before the board.

## Industrial relations and Human Resources

Human Resource management is not only important but also a critical asset for a Company's growth. The Company's human capital comprises a prudent mix of youth and experience. The Company employs contract labour in its manufacturing facilities. The Company partners with its employees to ensure a highly engaged and motivated workforce dedicated to achieving the Company's goals. We ensure a safe work environment for all our women employees. We also promote gender equality. Abiding by the Sexual Harassment Policy, we have a Complaint Committee which addresses any complaint from women employees in this relation and take necessary action. The Policy is being reframed as per the provision of Sexual Harassment of Women at the Work Place (Prevention, Prohibition & Redressal) Act, 2013. During the year the Company has not received any complaints of sexual harassment. As on date of this report, the Company has 314 employees on its payroll.

## Cautionary Statement

Certain statements in the Management Discussion and Analysis Report describing the Company's objective and predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates new regulations and government policies that may impact the Company's business as well as its ability to implement the strategy. The Company doesn't undertake to update the statements.

# Corporate Governance Report

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance is to achieve the highest levels of transparency, accountability in all its interactions with its stakeholders including shareholders, employees, lenders and the Government. The Company has always been taking the spirit of various legislations as guiding principles and proposes to go well beyond statutory compliance by establishing such systems and procedures as are required to make the management completely transparent and institutionally sound.

## 2. BOARD OF DIRECTORS

### A. Board composition and category of Directors

The composition of the Board and category of Directors as on 31st March, 2018 are as follows:

Category	Name of Directors
Non-Executive Non- Independent Directors	1. Mr. S.K. Patni (Chairman)
Executive Director	1. Mr. Ankit Patni 2. Mr. R.K. Burnwal
Independent Directors	1. Mr. Jatindra Nath Rudra 2. Mr. Ankit Rungta 3. Mrs. Sujata Agarwal 4. Mr. Ankit Jain
Nominee Director (Nominated by the State Bank of India)	1. Mr. P.B. Lahiri

None of the Directors on the Board are member of more than 10 (ten) Committees and they do not act as Chairman of more than 5 (five) Committees across all the Companies of which they are the Directors. The Directors regularly inform the Company about the changes in their positions as and when changes take place, apart from the annual disclosures.

Except Mr. S. K. Patni who is relative of Mr. Ankit Patni, no other Director is, inter-se, related to any other Director on the Board nor is related to the other Key Managerial Personnel of the Company. Mr. Ankit Patni, Managing Director of the Company, currently not in receipt of any remuneration from the Company.

### B. Meeting attended, Agenda & other Directorship :

The composition and category of the Board of Directors of the Company as on 31st March, 2018 along with the number of Board meetings attended by the Directors during the year 2017-18 are given below:

Name of the Director	No. of Board Meetings Attended	No. of Directorship in other Public Limited Companies incorporated in India	No. of Committee positions held in other Public Limited Companies \$1		No. of Shares held	Whether attended the Last AGM
			As Member	As Chairman		
Mr. Suresh Kumar Patni	3	5	1	-	2186403	No.
Mr. Ankit Patni	2	5	2	-	1128589	Yes.
Mr. Jatindra Nath Rudra	3	1	1	1	-	Yes
Mr. Ankit Rungta	1	1	-	1	-	No.
Mrs. Sujata Agarwal	1	3	-	1	-	Yes
Mr. R.K. Burnwal	1	-	-	-	-	No.
Mr. P.B. Lahiri	4	-	-	-	-	Yes
Mr. Ankit Jain *	4	1	1	1	-	Yes

#### Notes:

\$ Only the two committees viz. Audit Committee and Stakeholder Relationship Committee are considered for this purpose.

\*Regularised as an Independent Director in last AGM held on 21st September, 2017.

# Corporate Governance Report

4 (Four) Board Meetings were held during the year 2017-18 and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the Board Meetings were held are as follows:

30th May, 2017, 11th August, 2017, 14th November, 2017 and 13th February, 2018.

The Agenda papers along with the explanatory notes for Board Meetings are circulated well in advance to the Directors. In some instances, documents are tabled at the meetings and presentations are also made by the respective executives on the matters related to them at the Board Meetings. Every Board Member is free to suggest items for inclusion in the Agenda.

## INFORMATION PLACED BEFORE BOARD OF DIRECTORS

The Company has complied with Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 read with regulation 17(7) of the said regulations with regard to information being placed before the Board of Directors.

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

## INDEPENDENT DIRECTORS MEETING

In Compliance with the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors Meeting of the Company was held on 28th March, 2018 without the presence of the Chairman & Executive Director, the Non-Executive Non-Independent Directors and the Management Team. Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board. Mr. Ankit Jain was the Chairman of the Independent Directors Meeting.

## ATTENDANCE OF DIRECTORS IN INDEPENDENT DIRECTORS MEETING.

Name of Directors	Meeting held during the year	Meeting Attended
Mr. Ankit Jain	1	1
Mr. Ankit Rungta	1	1
Mr. Jatindra Nath Rudra	1	1
Mrs. Sujata Agarwal	1	1

## CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all Board Members and all employees in management grade of the Company. The Code of Conduct is posted on the website of the Company at [www.rohitferrotech.com](http://www.rohitferrotech.com).

All Board Members and Senior Managerial Personnel have confirmed compliance with the code.

A declaration signed by the Executive Director is attached and forms part of the Annual Report of the Company.

## CODE OF CONDUCT OF INDEPENDENT DIRECTORS

As per the provisions of Section 149(8) of the Companies Act, 2013, the Independent Directors shall abide by the provisions specified in Schedule, which lays down a code for Independent Directors of the Company. Pursuant to the said provisions of the Companies Act, 2013, the Company has drafted a Code for Independent Directors of the Company.

## PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a Board Evaluation Policy has been formed and approved by the Nomination and Remuneration Committee and by the Board. The Chairman and Managing Director is evaluated on key aspects of the role which includes inter-alia effective leadership to the Board and adequate guidance to the each level of Management. Based on prescribed criteria as laid down, the performance of the Board, various Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee, and Individual were evaluated at satisfaction level. During the year under review, the Independent Directors of the Company reviewed the performance of Non- Independent Directors and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors. The Board as a whole is a balanced unit where diverse views are expressed and dialogued when required. All the directors are participative, interactive and communicative. The Chairman has abundant knowledge experience, skills and understanding of the Board's functioning, processes. The information flow between your Company's Management and the Board is timely & sufficient.

# Corporate Governance Report

## COMMITTEES OF DIRECTORS:

### 1. AUDIT COMMITTEE

The Company has an Audit Committee within the scope & role as set out in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, read with Section 177 of the Companies Act, 2013.

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

Name of the Member	Designation	Category	No. of Meetings Attended
Mr. Ankit Jain	Chairman	Independent/Non-Executive	4
Mr. Ankit Rungta	Member	Independent/Non-Executive	4
Mrs. Sujata Agarwal	Member	Independent/Non-Executive	4

The Executive Director and Chief Financial Officer are permanent invitees to the Committee. The Company Secretary acts as Secretary of the Audit Committee. The representative of Internal Auditors also attends the meeting. The Audit Committee invites, as and when considered appropriate, the representatives from the Statutory Auditors and Cost Auditors to be present at the meeting of the Committee.

The Audit Committee comprises of 3 (three) Directors all of whom are financially literate. All the members of the Committee are Independent/Non-Executive. Mr. Ankit Jain, Independent Director having expertise in Finance, is the Chairman of the Audit Committee. Mr. Ankit Jain, Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 21st September, 2017.

During the Financial Year ended 31st March, 2018, 4 (four) Audit Committee Meetings were held on 30th May, 2017, 11th August, 2017, 14th November, 2017 and 13th February, 2018.

The role of the Audit Committee shall include the following:

- To oversee the Company's Financial Reporting Process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible.
- To recommend to the Board, the appointment, re-appointment, terms of appointment, replacement or removal and remuneration of the auditors.
- To examine the Financial Statements and Auditors' Report thereon.
- To review, with the management, the quarterly Financial Statements before submission to the Board for approval.
- To approve the payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- To review, with the management, the Annual Financial Statements before submission to the Board for approval, with particular reference to :
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of sub-section 3 of Section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the Financial Statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to Financial Statements
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
- To approve or subsequently modify the transactions of the Company with related parties.
- To review, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- To review, with the management and monitor the auditor's independence and performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems and effectiveness of audit process including Internal Financial Control and Physical Stock Verification Process.

# Corporate Governance Report

10. To scrutinize inter-corporate loans and investments, if any.
11. To evaluate of undertakings or assets of the Company, wherever it is necessary.
12. To evaluate the Internal Financial Controls and Risk Management Systems.
13. To monitor the end use of funds raised through public offers and related matters, if any.
14. To review the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit.
15. To discuss with Internal Auditors any significant findings and follow up there on.
16. To review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board.
17. To call for comments of the auditors about Internal Control Systems, scope of audit, including the observations of the Auditors and review of Financial Statement before their submission to the Board and discuss any related issues with the Internal and Statutory Auditors and the management of the Company.
18. To give an option to the Auditors and the Key Managerial Person of the Company to be heard at the Audit Committee Meeting while considering the Auditors' Report.
19. To discuss with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
21. To approve the appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
22. To establish a Vigil Mechanism for the directors and employees of the Company to report genuine concerns in certain matters. The Mechanism shall provide adequate safeguard against victimization of persons who use the mechanism. The Chairman of the Audit Committee shall be easily available for the same.
23. To carry out any other function as is mentioned in the terms of reference of the Audit Committee from time to time.

## 2. NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted Nomination & Remuneration having terms of reference & constitution in accordance with the provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The Committee consists of 3 (three) Non-Executive/Independent Directors. There was no Committee meeting during the year under review.

The present composition of the Nomination and Remuneration Committee and details of the meeting attended by the member are given below:

Name of the Member	Designation	Category	No. of Meetings Attended
Mr. Jatindra Nath Rudra	Chairman	Independent/Non-Executive	N.A.
Mr. Ankit Rungta	Member	Independent/Non-Executive	N.A.
Mr. Ankit Jain	Member	Independent/Non-Executive	N.A.

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

1. To identify person who are qualified to become Directors and who may be appointed in Senior Management as per their criteria
2. To recommend to the Board the appointment and removal of the Directors and Senior Management
3. To carry out evaluation of every director's performance
4. To formulate criteria for determining qualification, positive attributes and independence of a Director
5. Devise a policy on Board diversity;
6. To recommend to the Board a policy relating to remuneration for the Directors, Key Managerial Personnel and other employees

# Corporate Governance Report

7. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable
8. To perform such other functions as may be necessary or appropriate for performance of its duties.

The Chairman of Nomination and Remuneration Committee was present at the 17th Annual General Meeting of the Company held on 21st September, 2017.

## REMUNERATION POLICY :

### A. Remuneration to Managing Director/Executive Director/ KMP and Senior Management Personnel :

#### i) Fixed pay:

The Managing Director/Executive Directors/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration and perquisites as may be approved by the Board on the recommendation of the Committee. The statutory and retiral benefits shall be paid as per the applicable laws.

The remuneration to be paid to the Managing Director/Executive Directors shall be paid on recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

#### ii) Minimum Remuneration:

If, in any Financial Year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/Executive Director in accordance with the provisions of Part-II of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

#### iii) Provisions for excess remuneration:

If any Managing Director/Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

### B. REMUNERATION TO NON- EXECUTIVE / INDEPENDENT DIRECTOR :

#### Sitting fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs.1,00,000/- (Rupees One Lac only) per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

#### Commission:

No Commission shall be paid.

#### Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

The Remuneration Policy is also posted on the Company's Website, [www.rohitferrotech.com](http://www.rohitferrotech.com)

### REMUNERATION OF EXECUTIVE DIRECTORS

The Company has paid remuneration only by way of salary to its Executive Directors and the same is within the limits specified under Schedule V of the Companies Act, 2013 and duly approved by the Board as well as by the shareholders of the Company. Details of remuneration paid during 2017-18 are as follows:

Name of the Director and Designation	Salary paid (₹)	Period of Contract		Notice Period
		From	To	
Mr. Ankit Patni (Managing Director)*	N.A.	29.08.2016	28.08.2019	2 months
Mr. R.K. Burnwal (Executive Director)	25,68,000	24.03.2016	23.03.2019	1 months

\* Currently not in receipt of any remuneration from the Company



# Corporate Governance Report

## REMUNERATION OF NON-EXECUTIVE DIRECTORS

The remuneration of Non-Executive Directors consists of only sitting fees @ Rs. 2,500/- for attending each meeting of the Board of Directors or a Committee thereof. The details of fees paid during the year and the equity shares held by them as on 31st March, 2018 are as follows :

Name of the Member	Sitting Fee paid (₹)	No. of Shares held as on 31st March, 2018
Mr. Suresh Kumar Patni	25,000	21,86,403
Mr. Ankit Rungta	12,500	Nil
Mrs. Sujata Agarwal	27,500	Nil
Mr. Jatindra Nath Rudra	22,500	Nil
Mr. P.B. Lahiri	10,000	Nil
Mr. Ankit Jain	20,000	Nil

## 3. STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance of provision of Section 178(5) of the Companies Act, 2013 read with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Stakeholders Relationship Committee has been constituted to specifically look into the transfer of Equity Shares/transmission of Equity Shares/issuance of duplicate Equity Share certificates, complaints received from the shareholders of the Company and other allied connected matters.

The Stakeholders Relationship Committee consists of 3 (three) Non-Executive Directors, out of which 2 (two) are Independent Directors. The Chairman of the Committee is an Independent Director.

The broad terms of reference includes the following:

- To review and ensure compliance of statutory provisions of the Companies Act, 2013, the guidelines of SEBI and the Stock Exchanges and other statutory requirements relating to transfer and transmission of shares/debentures of the Company.
- To review and ensure that the Registrar/Company's Transfer House implements all statutory provisions as above.
- Approve transfers/transmission of shares/debenture and demat/remat of the shares/debenture.
- Approve issue of duplicate shares certificates/debenture certificates, issue of certificates on consolidation/sub-division/rematerialisation.
- To consider and resolve all shareholders queries, grievance and complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. are attended and redressed in an expeditious manner.
- Monitor implementation of Company's Code of Conduct for Prohibition of Insider Trading
- Any other matter referred by the Board relating to equity shareholders of the Company.

During the year under review, the Committee has met 6 (six) times on 8th June, 2017, 17th July, 2017, 5th August, 2017, 14th September, 2017, 21st November, 2017 and 4th January, 2018.

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

Name of the Member	Designation	Category	No. of Meetings Attended
Mrs. Sujata Agarwal	Chairman	Independent/Non-Executive	6
Mr. Jatindra Nath Rudra	Member	Independent/Non-Executive	6
Mr. Suresh Kumar Patni	Member	Promoter/Non-Executive	6

The Company Secretary has been designated as Secretary to the Committee. The Committee has delegated the authority to approve the requests for transfers/transmission, to deal with complaints, split and remat/demat of shares to the Company Secretary. The Committee reviews the transfer/demat/remat approved by the Company Secretary and take note thereof in their subsequent meeting. During the Financial Year ended 31st March, 2018, the Company has not received any complaints from the shareholders.

## 4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee of the Board of Directors was constituted on 7th May, 2014 in terms of the provision of Section 135 of the Companies Act, 2013 read with Corporate Social Responsibility (CSR) Rules 2014. The objective, composition & terms of reference of the Committee are as under:

# Corporate Governance Report

## a. Policy Objective:

Corporate Social Responsibility is a form of corporate self-regulation integrated into a business model. The main objective of this Policy is to set a guiding principle for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

## b. Role:

The Committee, referred above, shall

- Formulate and recommend to the Board the CSR Policy and any amendments thereof which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on the activities, as per CSR Policy;
- Be responsible for implementation and monitoring of CSR projects or programmes or activities of the Company.
- Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

## c. Activities/Projects

The Company shall undertake any of the activities which forms part of CSR as per Schedule VII of the Act, 2013 (the "Act") as amended from time to time or such other activities/projects as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility ("CSR"):

The composition of the Committee is as under:

Name of the Member	Designation	Category	No. of Meetings Attended
Mrs. Sujata Agarwal	Chairman	Independent/Non-Executive	Nil
Mr. Suresh Kumar Patni	Member	Promoter/Non-Executive	1
Mr. R.K. Burnwal	Member	Executive	1

During the year under review there was 1 (one) committee meeting held on 27th March, 2018.

Due to the losses incurred by the Company during year under review, the obligations of making expenditure on account of CSR does not arise. However, as a matter of routine, the Company has undertaken certain CSR initiative like installation of tube well, inauguration for solar water pumping system for villagers, donations & help for students, social activities for villagers, expenses for child education, motor pump set repairs to poor class of people in village etc.

## 5. EXECUTIVE COMMITTEE:

An **Executive Committee** was constituted on 14th February, 2015 and the present composition of the Executive Committee are given below as under :

Name of the Member	Designation	Category
Mr. Suresh Kumar Patni	Chairman	Non-Executive
Mr. Ankit Patni *	Member	Executive
Mr. R. K. Burnwal	Member	Executive

\* Currently not in receipt of any remuneration from the Company.

The Company Secretary acts as Secretary to the Committee.

The brief description of terms of reference:

The Committee is constituted with powers and responsibilities including but not limited to

- To review and follow up on the action taken on the Board decisions;
- To review the operations of the Company in general;
- To review the systems followed by the Company;
- To review, propose and monitor annual budget including additional budget, if any, subject to the ratification of the Board;
- To review capital expenditure against the budget;
- To authorise opening and closing of bank accounts;
- To authorise additions/deletions to the signatories pertaining to banking transactions;

# Corporate Governance Report

- To approve transactions relating to foreign exchange exposure including but not limited to forward cover and derivative products;
- To delegate and authorise the Company officials to represent and appear before the various courts, government authorities on behalf of the Company;
- To attend to any other responsibility as may be entrusted by the Board to investigate any activity within terms of reference;
- To execute Power of Attorney in favour of Company officials to represent and appear before the various courts, government authorities on behalf of the Company;

Further, the Executive Committee is empowered to do the following:

- To seek information from any employee as considered necessary
- To obtain outside legal professional advice as considered necessary;
- To secure attendance of outsiders with relevant expertise; and
- To investigate any activity within terms of reference.

## Prohibition of Insider Trading:

The Company has adopted a Code of Conduct for Prohibition of Insider Trading under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, with a view to regulate trading in the equity shares of the Company by the directors and designated employees.

## Compliance Officer:

Mr. Anil Prasad Shaw, Company Secretary is the Compliance Officer for complying with requirements of Securities Laws, Listing Regulations and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

## Details of compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all mandatory requirements of the Listing Regulations. The Company has adopted the following non-mandatory requirements of Regulation 27 read with Part E of Schedule II of the Listing Regulations:

### (a) The Board

The Non-Executive Chairman has an office at the Company's premises.

### (b) Separate posts of Chairperson and Chief Executive Officer

The Chairman is not the Chief Executive Officer of the Company.

## Subsidiary Companies

The Company does not have any material unlisted Indian Subsidiary Company and hence, it is not required to have an Independent Director of the Company on the Board of such Subsidiary Company. Significant issues pertaining to Subsidiary Companies are discussed at Audit Committee meetings of the Company.

## GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:

Financial Year	Date	Place	Time
2016-17	21st September, 2017	Paschimbanga Bangla Academy, Rabindra-Okakura Bhawan, DD-27/A/1, DD Block, Salt Lake, Sector-I, Kolkata – 700 064	11.00 a.m.
2015-16	29th September, 2016	Aikatan, Eastern Zonal Cultural Conference (EZCC), IA-290, Sector-III, Salt Lake City, Kolkata- 700 097	10.00 a.m.
2014-15	30th September, 2015	'PURBASHREE' Bharatiyam Cultrual Multiplex, IB-201, Sector-III, Salt Lake City, Kolkata- 700 106	10.00 a.m.

Special Resolutions Passed at the last three AGM:

Financial Year	Items
2016-17	NIL
2015-16	Appointment of Mr. Ankit Patni as Managing Director of the Company.
2014-15	Re-appointment of Mr. Dinesh Biyanee as Executive Directors (Works) for a further period of 3 years.

# Corporate Governance Report

No Special Resolution was passed through Postal Ballot in the last year AGM. No Special Resolution requiring Postal Ballot is being proposed at the ensuing Annual General Meeting.

There was no Special Resolution Passed By Postal Ballot During the Financial Year 2017-18.

## Disclosures

- There are no materially significant Related Party Transactions, i.e. transactions of the Company of material nature with its Promoters, Directors or the management or relatives etc. that may have potential conflict with the interests of the Company at large. A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee. The pricing of all the transactions with the related parties were on an arm's length basis. A disclosure of related party relationship and transactions as per Ind AS-24 is given in the in the notes to the Financial Statement in the Annual Accounts of the Company.
- The Management confirms that the Financial Statements of the Company for Financial Year ended 31st March, 2018 have been prepared in accordance with the applicable Accounting principles in India and Indian Accounting Standard (Ind AS), as prescribed under provisions of Companies Act, 2013 read with the rules made thereunder.
- The Company has complied with all the requirements of the Uniform Listing Agreement/Listing Regulations with the Stock Exchanges as well as regulations and guidelines of SEBI. However during the year under review company had to pay penalty for late submission of financial result for the quarter June, 2016 to stock exchange. Further, during the year under review, SEBI vide its circular dated 7th August, 2017 declares 331 companies as Shell company including our company without giving any notice and information. Subsequently the both Stock exchanges i.e. NSE and BSE had restricted the trading of the Security of the Company on instruction of SEBI on account of suspect of a Shell Company w.e.f. 8th August, 2017. However, both NSE and BSE has withdrawn the restrictions on the trading of the Security of the Company vide letter dated 31.01.2018 subject to certain audit to be conducted by the NSE in consultation with SEBI. No other strictures or penalty 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.
- A Risk Management Policy has been formed by the Company on 30th May, 2014. The risk assessment and minimisation procedures are in place and the Board is regularly informed by the Senior Executives about the business risks, if any occurs, and the steps taken to mitigate the same.
- **Vigil Mechanism/Whistle Blower Policy:**  
In order to strengthen the process of conducting the business in a fair, transparent and ethical manner, the Company has set up a Vigil Mechanism. The policy is intended to establish a mechanism for employees to report to the management genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics, for which a dedicated e-mail id vigil.mechanism@rohiterrotech.com has been established. Mr. Ankit Jain, Chairman of the Audit Committee of the Company has been nominated by the Board as Ombudsperson for this purpose. The mechanism provides adequate safeguard against victimization of the persons using this mechanism. No employee was denied access to the Audit Committee. There has been no incidence reported to the Chairman of the Audit Committee during the period under review.
- The Company does not have any material subsidiary.
- In terms of Uniform Listing Agreement, all Board members and Senior Management Personnel have confirmed compliance with the code.

A declaration signed by the Executive Director is attached and forms part of the Annual Report of the Company.

- The Senior Management has disclosed to the Board that they have no personal interest in the material, financial and commercial transactions of the Company that may have potential conflict with the interest of the Company at large.
- The Company has complied with all the mandatory requirements as mandated under Uniform Listing Agreement/Listing Regulations with Stock Exchanges. A certificate from the practicing Company Secretary to this effect has been included in this report.
- **Management Discussion & Analysis Report**

A Management Discussion and Analysis Report is given separately, and forms part of Annual Report.

## CEO/CFO Certification

The requisite certificate from the Managing/Executive Director and the Chief Financial Officer of the Company for the Financial Year ended 31st March, 2018 required to be given pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board meeting held on 30th May, 2018 and 14th August, 2018.

# Corporate Governance Report

## MEANS OF COMMUNICATION

### 1. Financial Results

In compliance with the requirements of the Uniform Listing Agreements/Listing Regulations with Stock Exchanges, the Company has intimated Audited Financial Results as well as the Unaudited Quarterly Results to the Stock Exchanges immediately after they are taken on record by the Board. Further coverage has been given for the information of the shareholders and investors by publication of the Financial Results in English National Daily—"Financial Express" and in a local vernacular newspaper—"Dainik Statesman" widely circulated in the state of West Bengal. The results were also placed on the Company's website at [www.rohitferrotech.com](http://www.rohitferrotech.com).

### 2. Other Information

The Company has its own website [www.rohitferrotech.com](http://www.rohitferrotech.com) wherein other related information is available. The Company has a dedicated help desk e-mail id: [grievance@rohitferrotech.com](mailto:grievance@rohitferrotech.com) in the secretarial department for providing necessary information to the investors as well as for registering any complaints/grievances. The Company posts on its website all its official news releases, important announcements and presentations made before the press meets, analysts and institutional investors, if any, from time to time for the benefit of its investors and public at large.

### Profile of Directors Seeking Appointment/Re-appointment

Resume and other information of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting as required under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 are given in the notice of ensuing Annual General Meeting as an Additional Information.

## GENERAL SHAREHOLDER INFORMATION

### 1. Annual General Meeting (AGM)

**Day, Date & Time** : Thursday 27th September, 2018 at 11.00 A.M.  
**Venue** : "Rotary Sadan", 94/2, Chowringhee Road, Kolkata – 700 020

**2. Date of Book Closure** : 20th September, 2018 to 27th September, 2018  
 (both days inclusive)

**3. Dividend payment date** : N.A.

### 4. Financial Calendar

Indicative calendar of events for the Financial Year 2018-2019 is as under:

**Financial Year** : 1st April to 31st March

## FINANCIAL REPORTING FOR THE QUARTERS

First Quarter	Held on 14th August, 2018
Second Quarter and Half Yearly	Within 45 days from the end of the quarter
Third Quarter and Nine Months	Within 45 days from the end of the quarter
Fourth Quarter and Annual (Audited)	Within 60 days from the end of the quarter/Financial Year
Annual General Meeting	On or before 30th September, 2019

### 5. Listing of the Equity Shares on Stock Exchange

Name of the Stock Exchange	Address	Stock Code
BSE Limited(BSE)	"Phiroze Jeejeebhoy Tower" Dalal Street, Mumbai-400 001	532731
The National Stock Exchange of India Ltd. (NSE)	"Exchange Plaza" Bandra-Kurla Complex Bandra (E), Mumbai-400 051	ROHITFERRO

The Company has paid the Listing Fee for the year 2018-19 to the Stock Exchanges where the shares of the Company are listed.

### 6. The International Security Identification Number (ISIN) for NSDL & CDSL: INE248H01012.

# Corporate Governance Report

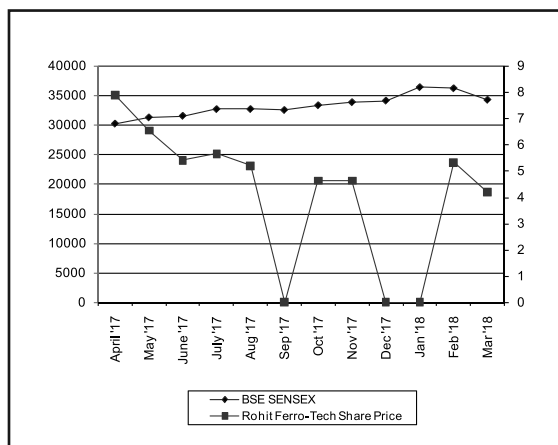
## 7. Market Price Data

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

Month	National Stock Exchange of India Limited (₹)		BSE Limited (₹)	
	HIGH	LOW	HIGH	LOW
April, 2017	7.70	5.50	7.90	5.73
May, 2017	6.50	4.90	6.55	4.94
June, 2017	5.35	4.65	5.41	4.66
July, 2017	5.60	4.60	5.65	4.60
August, 2017	5.30	4.75	5.20	4.75
September, 2017	NT*	NT*	NT*	NT*
October, 2017	NT*	NT*	4.63	4.63
November, 2017	4.90	4.70	4.63	4.40
December, 2017	NT*	NT*	NT*	NT*
January, 2018	4.65	4.65	NT*	NT*
February, 2018	5.45	3.45	5.32	3.41
March, 2018	4.10	2.60	4.19	2.41

NT\* Not traded

## 8. Performance of the Company in comparison with BSE Sensex



## 9. Category & Shareholding Pattern as on 31st March, 2018

Category	No. of Shares	% of holding
Promoter & Promoter Group	8,19,17,842	72.00
Individuals	2,81,05,447	24.70
NBFC registered with RBI	4000	0.01
Bodies Corporate	18,20,828	1.60
Non-Resident Individuals	11,04,192	0.97
Clearing Member	7,99,259	0.70
IEPF Authority	24,555	0.02
<b>Total</b>	<b>11,37,76,123</b>	<b>100.00</b>

# Corporate Governance Report

## 10. Distribution of Shareholding as on 31st March, 2018

Range	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total
Upto 500	12111	65.30	22,43,148	1.97
501 to 1000	2,567	13.84	22,54,777	1.98
1001 to 2000	1,573	8.49	25,28,736	2.22
2001 to 3000	593	3.20	15,51,795	1.37
3001 to 4000	326	1.75	11,83,864	1.04
4001 to 5000	334	1.80	16,04,330	1.41
5001 to 10000	527	2.84	40,12,705	3.53
10001 and above	515	2.78	9,83,96,768	86.48
<b>Total</b>	<b>18,546</b>	<b>100.00</b>	<b>11,37,76,123</b>	<b>100.00</b>

## 11. Dematerialisation of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialised form which is available for trading on both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March, 2018, 11,37,61,470 Equity Shares representing 99.99 % of the share capital are held in dematerialised form viz., CDSL- 9,42,63,521 Equity Shares and NSDL – 1,94,97,949 Equity Shares.

## 12. Reconciliation of Share Capital Audit :

As stipulated by Securities and Exchange Board of India (SEBI), a practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges, and is also placed before the Board of Directors.

## 13. Registrar and Share Transfer Agent

M/s. Maheshwari Datamatics Pvt. Ltd. of 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001 is the Registrar and Share Transfer Agent of the Company, both for Physical and Demat segments. Accordingly, all communications on matters relating to Share Transfers, Dividend etc. may be sent directly to them. Complaints, if any, on these matters may also be sent to the Compliance Officer of the Company.

## 14. Share Transfer System

The share transfer requests are processed on behalf of the Company by Registrar & Share Transfer Agent, M/s. Maheshwari Datamatics Pvt. Ltd. and are placed before the Company Secretary who has been delegated the authority by Stakeholders Relationship Committee to approve transfers. The Company Secretary addresses all the requests fortnightly.

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

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

## 16. Name, Designation & Address of Compliance Officer for Complaints & Correspondence

### Mr. Anil Prasad Shaw

Company Secretary, Compliance and Nodal Officer  
Rohit Ferro-Tech Limited  
SKP House,  
132A, S.P. Mukherjee Road,  
Kolkata – 700 026  
Ph: +91 33-4016 8000/8100  
Fax: +91 33-4016 8107  
Email Id: cs@rohitferrotech.com

# Corporate Governance Report

## Address for Correspondence

### **Registered Office:**

Rohit Ferro-Tech Limited  
35, C. R. Avenue,  
Kolkata – 700 012  
Phone: +91 33 2211 0225/26  
Email Id: grievance@rohitferrotech.com  
CIN: L27104WB2000PLC091629

### **Corporate Office:**

Rohit Ferro-Tech Limited  
SKP House,  
132A, S. P. Mukherjee Road,  
Kolkata – 700 026  
Phone: +91 33 4016 8000/8100  
Fax : +91 33 4016 8191/8107

## **17. Plant Locations**

Bishnupur	WBIDC Road, P.O. Dwarika Bishnupur – 722 122, Dist: Bankura (West Bengal)
Jajpur	Kalinganagar Industrial Complex Duburi – 755 026, Dist: Jajpur (Odisha)
Haldia	Jaynagar, P.O.: Buniaraichak, PS: Durgachak Dist: Purba Medinipur (West Bengal)

## **Disclosure of the Compliance with Corporate Governance Requirements Specified In Regulation 17 to 27 and Clauses (B) to (I) of Regulation 46(2) of SEBI Listing Regulations, 2015**

Pursuant to Schedule V of SEBI Listing Regulations, 2015, the Company hereby confirms that it has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) inter-alia covering the following subject matter/heads:

- Board of Directors
- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder Relationship Committee
- Risk Management Committee : Not Applicable
- Vigil Mechanism
- Related Party Transactions
- Corporate Governance requirements with respect to Subsidiary of Company: The Company has no material Subsidiary, all other requirement is complied.
- Obligations with respect to Independent Directors
- Obligations with respect to Directors and Senior Management
- Other Corporate Governance requirements as stipulated under the Regulations
- Dissemination of various information on the website of the Company w.r.t clauses (b) to (i) of Regulation 46(2).



# Corporate Governance Report

## CODE OF CONDUCT

The Code of Conduct for the Board of Directors and Senior Management Personnel as adopted is available on the Company's website [www.rohitferrotech.com](http://www.rohitferrotech.com). All the Members of the Board and Senior Management Personnel have affirmed the compliances of the Code of Conduct.

DECLARATION ON CODE OF CONDUCT	
In accordance with Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and Senior Management Personnel of the Company have affirmed compliance with code of conduct of the Company for the Financial Year ended on 31.03.2018.	
Place: Kolkata, Dated: 30.05.2018	For and On Behalf of the Board For <b>Rohit Ferro-Tech Limited</b>  <b>R. K. Burnwal</b> (Executive Director)

For and on behalf of the Board  
**Rohit Ferro-Tech Limited**

Kolkata, 14th August, 2018

**Suresh Kumar Patni**  
*Chairman*

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
**Rohit Ferro-Tech Limited**

We have examined the compliance of conditions of Corporate Governance by Rohit Ferro-Tech Limited ('the Company'), for the year ended on 31st March, 2018, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), of the said Company with 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 the 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 with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

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

Place: Kolkata  
Date: 14.08.2018

For **K. C. Dhanuka & Co**  
Company Secretaries  
**CS K. C Dhanuka**  
Proprietor  
FCS – 2204  
C.P. No. – 1247

# Independent Auditors' Report

To

The Members of

M/s. Rohit Ferro-Tech Limited

## Report on the Ind AS Standalone Financial Statements

We have audited the accompanying Ind AS Standalone Financial Statements of **M/S. ROHIT FERRO-TECH LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Ind AS Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the standalone 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 Ind AS standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the standalone 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments the auditor considers internal control relevant to the Company's preparation of the Ind AS standalone 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 accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Ind AS Standalone Financial Statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone IND-AS financial statements.

## Basis of Qualified opinion

We draw your attention to Note No. 47 of the Ind AS Standalone Financial Statements with regard to non recognition of interest expense amounting to ₹ 29,797.16 lacs on the borrowings of the company for the year ended 31st March, 2018 which is not in accordance with the requirements of Ind AS 23 : Borrowing Costs read with Ind AS 109 : Financial Instruments.

The company has not provided accrued interest in its books of accounts during the year and reversed interest provided in earlier period pertaining to the period the account was declared NPA by the respective lenders. Had the aforesaid interest expense been recognized the finance cost would have been ₹ 35,120.36 lacs instead of ₹ 5,323.20 lacs. Total expense for the year ended 31.03.2018 would have been ₹ 1,37,265.1 lacs instead of reported amount of ₹ 1,07,467.97 lacs. Net loss after tax for the year

# Independent Auditors' Report

ended 31.03.2018 would have been ₹ 63,684.29 lacs instead of reported amount of ₹ 33,887.13 lacs. Total comprehensive loss would have been ₹ 63,691.62 lacs instead of reported amount of ₹ 33,894.46 lacs, other Equity would have been ₹ (1,34,641.9) Lacs instead of reported amount of ₹ (1,04,844.74) lacs, other current financial liability would have been ₹ 89,229.87 lacs instead of reported amount of ₹ 59,432.71 lacs.

## Qualified Opinion

In our opinion, and to the best of our information and according to the explanations given to us, except for the effects of our observation stated above in the Basis of Qualified opinion, the aforesaid Ind AS Standalone 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, 2018, and its loss, total comprehensive loss, cash flows and the changes in equity for the year ended on that date.

## Emphasis of Matter

1. We draw your attention to Note No. 46 of the Ind AS Standalone Financial Statements which indicate that as at 31st March, 2018, the accumulated losses amounting to ₹ 1,47,825.98 lacs has eroded the entire net worth of the company, indicating the existence of a material uncertainty about the Company's ability to continue as a going concern. These standalone financial statements have been prepared on a going concern basis for the reasons stated in the said note.
2. As referred in Note No. 36 of the Standalone Financial Statements, the balance of sundry debtors, advances, creditors etc. includes balances remaining outstanding for a substantial period. The balances are subject to confirmations and reconciliation. The reported financials might have consequential impact which remains unascertained.

Our report is not qualified in this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2016 ('the order') issued by the Central Government of India in terms of subsection (11) of the section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by section 143(3) of the Act, we report, to the extent applicable that:
  - a. We have sought, except for the effects of the matters described in the basis of qualified opinion paragraph above and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. Except for the effects of the matters described in the basis of qualified opinion paragraph above, 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, Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d. Except for the effects of the matters described in the basis of qualified opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Companies Act, 2013; read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. The matters described in the basis of qualified opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
  - f. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164(2) of the Act.
  - g. 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"; and

## Independent Auditors' Report

- h. In our opinion and to the best of our information and according to the explanation given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- i. The Company has disclosed the impact of pending litigations on the financial position in the Standalone Financial Statements- Refer Note 34 (i) (a) to (d) to its standalone financial statements.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. During the year the company has transferred an amount of ₹ 1.61 Lacs to Investor Education and Protection Fund pertaining to dividend for the year 2009-10.
  - iv. The disclosure requirements relating to holding as well as dealings in specified bank notes were applicable for the period 8th November, 2016 to 30th December, 2016 which is not relevant to these Standalone Financial Statements. Hence, reporting under this clause is not applicable.

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

**CA Manoj Kumar Sethia**  
*Partner*

Membership No.: 064308

Place: Kolkata  
Date: 30th May, 2018

## "Annexure A" to the Independent Auditors' Report

The Annexure A referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2018, we report that:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.
- (b) The Property, plant and equipment of the Company have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets.
- (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) The inventory has been physically verified by the management during the year at reasonable intervals. In our opinion the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) 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 grant of loans, making investments and providing guarantees and securities, as applicable.
- (iv) The Company has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India and provisions of Section 73 to Section 76 or any other relevant provisions of the Companies Act 2013 and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable to the company.
- (v) We have broadly reviewed the books of account maintained by the Company in respect of manufacture of Ferro alloys & Minerals and Iron & steel pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, and we are of the opinion that prima facie, the records have been maintained. We have however not made a detailed examination of the records with a view to determining whether they are accurate and complete.
- (vi) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally delayed in depositing undisputed statutory dues including Provident Fund, Income tax, sales tax, Service Tax, Duty of customs, value added tax, cess and other statutory dues during the year with appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable except the following :

SL. No.	Nature of Dues	Amount Involved (₹ in Lacs)
1	Excise Duty	1080.8
2	Service Tax	552.97
3	Entry Tax	96.18
4	VAT	61.58
5	STDS	41.63
6	Welfare Cess	5.57
7	CST	3.04
<b>Total</b>		<b>1841.77</b>

- (b) According to the information and explanations given to us, there are no dues of Income tax, Sales tax, Value added tax, Service tax, Customs duty, Excise duty and Cess which have not been deposited with the appropriate authorities on account of any dispute except the following cases:

## "Annexure A" to the Independent Auditors' Report

Name of the Statute	Nature of Dues	Amount in lacs	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	409.59	Feb 05-Jun 09	Commissioner of CE, CUS & ST, BBSR-I, Mr. P.K. Dash
		51.81	April 2007 to March 2008	Additional Commissioner of CE, CUS & ST, BBSR-I, Mr. Ashok Mahida
		8.25	April 2009 to March 2010	Additional Commissioner of CE, CUS & ST, BBSR-I, Mr. Ashok Mahida
		108.80	Sep 2012-Aug 2014	Commissioner of CE, CUS & ST, BBSR-II Bhubaneswar, Mr. Deep Sekhar
		6.85		Assistant Commissioner of CE, CUS & ST, Jajpur, Mr. Ambe M
		12.13		Assistant Commissioner of CGST & CE, JAIPUR
		1.95		Commissioner of Central Excise (APPEAL-IV), Kolkata
		2.81	2004-2005	Commissioner of Central Excise
		0.10	2005-2007	
		84.86	Jan 2008 to March 2008	CESTAT, Kolkata
		27.17	April 06-Dec 08	Commissioner of Central Excise
		4.22	Oct 2009-July 2010	
		4.31	2006-2009	
		14.56	2006-2007	
		21.88	-	Commissioner of Excise
		201.54	2015-16	Commissioner of Excise
		0.86	2013-14	Commissioner of Excise
		26.24	2009-10 to 2012-13	Commissioner (Appeal)
		10.00	23.12.09 to 03.02.2010	CESTAT
		19.81	2011-12	Commissioner of Excise
	Diff. Duty	17.67	Apr-13 to Oct-13	Additional Commissioner
		37.54	Jan'14 to Sept'14	Additional Commissioner
		29.96	2008-09 to 2012-13	Central Excise and Service Tax Commissionerate
		1.35	April'2013 to Dec'2013	Assistant Commissioner of Central Excise
		3.73	Oct'2014 to Nov'2014	
		15.83	Dec'2014 to May'2015	Durgapur Commissionerate
	Clearing and forwarding	4.10	Aug'2014 to May'2015	Assistant Commissioner of Central Excise
Directorate General of Central Excise Intelligence, Kolkata East Zonal Unit	Evasion of Central Excise duty	624.52	2014-15	Directorate General of Central Excise Intelligence, Kolkata East Zonal Unit
Central Excise, Anti Evasion Unit	Cenvat and Interest	12.88	23.12.2009 to 03.02.2010	Commissioner of Excise
Central Excise Act, 1944	Cenvat credit	204.79		CESTAT, Kolkata
	Cenvat credit	25.90		ADC, BBSR
<b>Sub-Total</b>		<b>1,997.28</b>		
Service Tax Act, 1994	Service tax	8.89	Jan'14 to July'14	Additional Commissioner
		5.09	29.03.2014 to 12.06.2014	Assistant Commissioner, Haldia Commissionerate
		28.41	Oct 2007 to 2011-2012	Commissioner of Central Excise Appeal - II
		66.11	2012-13 to 2015-16	Durgapur Audit Commissionerate

## "Annexure A" to the Independent Auditors' Report

		21.77	April'13 to May'15	Commissioner (Appeal)
		17.79		Asst.Commissioner of Central Excise and Service tax
		18.79	2012-13	Addl.Commissioner of Central Excise and Service tax
		3.41		CESTAT, Kolkata
		1.20	2012-13 to 2015-16	Durgapur Commissionerate
		22.63	2012-13 to 2016-17	Durgapur Commissionerate
		186.45	2012-13 to 2016-17	Durgapur Commissionerate
Sub-Total		380.52		
The Central Sales Tax Act, 1956 and West Bengal VAT Act, 2005	Central Sales Tax and Value Added Tax	89.19	2006-2007	Sr. Joint Commissioner of Commercial Taxes,
		219.45	2007-2008	Sr. Joint Commissioner of Commercial Taxes,
		363.02	2012-13	Sr. Joint Commissioner of Commercial Taxes,
		130.01	2014-15	Sr. Joint Commissioner of Commercial Taxes,
		823.88	2012-2013	Sr. Joint Commissioner of Commercial Taxes,
		1,201.37	2013-14	Sr. Joint Commissioner of Commercial Taxes,
		1,201.37	2014-15	Sr. Joint Commissioner of Commercial Taxes,
		402.41	2015-16	Sr. Joint Commissioner of Commercial Taxes,
102.88	2012-13 to 2013-14	Falta, SEZ, Kolkata		
Orissa VAT Act, 2004	Orissa CST	10.14	2007-2008 and 2008-2009	Joint Commissioner of Commercial Taxes
		Orissa VAT	363.49	April 2005- Oct 2007
	11.95		2008-2009	Joint Commissioner of Commercial Taxes
	62.21		2007-2008	
	29.38	2009-2010	Additional Commissioner of Sales Tax	
Orissa CST Act	CST	6.77	2009-2010	Additional Commissioner of Sales Tax
		434.78	2011-12	Deputy commissioner of central tax Jajpur
Sub-Total		5,452.31		
Orissa Entry Tax Act	Entry Tax	0.70	2008-2009	Joint Commissioner of Commercial Taxes
		37.35	2007-2008	Joint Commissioner of Commercial Taxes
		12.32	April 2005- Oct 2007	Deputy Commissioner of Central Taxes
		1.05	2009-2010	Additional Commissioner of Sales Tax
Sub-Total		51.42		
Orissa Entry Tax Act	Entry Tax Refund	103.97	2008-2009	High Court
Sub Total		103.97		
Employee Provident Fund Organisation of India	Interest/ Damages	1.80	April, 1996-April 2014	Assistant/Regional Provident Fund Commissioner of EPFO
Sub Total		1.80		
DRI, KOLKATA	Customs	40.35	2015-16	DRI, Kolkata
	Non payment of Customs duty on ship demurrage charges	500.00	2007-2017	DRI, Kolkata
Sub-Total		540.35		



## "Annexure A" to the Independent Auditors' Report

Income Tax Act, 1961	Income Tax	929.96	2014-15	CIT(A)
		3,099.23	2013-14	CIT(A)
		17.19	2012-13	CIT(A)
		2,098.98	2011-12	CIT(A)
		291.24	2010-11	ITAT
Sub-Total		6,436.61		
Grand Total		14,964.26		

There were no other statutory dues which have not been deposited as at March 31, 2018 on account of dispute.

- (viii) Based upon the audit procedures performed and according to the records of the Company examined by us and the information and explanation given to us, the Company has defaulted in payment of interest and repayment of principal on borrowings to banks as follows:

Particulars	Amount of default as at the balance sheet date (₹ in Lacs)		Period of default
	Principal Repayment	Interest Payment	
RUPEE TERM LOAN			
Allahabad bank	1,585.00	486.88	Quarter ending 31st Dec, 2015 to 31st March 2018
Canara Bank	275.16	696.26	
Exim Bank	1,068.00	2,505.52	
State Bank of India	6,902.56	228.91	
United Bank of India	1,365.30	597.65	
Total	11,196.02	4,515.22	

Particulars	Amount of default as at the balance sheet date (₹ in Lacs)		Period of default
	Principal Repayment	Interest Payment	
WORKING CAPITAL TERM LOAN			
Allahabad Bank	176.16	106	Quarter ending 31st Dec, 2015 to 31st March 2018
Andhra Bank	142.92	362.97	
Bank of Baroda	534	-	
Central Bank of India	27.72	-	
Punjab National Bank	515.04	-	
State Bank Of India	2900.52	(48.82)	
United Bank Of India	1,427.76	1,262.54	
UCO Bank	349.8	305.79	
Total	6,073.92	1,988.48	

## "Annexure A" to the Independent Auditors' Report

Particulars	Amount of default as at the balance sheet date (₹ in Lacs)		Period of default
	Principal Repayment	Interest Payment	
FUNDED INTEREST TERM LOAN			
Allahabad Bank	1,210.99	28.57	Quarter ending 31st Dec, 2015 to 31st March 2018
Andhra Bank	242.2	147.2	
Bank of Baroda	699.93	-	
Canara Bank	279.97	171.68	
Central Bank of India	157.21	(19.05)	
Exim Bank	1,079.34	506.33	
Punjab National Bank	902.69	1.00	
State Bank of India	8,270.28	148.96	
United Bank of India	2,941.93	557.16	
UCO Bank	412.18	105.16	
Total	16,196.72	1,647.01	
Particulars	Amount of default as at the balance sheet date (₹ in Lacs)		Period of default
	Principal Repayment	Interest Payment	
WORKING CAPITAL LOAN			
Allahabad Bank (CC)	-	771.31	Quarter ending 31st Dec, 2015 to 31st March 2018
Andhra Bank (CC)	-	1,126.45	
Bank of Baroda (CC)	-	248.67	
Central Bank Of India (CC)	-	(28.63)	
Punjab National Bank (CC)	-	131.2	
Punjab National Bank (OD)	-	(86.19)	
State Bank Of India (CC)	-	389.76	
United Bank Of India (CC)	-	1,091.78	
UCO Bank (CC)	-	338.88	
UCO Bank (OD)	-	29.91	
Total	-	4013.14	
GRAND TOTAL	33,466.66	12,163.85	

The unprovided liability amounting to ₹ 61,188.56 lacs as referred in Note No. 47 of the Ind AS Standalone Financial Statements continued to be a default.

The company does not have any loans or borrowings from the government and has not issued any Debentures.

- (viii) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public issue/ follow-on offer (including debt instruments) and term loans.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xi) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the reporting under Paragraph 3 (xii) of the Order is not applicable to the Company.

## "Annexure A" to the Independent Auditors' Report

- (xii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Ind AS Standalone Financial Statements as required by the applicable Accounting Standards.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures and hence reporting under paragraph 3(xiv) of the Order is not applicable to the Company.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the reporting under Paragraph 3 (xv) of the Order is not applicable to the Company and hence not commented upon.
- (xv) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

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

**CA Manoj Kumar Sethia**  
*Partner*  
Membership No.: 064308

Place: Kolkata  
Date: 30th May, 2018

# "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 M/s. ROHIT FERRO-TECH LIMITED ("the Company") as of 31st March, 2018 in conjunction with our audit of the Ind AS standalone 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing issued by ICAI and 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 Standalone 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 Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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

## "Annexure B" to the Independent Auditors' Report

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 March 2018, 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 **R. Kothari & Company**  
*Chartered Accountants*  
FRN: 307069E

Place: Kolkata  
Date: 30th May, 2018

**CA Manoj Kumar Sethia**  
*Partner*  
Membership No.: 064308

# Balance Sheet as at 31st March, 2018

(₹ in Lacs)

SI. No.	PARTICULARS	Note No.	31-03-2018	31-03-2017
<b>I</b>	<b>ASSETS</b>			
	<b>(1) Non-Current Assets</b>			
	(a) Property, Plant and Equipment	4	65,764.06	69,136.51
	(b) Capital Work-in-Progress	5	44,795.79	44,728.15
	(c) Financial Assets			
	(i) Investments	6	7,724.41	8,009.16
	(ii) Loans	7	3,084.53	3,214.01
	(d) Other Non-Current Assets	8	765.01	722.62
			<b>122,133.80</b>	<b>125,810.45</b>
	<b>(2) Current Assets</b>			
	(a) Inventories	9	12,092.70	36,610.40
	(b) Financial Assets			
	(i) Trade Receivables	10	51,460.71	62,168.75
	(ii) Cash and Cash equivalents	11	1,027.07	864.51
	(iii) Other Bank Balances	12	17.18	848.30
	(iv) Loans	7	1,572.14	1,255.54
	(v) Other Current Financial Assets	13	6,379.36	6,255.42
	(c) Other Current Assets	14	10,726.75	19,688.26
			<b>83,275.91</b>	<b>127,691.18</b>
	<b>TOTAL</b>		<b>205,409.71</b>	<b>253,501.63</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity Share Capital	15	11,377.61	11,377.61
	(b) Other Equity	16	(104,844.74)	(70,949.63)
			<b>(93,467.13)</b>	<b>(59,572.02)</b>
	<b>Liabilities</b>			
	<b>(1) Non-Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	17	97,116.75	111,856.11
	(ii) Other Non-Current Financial Liabilities	18	-	99.96
	(b) Deferred Tax Liabilities (Net)	19	-	-
	(c) Other Non-Current Liabilities	23	97.86	106.03
			<b>97,214.61</b>	<b>112,062.10</b>
	<b>(2) Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	17	114,072.05	109,644.91
	(ii) Trade Payables	20	21,773.95	37,683.85
	(iii) Other Current Financial Liabilities	21	59,432.71	43,736.09
	(b) Current Tax Liabilities (Net)	22	389.49	406.94
	(c) Other Current Liabilities	23	5,994.03	9,539.76
			<b>201,662.23</b>	<b>201,011.55</b>
	<b>TOTAL</b>		<b>205,409.71</b>	<b>253,501.63</b>
	<b>Significant Accounting Policies</b>	3		

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

**CA Manoj Kumar Sethia**

Partner

Membership No: 064308

Place: Kolkata

Date: 30th day of May, 2018

For and on behalf of the Board

**Suresh Kumar Patni**

Chairman

**Anil Prasad Shaw**

Company Secretary

**Vipul Jain**

Chief Financial Officer

# Statement of Profit & Loss for the year ended 31st March, 2018

(₹ in Lacs)

Sl. No.	PARTICULARS	Note No.	31-03-2018	31-03-2017
<b>I</b>	<b>INCOME:</b>			
	Revenue From Operations	24	73,138.75	72,414.18
<b>II</b>	Other Income	25	442.09	648.53
<b>III</b>	<b>Total Revenue (I + II)</b>		<b>73,580.84</b>	<b>73,062.71</b>
<b>IV</b>	<b>EXPENSES:</b>			
	Cost of Materials Consumed	26	66,883.92	67,656.57
	Purchase of Stock-In-Trade	27	-	288.24
	Changes in Inventories of Finished Goods & Work-in-Progress	28	1,431.70	983.37
	Excise Duty		1,790.03	6,399.23
	Employee Benefits Expense	29	1,506.77	1,341.61
	Finance Costs	30	5,323.20	(1,866.01)
	Depreciation and Amortization Expense	4	3,374.07	3,418.15
	Other Expenses	31	27,158.28	28,440.76
	<b>Total Expenses (IV)</b>		<b>107,467.97</b>	<b>106,661.92</b>
<b>V</b>	<b>PROFIT/(LOSS) BEFORE TAX (III-IV)</b>		<b>(33,887.13)</b>	<b>(33,599.21)</b>
<b>VI</b>	<b>TAX EXPENSES</b>			
	Current Tax		-	-
	MAT Credit Entitlement		-	-
	Earlier Years' Tax		-	-
	Deferred Tax		-	-
<b>VII</b>	<b>PROFIT/ (LOSS) FOR THE YEAR (V - VI)</b>		<b>(33,887.13)</b>	<b>(33,599.21)</b>
<b>VIII</b>	<b>OTHER COMPREHENSIVE INCOME</b>			
	A. (i) Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans		(7.33)	(54.76)
	(ii) Income taxes on items that will not be reclassified to profit or loss		-	-
	B. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income taxes on items that will be reclassified to profit or loss		-	-
	<b>TOTAL OTHER COMPREHENSIVE INCOME (NET OF TAXES)</b>		<b>(7.33)</b>	<b>(54.76)</b>
<b>IX</b>	<b>Total Comprehensive Income/(Loss) for the year (VII + VIII)</b>		<b>(33,894.46)</b>	<b>(33,653.97)</b>
<b>X</b>	<b>Earnings per Equity Share [Nominal Value of Share - Rs. 10]</b>			
	Basic & Diluted	33	(29.78)	(29.53)
	<b>Significant accounting policies</b>	3		

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

**CA Manoj Kumar Sethia**

Partner

Membership No: 064308

Place: Kolkata

Date: 30th day of May, 2018

For and on behalf of the Board

**Suresh Kumar Patni**

Chairman

**Anil Prasad Shaw**

Company Secretary

**Vipul Jain**

Chief Financial Officer

## Cash Flow Statement for the year ended 31st March, 2018

(₹ in Lacs)

Sl. No.	PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	<b>Net Profit Before Tax</b>	<b>(33,887.13)</b>	<b>(33,599.21)</b>
	Adjustments for :		
	Depreciation	3,388.20	3,418.15
	Interest Income	(235.49)	(548.89)
	Finance Costs	5,323.20	(1,866.01)
	Net (gain)/Loss on sale of investments	(20.42)	-
	Provision/(Reversal) for supplement payments on retirement	(7.33)	(54.76)
	Net gain on financial assets measured at FVTPL	-	(24.40)
	Exchange Fluctuation Loss/(Gain)	144.57	6.94
	Loss on sale of Fixed Assets	-	10.20
	Sundry Balances written off / (back)	(115.84)	112.66
		<b>8,476.89</b>	<b>1,053.89</b>
	<b>Operating Profit before Working Capital Changes</b>	<b>(25,410.24)</b>	<b>(32,545.32)</b>
	Adjustments for :		
	(Increase)/Decrease in Inventories	24,517.71	27,880.56
	(Increase)/Decrease in Trade Receivables	10,823.88	12,840.27
	(Increase)/Decrease in Non Current Financial Assets	129.47	(39.03)
	(Increase)/Decrease in Current Financial Assets	(212.41)	(86.79)
	(Increase)/Decrease in Other Non-Current Assets	(42.39)	(207.05)
	(Increase)/Decrease in Other Current Assets	8,961.51	(3,137.54)
	Increase/(Decrease) in Trade Payables	(15,909.90)	1,043.09
	Increase/(Decrease) in Non-Current Financial Liabilities	(99.96)	(102.41)
	Increase/(Decrease) in Current Financial Liabilities	(5,085.44)	2,756.96
	Increase/(Decrease) in Other Non-Current Liabilities	(8.17)	(8.13)
	Increase/(Decrease) in Other Current Liabilities and Provisions	(3,563.35)	1,424.34
		<b>19,510.95</b>	<b>42,364.27</b>
	<b>Cash generated from operations</b>	<b>(5,899.29)</b>	<b>9,818.95</b>
	Direct Tax Paid	(0.41)	-
	Exchange Fluctuation Loss/(Gain)	(144.57)	(6.94)
	<b>Net Cash from Operating Activities</b>	<b>(6,044.27)</b>	<b>9,812.01</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of property, plant and equipment (including Capital Work-in- Progress and Capital Advances)	(83.47)	(691.88)
	Sale of property, plant and equipment	-	1,908.83
	Interest Received	7.36	69.01
	Sale of Investment	305.17	-
	(Increase) / Decrease in Fixed Deposits with Banks	831.12	56.10
	<b>Net Cash used in Investing Activities</b>	<b>1,060.18</b>	<b>1,342.06</b>



## Cash Flow Statement for the year ended 31st March, 2018 (Contd.)

(₹ in Lacs)

Sl. No.	PARTICULARS	Year Ended 31st March, 2018	Year Ended 31st March, 2017
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Increase/ (Decrease) in Long Term Borrowings-Non Current	(14,739.36)	(20,532.50)
	Increase/ (Decrease) in Long Term Borrowings-Current	16,520.80	12,887.57
	Increase/ (Decrease) in Short Term Borrowings	4,427.14	(3,131.74)
	Interest Paid	(1,061.93)	(265.66)
	<b>Net Cash from Financing Activities</b>	<b>5,146.65</b>	<b>(11,042.33)</b>
	Net Increase/(Decrease) in Cash & Cash Equivalents	162.56	111.74
	Cash & Cash Equivalents at the beginning of the year (Refer Note No.11 to the Accounts)	864.51	752.77
	Cash & Cash Equivalents at the end of the year (Refer Note No.11 to the Accounts)	1,027.07	864.51

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

**CA Manoj Kumar Sethia**

Partner

Membership No: 064308

Place: Kolkata

Date: 30th day of May, 2018

For and on behalf of the Board

**Suresh Kumar Patni**

Chairman

**Anil Prasad Shaw**

Company Secretary

**Vipul Jain**

Chief Financial Officer

## Statement of Changes in Equity for the year ended 31st March, 2018

### A. EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	Numbers	Amount
Balance as at 1st April 2016	1,137.76	11,377.61
Changes in equity share capital during 2016-17	-	-
<b>Balance as at 31st March 2017</b>	<b>1,137.76</b>	<b>11,377.61</b>
Changes in equity share capital during 2017-18	-	-
<b>Balance as at 31st March 2018</b>	<b>1,137.76</b>	<b>11,377.61</b>

### B. OTHER EQUITY

For the year ended 31st March, 2018

(₹ in Lacs)

Particulars	Reserve and Surplus				Effective portion of Cash Flow Hedges	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
<b>Balance as at 1st April 2017</b>	128.14	42,403.10	450.00	(113,931.52)	-	(70,950.28)
Profit /(Loss) for the year	-	-	-	(33,887.13)	-	(33,887.13)
Movement during the year	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	(7.33)	-	(7.33)
<b>Total Comprehensive Income</b>	<b>128.14</b>	<b>42,403.10</b>	<b>450.00</b>	<b>(147,825.98)</b>	<b>-</b>	<b>(104,844.74)</b>
Depreciation charge	-	-	-	-	-	-
<b>Balance as at 31st March 2018</b>	<b>128.14</b>	<b>42,403.10</b>	<b>450.00</b>	<b>(147,825.98)</b>	<b>-</b>	<b>(104,844.74)</b>

For the year ended 31st March, 2017

Particulars	Reserve and Surplus				Effective portion of Cash Flow Hedges	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
<b>Balance as at 1st April 2016</b>	128.14	42,403.10	450.00	(80,277.54)	-	(37,296.30)
Profit /(Loss) for the year	-	-	-	(33,599.21)	-	(33,599.21)
Movement during the year	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	(54.76)	-	(54.76)
<b>Total Comprehensive Income</b>	<b>128.14</b>	<b>42,403.10</b>	<b>450.00</b>	<b>(113,931.52)</b>	<b>-</b>	<b>(70,950.28)</b>
Depreciation charge	-	-	-	-	-	-
<b>Balance as at 31st March 2017</b>	<b>128.14</b>	<b>42,403.10</b>	<b>450.00</b>	<b>(113,931.52)</b>	<b>-</b>	<b>(70,950.28)</b>

### Significant accounting policies: Note 3

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

**CA Manoj Kumar Sethia**

Partner

Membership No: 064308

Place: Kolkata

Date: 30th day of May, 2018

For and on behalf of the Board

**Suresh Kumar Patni**

Chairman

**Anil Prasad Shaw**

Company Secretary

**Vipul Jain**

Chief Financial Officer

## Notes on Financial Statements for the year ended 31st March, 2018

### 1 Company Overview

Rohit Ferro-Tech Limited ("the Company") is a well-differentiated player in the Ferro Alloy manufacturing sector. Since its inception, the Company has come a long way to position itself as one of the leading producer of High Carbon Ferro Chrome. The company has accreditation like ISO 9001:2000, a Two Star Export House Status, award for Export Excellence by EEPC, Membership of ICDA (International Chrome Development Association), IMNI (International Manganese Institute) etc. The company is listed with the two major stock exchanges of India – National Stock Exchange of India and Bombay Stock Exchange Limited.

The Company is a public company incorporated in India on 7th April, 2000. The address of its registered office is 35, Chittaranjan Avenue, Kolkata - 700012.

### 2 Basis of preparation

#### a) Statement of Compliance

These standalone financial statements are prepared in accordance with the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and 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 Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

Accordingly, the company has prepared these standalone financial statements which comprise the balance sheet as at 31st March 2018, the statement of profit & loss, the statement of cash flows and the statement of changes in equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'standalone financial statements' or 'financial statement').

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

#### b) Functional and presentation currency

The financial statements are presented in Indian Rupees ('₹') which is Company's presentation currency. The functional currency of the Company is also Indian Rupees ('₹')

#### c) Basis of measurement

The financial statements have been prepared on historical cost convention on the accrual basis, except for the following items:

- (i) Certain financial assets and financial liabilities measured at fair value;
- (ii) Employee's defined benefit plan as per actuarial valuation.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

#### d) Use of judgments and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

#### Critical accounting judgements and key sources of estimation uncertainty: Key assumptions -

##### (i) Useful lives of Property, plant and equipment :

The Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current Financial Year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

##### (ii) Allowances for doubtful debts:

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

## Notes on Financial Statements for the year ended 31st March, 2018

(iii) **Allowances for inventories :**

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realisable value. The purpose is to ascertain whether an allowance is required to be made in the Financial Statements for any obsolete and slow-moving items.

(vi) **Fair value measurement of financial instruments :**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using certain valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(v) **Defined benefit plans:**

The cost of the defined benefit plan includes gratuity and the present value of the gratuity obligation are determined using actuarial valuations using projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(vi) **Recognition and measurement of provisions and contingencies :**

The certain key assumptions about the likelihood and magnitude of an outflow of resources. Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies, if any, in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for.

e) **Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

f) **Standard issued but not yet effective**

(i) **Revenue from contracts with customers - Ind AS 115**

Ind AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The effective date of Ind AS 115 is yet to be announced.

(ii) **Amendments to Ind AS 7**

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, "Statement of Cash flows". These amendments are in accordance with the recent amendments made by International Accounting Standard Board (IASB) to IAS 7, "Statement of Cash flows". The amendments are applicable to the Company from 1st April, 2017.

The amendments to Ind AS 7 requires the entities to provide disclosures that enable users of the financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non – cash changes, suggesting inclusion of a reconciliation between the opening and

## Notes on Financial Statements for the year ended 31st March, 2018

closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

### 3 Significant accounting policies

#### a) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

#### b) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### i. Financial Assets

###### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables are initially measured at transaction price. Regular way purchase and sale of financial assets are accounted for at trade date.

###### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories :

- Amortised cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

###### Financial assets at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest rate (EIR) amortisation is included in finance income in the profit or loss.

###### Financial assets at FVTOCI

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

###### Financial assets at FVTPL

A financial asset which is not classified in any of the above categories are measured at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit & Loss.

###### Investment in Subsidiary

The Company has accounted for its investments in its subsidiary at cost/deemed cost.

###### Other equity investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income.

###### Derecognition

The Company derecognizes 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 derecognition under Ind AS 109.

### ii. Financial liability

#### Initial recognition and measurement

Financial liabilities are initially recognised at fair value plus any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at fair value through profit or loss which are initially measured at fair value.

#### Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in following categories:

- Financial liabilities through profit or loss (FVTPL)
- Financial liabilities at amortised cost

#### Financial liabilities through FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

#### Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

#### Derivative financial instruments and Hedge Accounting

The Company uses various derivative financial instruments to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

#### Cash flow hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

#### Derecognition

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

An exchange between an existing borrower and lender of debt instruments with substantially different terms shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor) shall be accounted for as an

## Notes on Financial Statements for the year ended 31st March, 2018

extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

### iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

## c) Property, plant and equipment

### i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalised.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Cost of the tangible assets not ready for their intended use at the Balance Sheet date together with all related expenses are shown as Capital Work-in-Progress.

### ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

### iii. Subsequent expenditure

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

### iv. Depreciation and amortisation

Depreciation and amortisation for the year is recognised in the Statement of Profit and Loss.

Depreciation on fixed assets are provided on straight line method over the useful lives of assets, at the rates and in the manner specified in Part C of Schedule II of the Act except for electrical installations which have been depreciated over a period of twenty five years based on technical evaluation and internal assessment. The rates of depreciation as prescribed in Part C of Schedule II of the Act are considered as the minimum rates. Freehold land is not depreciated. Leasehold land (includes development cost) is amortised on a straight line basis over the period of respective lease, except land acquired on perpetual lease. Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.

## d) Inventories

Inventories are valued at lower of cost and net realisable value. Cost of inventories comprises material cost on FIFO basis, labour and manufacturing overheads incurred in bringing the inventories to their present location and condition. Cost of finished goods includes excise duty. The cost of Work-In-Progress and finished goods includes the cost of labour, material and a proportion of manufacturing overheads.

## e) Impairment

### i. Impairment of financial instruments: financial assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial

## Notes on Financial Statements for the year ended 31st March, 2018

recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognised in Statement of Profit and Loss.

### ii. **Impairment of non-financial assets**

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs. An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### f) **Foreign Currency Transactions**

#### (a) **Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### (b) **Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

#### (c) **Exchange Differences**

Exchange differences arising on the settlement of monetary items are recognised as income or as expense in the year in which they arise.

#### (d) **Forward Exchange Contracts**

Forward Exchange Contracts outstanding as at the year end on account of firm commitment transactions are translated at period end exchange rates and the resultant gains and losses as well as the gains and losses on cancellation of such contracts are recognised in the Statement of Profit and Loss.

### g) **Government grants**

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

### h) **Employee Benefits**

#### i. **Short-term employee benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

#### ii. **Defined contribution plans**

Contributions as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 towards provident fund and family pension fund are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due. There is no other obligation other than the contribution payable to the respective funds.

#### iii. **Defined benefit plans**

The Company has an Employees Gratuity Fund managed by the Life Insurance Corporation of India. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.



## Notes on Financial Statements for the year ended 31st March, 2018

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

Short-Term Compensated Absences are provided for based on estimates.

**i) Provisions (other than for employee benefits)**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**j) Revenue Recognition**

Revenue is recognised to the extent 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. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Domestic sales are recognised at the time of dispatch of materials to the buyer. Export sales are recognised on the issue of bill of lading.

Export Incentives arising out of Export Sales are accounted for on accrual basis.

Purchases are inclusive of freight and net of Input Tax, Credit, Trade Discount and Claims.

**k) Recognition of dividend income, interest income or expense**

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established. Interest income or expense is recognised using the effective interest method.

**l) Leases**

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss. Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet. Payments made under operating leases are recognized in the Statement of Profit or Loss on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with general inflation.

**m) Income tax**

Income tax expense comprises of current and deferred tax. Current tax and deferred tax is recognized in the statement of profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

**i. Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

**ii. Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

**n) Research and Development Expenses**

Revenue expenditure on Research and Development is charged as an expense through the normal heads of account in the year in which the same is incurred. Capital expenditure incurred on equipment and facilities that are acquired for research and development activities is capitalised and is depreciated according to the policies followed by the Company.

## **Notes** on Financial Statements for the year ended 31st March, 2018

**o) Borrowing costs**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

**p) Earnings per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**q) Expenditure on new projects & substantial expansion**

Preliminary project expenditure, capital expenditure, indirect expenditure incidental and related to construction/implementation, interest on term loans to finance fixed assets and expenditure on start-up of the project are capitalised upto the date of commissioning of project to the cost of the respective assets.

# Notes on Financial Statements for the year ended 31st March, 2018

## NOTE 4 - Property, Plant and Equipment

Particulars	Land		Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Total
	Freehold	Leasehold						
<b>Cost or deemed cost (Gross carrying amount)</b>								
<b>As at 01-04-2016</b>	1,081.50	4,104.42	15,992.87	70,264.02	442.30	295.79	416.90	92,597.79
Additions	-	-	-	253.90	-	-	3.42	257.32
Disposals	-	-	-	2,603.23	-	45.35	-	2,648.59
Other Adjustments	-	-	-	-	-	-	-	-
- Borrowing Costs	-	-	-	-	-	-	-	-
<b>As at 31-03-2017</b>	1,081.50	4,104.42	15,992.87	67,914.68	442.30	250.44	420.32	90,206.53
Additions	-	-	-	0.21	3.89	9.29	2.42	15.80
Disposals	-	-	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-	-	-
- Borrowing Costs	-	-	-	-	-	-	-	-
<b>As at 31-03-2018</b>	1,081.50	4,104.42	15,992.87	67,914.89	446.18	259.73	422.74	90,222.33
<b>Depreciation &amp; Amortisation</b>								
<b>As at 1st April, 2016</b>	-	-	2,935.21	14,664.90	230.10	164.43	372.63	18,367.31
For the year (Note-a)	-	45.76	495.62	2,798.75	50.29	29.63	12.23	3,432.28
Transfer to Retained Earnings	-	-	-	-	-	-	-	-
Deductions	-	-	-	704.80	-	24.76	-	729.56
<b>As at 31-03-2017</b>	-	45.76	3,430.83	16,758.93	280.39	169.30	384.86	21,070.07
For the year (Note-a)	-	57.46	495.62	2,757.02	42.52	27.62	7.96	3,388.20
Transfer to Retained Earnings	-	-	-	-	-	-	-	-
Deductions	-	-	-	-	-	-	-	-
<b>As at 31-03-2018</b>	-	103.22	3,926.45	19,515.95	322.91	196.92	392.82	24,458.27
<b>Carrying amounts (net)</b>								
<b>As at 31-03-2017</b>	1,081.50	4,058.66	12,562.04	51,155.82	161.91	81.13	35.45	69,136.51
<b>As at 31-03-2018</b>	1,081.50	4,001.20	12,066.42	48,398.94	123.27	62.81	29.91	65,764.06

### NOTE :

- Includes ₹ 14.13 Lacs (P.Y.: ₹ 14.13 Lacs) debited to Capital Work-in-Progress.
- For details of Property, Plant & Equipment pledged as security against the secured borrowings refer note 17 (c).
- The management has evaluated and is of opinion that there are no major components of the fixed assets for adopting components based accounting as per IND-AS-16.

## Notes on Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>5</b>	<b>CAPITAL WORK-IN-PROGRESS</b>		
	At the beginning of the year	44,728.15	44,279.46
	Add: Incurred during the year	67.64	702.60
	Less: Capitalised during the year	-	(253.91)
	<b>At the end of the year</b>	<b>44,795.79</b>	<b>44,728.15</b>

Capital work-in-progress includes Pre Operative Expenses as below relating to project under implementation, pending allocation to Fixed Assets :

	<b>Opening Balance</b>	15,435.35	14,747.23
	<b>Add: Expenditure incurred during the period</b>		
	Salaries	0.12	1.43
	Rent	-	(0.71)
	Electricity Charges	-	0.29
	Telephone Expenses	0.01	0.07
	Travelling & Conveyance	0.01	0.10
	Repairs & Maintenance	1.88	0.18
	Labour charges	(0.15)	(1.56)
	Security Service Charges	21.53	36.36
	Legal, Professional & Consultancy Charges	-	(0.79)
	General Expenses	0.47	(0.62)
	Bank Charges	-	0.09
	Interest on Term Loan from Banks	-	639.15
	Depreciation	14.13	14.13
	<b>Total</b>	<b>15,473.35</b>	<b>15,435.35</b>
	<b>Amount allocated to Fixed Assets</b>	<b>-</b>	<b>-</b>
	<b>Closing Balance</b>	<b>15,473.35</b>	<b>15,435.35</b>

NOTES	PARTICULARS	31-03-2017	31-03-2016
<b>6</b>	<b>NON - CURRENT FINANCIAL INVESTMENTS</b>		
	<b>Investments in Equity Instruments– unquoted</b>		
	<b>Investments in subsidiaries - At cost</b> 210.75 (31st March 2017: 210.75) shares of SKP Overseas Pte Ltd (Face value of US\$ 1 each fully paid up)	7,724.41	7,724.41
	<b>Investments in Mutual Fund– unquoted</b> Investment carried at fair value through profit and loss (FVTPL) NIL (31st March 2017: 25) units of SBI Mutual Fund	-	284.75
	<b>Total of Non Current Investments</b>	<b>7,724.41</b>	<b>8,009.16</b>
	Aggregate value of unquoted equity Investments	7,724.41	7,724.41
	Aggregate value of unquoted Mutual Funds	-	284.75
	Aggregate value of diminution other than temporary in value of Investments	-	-

## Notes on Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>7</b>	<b>LOANS</b>		
	(Unsecured, Considered good)		
	<b>Non-Current</b>		
	Security Deposits		
	- Related Parties	-	168.00
	- Parties other than Related Parties	3,084.53	3,046.01
		<b>3,084.53</b>	<b>3,214.01</b>
	<b>Current</b>		
	Loans to Related Parties - Subsidiary	1,572.14	1,255.54
		<b>1,572.14</b>	<b>1,255.54</b>
	<b>Total Loans</b>	<b>4,656.67</b>	<b>4,469.55</b>

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>8</b>	<b>OTHER NON-CURRENT ASSETS</b>		
	(Unsecured, Considered good)		
	Capital Advances (Refer Note No. 34 (ii))		
	- Related Parties	-	7.91
	- Parties other than Related Parties	765.01	714.71
	<b>Total</b>	<b>765.01</b>	<b>722.62</b>

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>9</b>	<b>INVENTORIES</b>		
	(As taken, valued and certified by the management)		
	Raw Materials	8,389.30	31,625.62
	Work In Process	2,182.51	2,901.50
	Finished Goods	993.20	1,705.90
	Stores & Spares	432.66	189.08
	Packing Materials	16.78	18.38
	Intermediates	78.25	169.92
	<b>Total</b>	<b>12,092.70</b>	<b>36,610.40</b>

Notes:

- The amount written down for raw materials in Haldia as an expense (included in cost of raw materials consumed) during the year is ₹ 6,323.03 Lacs (P.Y. ₹ 6,323.03 Lacs) on prudent basis as the plant was shut down since July'15.
- For details of inventory pledged as security against secured borrowings refer note 17 (c) & 20 (b)

## Notes on Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>10</b>	<b>TRADE RECEIVABLES</b>		
	Unsecured		
	- Considered good	51,460.71	62,168.75
	- Considered doubtful	4,104.28	2,657.95
		55,564.99	64,826.70
	Less: Allowances for expected credit losses	(4,104.28)	(2,657.95)
		<b>51,460.71</b>	<b>62,168.75</b>
	<b>Age analysis of trade receivables</b>		
	Debtors outstanding for a period exceeding Six months from the date they were due for payment.	45,963.69	51,131.29
	Other receivables	51,460.72	11,037.46
	<b>Total</b>	<b>51,460.71</b>	<b>62,168.75</b>

### Notes:

- a) Trade Receivables include ₹ 853.51 Lacs (P.Y.: ₹ 1.62 Lacs) due from Related Party and ₹ 130.09 Lacs (P.Y.: ₹ 129.68 Lacs) due from the Subsidiary.
- b) For details of book debts pledged as security against secured borrowings refer note 17 (c)

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>11</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash In Hand (as certified by the management)	5.56	10.31
	Balances With Banks		
	- In Current Accounts	1,021.51	673.61
	Term deposits with original maturity of less than 3 months*	-	180.59
	<b>Total</b>	<b>1,027.07</b>	<b>864.51</b>

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>12</b>	<b>OTHER BANK BALANCES</b>		
	(A) Term Deposits with Banks *		
	with maturity more than 3 months but less than 12 months	10.63	840.14
	with maturity more than 12 months	3.90	3.90
	(B) Earmarked Balances with Banks	2.65	4.26
	<b>Total</b>	<b>17.18</b>	<b>848.30</b>

\* Held as Margin against Bank guarantee and letter of credit.

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>13</b>	<b>OTHER CURRENT FINANCIAL ASSETS</b>		
	(Unsecured, Considered Good, unless otherwise stated)		
	Accrued Interest on Deposits	2.28	16.46
	Insurance Claim Receivable	1,902.12	1,902.12
	Export Incentive Receivable:		
	Considered Good	43.78	124.85
	Considered doubtful	188.99	188.99
	Less: Allowance for doubtful receivables	(188.99)	(188.99)
	Subsidy/Power Incentive Receivable	4,126.01	4,211.99
	SBI Mutual Fund Receivable	305.17	-
	<b>Total</b>	<b>6,379.36</b>	<b>6,255.42</b>

## Notes on Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>14</b>	<b>OTHER CURRENT ASSETS</b>		
	(Unsecured, Considered Good)		
	Advances recoverable in kind or for value to be received		
	To Related Parties	70.00	50.00
	To Subsidiary	97.57	320.19
	To Others	8,296.04	13,851.23
	Balance with statutory/Government authority	2,252.56	5,422.16
	Prepaid Expenses	10.58	44.68
	<b>Total</b>	<b>10,726.75</b>	<b>19,688.26</b>

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>15</b>	<b>EQUITY SHARE CAPITAL</b>		
	<b>Authorised</b>		
	1,850.00 lacs (P.Y.: 1,850.00 lacs) Equity Shares of ₹ 10/- each	18,500.00	18,500.00
	<b>Issued, Subscribed and Paid-up</b>		
	1,137.76 lacs (P.Y.: 1,137.76 lacs) Equity Shares of ₹ 10/- each fully paid up	11,377.61	11,377.61

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

PARTICULARS	31-03-2018		31-03-2017	
	Nos. (in Lacs)	(₹ in Lacs)	Nos. (in Lacs)	(₹ in Lacs)
<b>Equity Shares</b>				
At the beginning of the Period	1,137.76	11,377.61	1,137.76	11,377.61
Issued during the Period	-	-	-	-
At the end of the Period	<b>1,137.76</b>	<b>11,377.61</b>	<b>1,137.76</b>	<b>11,377.61</b>

### b) Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of Equity Shares held by the share holders.

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

PARTICULARS	31-03-2018		31-03-2017	
	No. of Shares (in lacs)	% holding	No. of Shares (in lacs)	% holding
<b>Equity shares of ₹ 10 each fully paid</b>				
Suanvi Trading and Investment Co. Pvt. Ltd.	112.38	9.88	112.38	9.88
Vasupujya Enterprises Pvt. Ltd	113.60	9.98	113.60	9.98
Invesco Finance Pvt Ltd	110.39	9.70	110.39	9.70
Poddar Mech Tech Services Pvt. Ltd.	129.80	11.41	129.80	11.41
Shreyansh Leafin Pvt. Ltd.	109.93	9.66	109.93	9.66
Whitestone Suppliers Pvt. Ltd	109.08	9.59	109.08	9.59

## Notes on Financial Statements for the year ended 31st March, 2018

₹ in Lacs)

NOTES	COMPONENTS	Note No.	01-04-2017	Movement during the year	31-03-2018	01-04-2016	Movement during the year	31-03-2017
<b>16</b>	<b>OTHER EQUITY</b>							
	Capital Reserve	a	128.14	-	128.14	128.14	-	128.14
	Securities Premium Account	b	42,403.10	-	42,403.10	42,403.10	-	42,403.10
	General Reserve	c	450.00	-	450.00	450.00	-	450.00
	Retained Earnings	d	(1,13,828.43)	(33,887.13)	(1,47,715.56)	(80,229.21)	(33,599.21)	(1,13,828.43)
	Other Comprehensive Income	e	(103.09)	(7.33)	(110.42)	(48.33)	(54.76)	(103.09)
			<b>(70,950.28)</b>	<b>(33,894.46)</b>	<b>(1,04,844.74)</b>	<b>(37,296.30)</b>	<b>(33,653.97)</b>	<b>(70,950.28)</b>

- (a) Capital reserve: Capital reserves consists of Deposits forfeited against share warrants
- (b) Securities Premium Account: Securities premium account represents the premium received on issue of shares over and above the face value of equity shares. The account is available for utilisation in accordance with the provisions of the Companies Act, 2013.
- (c) General reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- (d) Retained earnings: It comprise of accumulated profit/ (loss) of the Company. The movement is on account of ₹ (33,887.13) lacs {P.Y.: ₹ (33,599.21 lacs)} profit/ (loss) incurred by the Company.

(₹ in Lacs)

NOTES	PARTICULARS	Non-Current		Current	
		31-03-2018	31-03-2017	31-03-2018	31-03-2017
<b>17</b>	<b>BORROWINGS</b>				
	<b>Borrowings consist of the following:</b>				
	<b>NON - CURRENT BORROWINGS</b>				
	<b>Term Loans from Banks (Secured)</b>				
	Rupee Term Loans	42,852.65	47,737.93	16,081.30	11,196.02
	Working Capital Term Loan (WCTL)	41,148.56	44,185.51	9,110.88	6,073.92
	Funded Interest Term Loan (FITL)	5,688.98	12,167.67	22,675.40	16,196.71
		<b>89,690.19</b>	<b>1,04,091.11</b>	<b>47,867.58</b>	<b>33,466.65</b>
	<b>Loans from Related Parties (Unsecured)</b>				
	from Body Corporates	7,280.00	7,280.00	-	-
		<b>7,280.00</b>	<b>7,280.00</b>	<b>-</b>	<b>-</b>
	<b>Other Loans and Advances</b>				
	Loans from Body Corporates (Unsecured)	146.56	485.00	-	-
		<b>146.56</b>	<b>485.00</b>	<b>-</b>	<b>-</b>
		<b>97,116.75</b>	<b>1,11,856.10</b>	<b>47,867.58</b>	<b>33,466.65</b>
	<b>The above amount includes</b>				
	Secured Borrowings	89,690.19	1,04,091.11	47,867.58	33,466.65
	Unsecured Borrowings	7,426.56	7,765.00	-	-
	Amount disclosed under the head - "Other Current Financial Liabilities" (Refer Note 21)			(47,867.58)	(33,466.65)
	<b>Total</b>	<b>97,116.75</b>	<b>1,11,856.11</b>	<b>-</b>	<b>-</b>



## Notes on Financial Statements for the year ended 31st March, 2018

### NOTE - 17 BORROWINGS (Contd.)

(₹ in Lacs)

	31-03-2018	01-04-2017
<b>CURRENT BORROWINGS</b>		
Working Capital Loans from Banks (Secured)		
Rupee Loans	1,13,435.77	1,09,358.59
Other Loans and Advances		
Bridge Loan from WBIDC Ltd. (against interest subsidy receivable)	-	86.14
SBI Global Factors Limited under factoring facility secured against specific debts	636.28	200.18
<b>Total</b>	<b>1,14,072.05</b>	<b>1,09,644.91</b>

#### (A) Working Capital Term Loan :

Upon implementation of the CDR Package (Refer Note 32), the overdrawn portion of the Cash Credit Accounts of the Company has been carved out into separate Working Capital Term Loans (WCTL).

#### (B) Funded Interest Term Loan :

Upon implementation of the CDR Package (Refer Note 32), funding of interest has been provided for:

- Interest on existing term loans for a period of 24 months from the Cut-Off Date i.e. from 1st October, 2013 to 30th September, 2015;
- Interest on WCTL for a period of 24 months from the Cut-Off Date i.e. from 1st October, 2013 to 30th September, 2015;
- Interest on residual cash credit limit for a period of 9 months from the Cut-Off Date i.e. from 1st October, 2013 to 30th June, 2014;

#### (C) Details of security :

- (i) In terms of the CDR package, Rupee Term Loans , Working Capital Term Loans, Funded Interest Term Loans and Working Capital Loan are pooled together and secured as under:
  - a) First pari-passu charge on the entire Fixed Assets of the Company (excluding value of vehicles), both present and future, including equitable mortgage of factory land & building at Bishnupur (West Bengal), Jajpur (Odisha) and Haldia (West Bengal). Also, secured by way of mortgage on Freehold land at New Town, District: North 24 Parganas measuring 50 Cottahs.
  - b) First pari-passu charge on the entire Current Assets of the Company comprised of stock of raw materials, semi finished and finished goods and book debts, outstanding moneys, receivables, both present and future pertaining to the Company's manufacturing units/divisions at Bishnupur (West Bengal), Jajpur (Odisha) and Haldia (West Bengal) and at other Units.
  - c) Collateral security by equitable mortgage on Land & Building at 1/26, Vidyadhar Nagar, Jaipur, Rajasthan held in the name of Shubham Complex Pvt. Ltd., Office space measuring 835 sq. ft. located at Flat no. 21B, 4th Floor, Bowbazar, 35, C.R. Avenue, Kolkata-12, held in the name of Mr. S.K.Patni and Flat No. A-52, Block-A, 35, Dr. Abani Dutta Road, Salkia, Howrah, held in the name of Mr. Rohit Patni.
  - d) Pledge of 100% of the promoter's shares representing 72% of the paid up Capital of the company on pari passu basis.
  - e) Personal Guarantee of the Promoters - Mr. S.K.Patni, Mr. Rohit Patni and Mr. Ankit Patni.
  - f) Corporate Guarantee of the Group Companies - Vasupujya Enterprises Pvt. Ltd., Shubham Complex Pvt. Ltd., Poddar Mech Tech Services Pvt. Ltd., Invesco Finance Pvt. Ltd. and Suanvi Trading and Investment Co. Pvt. Ltd.

#### (D) Terms of Repayment of Loans :

- (i) Terms of Repayment of Rupee Term Loans availed for Haldia Project, 33 MVA Furnace and Stainless Steel Plant of the Company and Working Capital Term Loan :

Upon implementation of the CDR Package, the existing Rupee Term Loan amounting to ₹ 33,234.93 lacs in respect of Haldia Project, 33 MVA Furnace and Stainless Steel Project and Working Capital Term Loan are to be repaid over a period of 8 years by way of 32 structured quarterly installments commencing from December 31, 2015 up to September 30, 2023 as per the Repayment Schedule given below. Further, such loans carry the interest rate @ 11% p.a. linked to the Base Rate of the State Bank of India, with annual reset option with the approval of CDR-EG.

## Notes on Financial Statements for the year ended 31st March, 2018

### NOTE - 17 BORROWINGS (Contd.)

Financial Year	Quarters	Repayment per Quarter	Total
2015-2016	2	1.00%	2.00%
2016-2017	4	1.00%	4.00%
2017-2018	4	1.50%	6.00%
2018-2019	4	1.50%	6.00%
2019-2020	4	1.50%	6.00%
2020-2021	4	4.00%	16.00%
2021-2022	4	4.50%	18.00%
2022-2023	4	6.00%	24.00%
2023-2024	2	9.00%	18.00%
<b>Total</b>	<b>32</b>		<b>100.00%</b>

(ii) **Terms of Repayment of Term Loan availed for 67.5 MVA Captive Power Plant project of the Company :**

Upon implementation of the CDR Package, the Rupee Term Loan amounting to ₹ 25,699.04 lacs in respect of 67.5 MVA Captive Power Plant is to be repaid by way of 38 equal quarterly installments commencing from 31st December, 2015 up to 31st March, 2025. Further, the loan carries the interest rate @ 11% p.a. linked to the Base Rate of the State Bank of India, with annual reset option with the approval of CDR-EG.

(iii) **Terms of Repayment of Funded Interest Term Loan :**

Repayment of FITL is to be made in 18 equal quarterly installments commencing from 31st December, 2015 with the last installment due on 31st March, 2020. FITL carries interest @11% pa linked to the Base Rate of the State Bank of India, with annual reset option with the approval of CDR-EG.

(iv) **Terms of Repayment of Working Capital Loan :**

The rate of interest on the working capital loans from banks is 10.3% linked to the base rate of State Bank of India.

(v) **Period and Amount of Default as on the Balance Sheet date :**

(₹ in Lacs)

Rupee Term Loan	Amount of default as at the balance sheet date (₹ in Lacs)		Period of default
	Principal Repayment	Interest (Net of Reversals)	
ALLAHABAD BANK	1,585.00	486.88	Quarter ending 31st Dec, 2015 to 31st March 2018
CANARA BANK	275.16	696.26	
EXIM BANK	1,068.00	2,505.52	
STATE BANK OF INDIA	6,902.56	228.91	
UNITED BANK OF INDIA	1,365.30	597.65	
<b>TOTAL</b>	<b>11,196.02</b>	<b>4,515.22</b>	

## Notes on Financial Statements for the year ended 31st March, 2018

### NOTE - 17 BORROWINGS (Contd.)

(₹ in Lacs)

Rupee Term Loan	Amount of default as at the balance sheet date (₹ in Lacs)		Period of default
	Principal Repayment	Interest (Net of Reversals)	
<b>WORKING CAPITAL TERM LOAN</b>			
ALLAHABAD BANK	176.16	106.00	Quarter ending 31st Dec, 2015 to 31st March 2018
ANDHRA BANK	142.92	362.97	
BANK OF BARODA	534.00	-	
CENTAL BANK OF INDIA	27.72	(0.00)	
PUNJAB NATIONAL BANK	515.04	-	
STATE BANK OF INDIA	2,900.52	(48.82)	
UNITED BANK OF INDIA	1,427.76	1,262.54	
UCO BANK	349.80	305.79	
<b>Total</b>	<b>6,073.92</b>	<b>1,988.48</b>	
<b>FUNDED INTEREST TERM LOAN</b>			
ALLAHABAD BANK	1,210.99	28.57	Quarter ending 31st Dec, 2015 to 31st March 2018
ANDHRA BANK	242.20	147.20	
BANK OF BARODA	699.93	-	
CANARA BANK	279.97	171.68	
CENTRAL BANK OF INDIA	157.21	(19.05)	
EXIM BANK	1,079.34	506.33	
PUNJAB NATIONAL BANK	902.69	1.00	
STATE BANK OF INDIA	8,270.28	148.96	
UNITED BANK OF INDIA	2,941.93	557.16	
UCO BANK	412.18	105.16	
<b>TOTAL</b>	<b>16,196.72</b>	<b>1,647.01</b>	
<b>WORKING CAPITAL LOAN</b>			
ALLAHABAD BANK (CC)	-	771.31	Quarter ending 31st Dec, 2015 to 31st March 2018
ANDHRA BANK (CC)	-	1,126.45	
BANK OF BARODA (CC)	-	248.67	
CENTRAL BANK OF INDIA (CC)	-	(28.63)	
PUNJAB NATIONAL BANK (CC)	-	131.20	
PUNJAB NATIONAL BANK (OD)	-	(86.19)	
STATE BANK OF INDIA (CC)	-	389.76	
UNITED BANK OF INDIA (CC)	-	1,091.78	
UCO BANK (CC)	-	338.88	
UCO BANK (OD)	-	29.91	
<b>TOTAL</b>	-	<b>4,013.15</b>	
<b>GRAND TOTAL</b>	<b>33,466.66</b>	<b>12,163.86</b>	

The above disclosure is as per provision made in books. The unprovided liability in respect of interest on non-current and current borrowings amounting to ₹ 61,88.56 Lacs as per notes no. 47 also continued to be in default.

- (vi) Pursuant to CDR Package, the Company has received unsecured loans amounting to ₹ 7,280 lacs from promoters & promoter group companies as promoter's contribution, to be converted into equity. Subsequently, with the invocation of SDR, the said amount of ₹ 7,280 lacs was allowed to be converted into equity at par. Since the SDR has been kept in abeyance no allotment has been made by the company.

## Notes on Financial Statements for the year ended 31st March, 2018

### NOTE - 17 BORROWINGS (Contd.)

- (vii) Unsecured Loan from Body Corporates (Other than related parties) aggregating to ₹ 146.56 Lacs (P.Y.: ₹ 485.01 Lacs) are interest free. Such loans are repayable at the option of the Company and are stated by the management to be in the nature of Long term borrowings.

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>18</b>	<b>OTHER NON-CURRENT FINANCIAL LIABILITIES</b>		
	Liability for Accrued Expenses	-	99.96
	<b>Total</b>	<b>-</b>	<b>99.96</b>

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>19</b>	<b>DEFERRED TAX LIABILITIES (NET)</b>		
	Deferred tax liabilities	15,100.25	12,611.65
	Deferred tax assets	(77,633.06)	(45,266.90)
	<b>Net Deferred Tax Liability / (Asset)</b>	<b>(62,532.81)</b>	<b>(32,655.25)</b>

<b>2017-18</b>	<b>Opening balance</b>	<b>Recognised in Statement of Profit &amp; Loss</b>	<b>Closing Balance</b>
<b>Deferred tax liabilities/(assets) in relation to:</b>			
Provision for doubtful debts and advances/other write offs	2,846.94	1,446.33	4,293.27
Property, plant & equipment (PPE)	9,764.71	1,042.28	10,806.98
Unabsorbed Depreciation	(8,552.47)	(4,416.35)	(12,968.82)
Unabsorbed business Loss	(36,714.43)	(27,949.81)	(64,664.24)
<b>Total</b>	<b>(32,655.25)</b>	<b>(29,877.56)</b>	<b>(62,532.81)</b>

<b>2016-17</b>	<b>Opening balance</b>	<b>Recognised in Statement of Profit &amp; Loss</b>	<b>Closing Balance</b>
<b>Deferred tax liabilities/(assets) in relation to:</b>			
Provision for doubtful debts and advances/other write offs	-	2,846.94	2,846.94
Property, plant & equipment (PPE)	9,018.78	745.93	9,764.71
Unabsorbed Depreciation	(6,960.60)	(1,591.86)	(8,552.47)
Unabsorbed business Loss	(28,346.37)	(8,368.06)	(36,714.43)
<b>Total</b>	<b>(26,288.19)</b>	<b>(6,367.06)</b>	<b>(32,655.25)</b>

Net Deferred Tax Asset has not been recognised as a matter of Prudence, in accordance with the Ind AS-12 (Income Taxes) issued by The Institute of Chartered Accountants of India.

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>20</b>	<b>TRADE PAYABLES</b>		
	Due to Micro, Small & Medium Enterprises [Refer Note (a) below]	-	-
	Due to others	21,773.95	37,683.85
	<b>Total</b>	<b>21,773.95</b>	<b>37,683.85</b>

- There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
- Trade Payables include ₹ 5,731.33 Lacs (P.Y.: ₹ 5,531.51 Lacs) against pledge of stock of raw materials.
- Trade Payables include ₹ 2.23 lacs (P.Y.: ₹ 9.57 lacs) due to related parties. (Refer Note No. 40).

## Notes on Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>21</b>	<b>OTHER CURRENT FINANCIAL LIABILITIES</b>		
	Current maturities of long-term debt (Refer Note 17)	47,867.58	33,466.65
	Interest Accrued and due on Borrowings	8,830.45	6,710.57
	Unclaimed Dividend *	2.65	4.26
	Other Payables		
	For Capital Goods	1,850.65	2,426.06
	For Accrued Expenses & Others	881.38	1,128.55
	<b>Total</b>	<b>59,432.71</b>	<b>43,736.09</b>

\* An amount of ₹ 1.61 lacs (P.Y.: ₹ 1.88 lacs) has been transferred during the year to Investor Education & Protection Fund.

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>22</b>	<b>CURRENT TAX LIABILITIES (NET)</b>		
	Tax Liabilities:		
	-Provision For Taxation	871.17	871.17
	Tax Assets:		
	-Income Tax Payments (Including TDS)	(458.58)	(441.55)
	-Income Tax Refundable	(23.10)	(22.68)
	<b>Total</b>	<b>389.49</b>	<b>406.94</b>

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>23</b>	<b>OTHER LIABILITIES</b>		
	<b>Non Current</b>		
	Deferred Government Grant	97.86	106.03
		<b>97.86</b>	<b>106.03</b>
	<b>Current</b>		
	Advance from Parties	3,860.78	6,615.14
	Deferred Government Grant	8.15	8.15
	Liabilities against statutory dues	2,125.10	2,916.47
		<b>5,994.03</b>	<b>9,539.76</b>
	<b>Total Other Liabilities</b>	<b>6,091.89</b>	<b>9,645.79</b>

## Notes on Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>24</b>	<b>REVENUE FROM OPERATIONS</b>		
	<b>Sale of Products</b>		
	Sale of Manufactured Goods		
	Export Sales	3,959.25	5,673.73
	Domestic Sales	67,481.75	61,939.90
	Sale of Raw Materials	1,576.97	3,650.56
	Sale of Traded Goods		
	Domestic Sales	-	325.52
		<b>73,017.97</b>	<b>71,589.71</b>
	<b>Other Operating Revenues</b>		
	Export Incentives	120.78	824.47
	<b>Total</b>	<b>73,138.75</b>	<b>72,414.18</b>

**Note:**

Revenue from Operations for the year is not comparable with previous year since sales are net of GST whereas in previous year sales were gross of excise duty.

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>25</b>	<b>OTHER INCOME</b>		
	<b>Interest Income</b>		
	- On Credit Sales	-	11.85
	- On Fixed Deposits	9.64	85.47
	- Other Deposits	136.86	367.67
	- On loan/ advances to subsidiary	88.99	83.90
	Sundry Balances Written Back	171.09	4.00
	Lease Rent Received	5.76	3.60
	Miscellaneous Income	21.55	59.20
	Insurance Claim Received	0.02	0.31
	Amortisation of Deferred Government Grant	8.18	8.13
	Changes in Fair Value of Mutual Funds	-	24.40
	<b>Total</b>	<b>442.09</b>	<b>648.53</b>

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>26</b>	<b>COST OF MATERIALS CONSUMED</b>		
	(including cost of Raw Materials sold)		
	Opening Stock of Raw Materials (including intermediates)	31,795.54	57,367.53
	Purchases during the year (including freight)	43,555.93	42,084.58
		75,351.47	99,452.11
	Less: Closing Stock of Raw Materials	8,389.30	31,625.62
	Cost of Raw Materials consumed	<b>66,962.17</b>	<b>67,826.49</b>
	Less: Closing Stock of Intermediates	78.25	169.92
	<b>Cost of Materials consumed</b>	<b>66,883.92</b>	<b>67,656.57</b>

**Note:**

Raw Material consumed includes ₹ 6,323.03 Lacs (P.Y. ₹ 6,323.03 Lacs) on account of amount write down of raw material in Haldia plant on prudent basis as the Haldia plant was shut down since July'15.

## Notes on Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>27</b>	<b>PURCHASES OF STOCK IN TRADE</b>		
	Iron and Steel Products	-	288.24
		-	<b>288.24</b>

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>28</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS &amp; WORK-IN-PROGRESS</b>		
	<b>Opening Stock</b>		
	<b>Finished Goods</b>	903.96	306.24
	Ferro Alloys	801.94	649.92
	Iron & Steel Products		
	<b>Work-In-Progress</b>	2,607.62	3,205.68
	Ferro Alloys	293.89	1,428.94
	Iron & Steel Products		
		<b>4,607.41</b>	<b>5,590.78</b>
	<b>Closing Stock</b>		
	<b>Finished Goods</b>		
	Ferro Alloys	425.25	903.96
	Iron & Steel Products	567.96	801.94
	<b>Work-In-Progress</b>		
	Ferro Alloys	1,686.46	2,607.62
	Iron & Steel Products	496.04	293.89
		<b>3,175.71</b>	<b>4,607.41</b>
		<b>1,431.70</b>	<b>983.37</b>

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>29</b>	<b>EMPLOYEE BENEFITS EXPENSE</b>		
	Salaries, Wages, Bonus & Allowances	1,319.16	1,189.79
	Contribution to Provident & Other Funds	84.23	68.25
	Gratuity [Refer Note 38]	34.65	24.92
	Directors' Remuneration	49.68	30.50
	Welfare Expenses	19.05	28.15
		<b>1,506.77</b>	<b>1,341.61</b>

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>30</b>	<b>FINANCE COSTS</b>		
	Interest Expense		
	To Banks (Refer Note 47)	4,261.25	(2,131.67)
	To Others	721.26	144.65
	Other Borrowing Costs	340.69	121.01
		<b>5,323.20</b>	<b>(1,866.01)</b>

## Notes on Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>31</b>	<b>OTHER EXPENSES</b>		
	Labour Charges	1,754.54	1,423.75
	Power & Fuel	16,375.12	16,183.75
	Water Supply Charges	115.14	64.10
	Stores, Spares and Consumables	4,026.92	4,058.69
	Packing Materials	12.34	49.05
	Material Handling Expenses	441.24	409.86
	Excise Duty on Variation in Stock [Refer Note (a) below]	-	75.61
	Repairs		
	- To Factory Shed & Building	21.68	30.74
	- To Plant & Machinery	88.86	72.63
	Rent	22.68	23.29
	Rates & Taxes	13.04	45.75
	Electricity Expenses	17.07	14.13
	Insurance	72.56	111.98
	Printing and Stationery	8.76	12.22
	Postage and Courier	6.34	8.80
	Telephone Charges	27.67	43.48
	Travelling & Conveyance	86.33	103.10
	Car Running and Maintenance	53.90	55.73
	Other Repairs and Maintenance	62.82	51.68
	Security Service Charges	183.32	175.19
	Membership and Subscription	6.48	8.35
	Internal Audit Fees	2.00	2.50
	Legal and Professional Charges	160.11	104.37
	Auditors' Remuneration [Refer Note Below (b)]	15.37	14.50
	Directors' Sitting Fees	1.18	1.40
	Miscellaneous Expenses	71.53	144.50
	Short Realisation/ Loss on sale of DEPB	6.71	233.30
	Testing & Inspection Charges	17.91	20.80
	Donations	3.11	2.28
	Advertisement & Sales Promotion	44.88	58.40
	Freight & Forwarding on Export	122.99	178.29
	Transportation & Delivery Charges	1,619.80	1,582.57
	Commission on Sales	44.13	88.52
	Corporate Social Responsibility	5.60	2.82
	Loss on Sale of Fixed Assets	-	10.20
	Short Recovery & Damages	-	3.88
	Sundry Balances Written Off	55.25	116.66
	Allowances for expected credit losses	1,446.33	2,657.95
	Allowances for doubtful export incentives	-	188.99
	Foreign Exchange Fluctuation Loss	144.57	6.94
		<b>27,158.28</b>	<b>28,440.76</b>

- a) Amount of excise duty on variation in stock represents differential excise duty on opening and closing stock of finished goods.



## Notes on Financial Statements for the year ended 31st March, 2018

NOTE - 31 OTHER EXPENSES (Contd.)

(₹ in Lacs)

b)	Auditors' Remuneration:	31-03-2018	31-03-2017
i)	As Statutory Auditor [includes tax audit fees of ₹ 2.00 Lacs (P.Y. ₹ 2.00 Lacs)]	10.00	10.00
ii)	For Taxation matters	0.10	-
iii)	For Other services	5.27	4.50
	<b>Total</b>	<b>15.37</b>	<b>14.50</b>

### 32 CORPORATE DEBT RESTRUCTURING

During the year 2013-14, at the request of the Company, the Corporate Debt Restructuring Proposal (CDR Proposal) was referred to CDR Empowered Group (CDR EG) by the consortium of lenders led by State Bank of India (SBI). The CDR Proposal as recommended by SBI was approved by CDR EG on 24th March, 2014 and communicated vide Letter of Approval dated 28th March, 2014, as amended / modified from time to time. Under CDR package, the Company's debts were restructured / rescheduled and additional credit facilities have been sanctioned as set out in the said Letter of Approval. The cut off date for CDR package was 30th September, 2013 and upon implementation, the financial effect thereof has been duly taken into accounts.

The CDR Package includes reliefs / measures such as reduction in interest rates, funding of interest, rearrangement of securities etc. The key features of the CDR Proposal are as follows:

- Repayment of Rupee Term Loans (RTL) (except term loan for Captive Power Plant of the Company) after moratorium of 2 years from the cut-off date in 32 structured quarterly installments commencing from 31st December, 2015 to 30th September, 2023.
- Repayment of Rupee Term Loans for Captive Power Plant of the Company after moratorium of 2 years from the cut-off date in 38 structured quarterly installments commencing from 31st December, 2015 to 31st March, 2025.
- Conversion of various irregular/outstanding/devolved financial facilities into Working Capital Term Loan ('WCTL'). Repayment of WCTL after moratorium period of 2 years from cut-off date in 32 structured quarterly installments commencing from 31st December, 2015 to 30th September, 2023.
- Restructuring of existing fund based and non fund based financial facilities.
- Interest on RTL and WCTL during the moratorium period of 2 years from cut-off date and interest on Cash Credit limit for a period of 9 months from the cut-off date shall be converted to FITL. Repayment of FITL would be done in 18 equal quarterly installments commencing from 31st December, 2015 to 31st March, 2020.
- The rate of interest on RTL, WCTL, FITL and Fund Based Working Capital Facilities shall be 11% (linked to the base rate of SBI) with the right to reset the rate of the Term loan(s) and FITL every year with the approval of CDR-EG.
- Waiver of penal interest for irregularities in the Cash Credit accounts for the period from cut-off date to the date of implementation of the package.
- Contribution of ₹ 5,664 lacs in the Company by the promoters in lieu of bank sacrifices and ₹ 8,577 lacs to meet the additional cost over run towards the Captive Power plant project of the Company. The contribution is to be brought initially in the form of unsecured loan by 30th September, 2014 and the same is to be converted into equity by 30th June, 2015.
- The CDR Package as well as the provisions of the Master Circular on Corporate Debt Restructuring issued by the Reserve Bank of India, gives a right to the CDR Lenders to get a recompense of their waivers and sacrifices made as part of the CDR Proposal. The recompense payable by the Company is contingent on various factors, the outcome of which currently is materially uncertain and hence the proportionate amount payable as recompense has been treated as a contingent liability. The aggregate present value of the outstanding sacrifice made/ to be made by CDR Lenders as per the CDR package is approximately ₹ 69,987 lacs.

(₹ in Lacs)

NOTES	PARTICULARS	31-03-2018	31-03-2017
<b>33</b>	<b>EARNINGS PER SHARE</b>		
	Weighted average number of Equity Shares outstanding during the year	1,137.76	1,137.76
	Number of Shares considered as weighted average shares and potential shares outstanding for calculation of Diluted Earnings Per Share (Refer Note below)	1,137.76	1,137.76
	Profit after Tax attributable to Equity Shareholders (₹ in Lacs)	(33,887.13)	(33,599.21)
	Nominal Value of Ordinary Shares (₹)	10.00	10.00
	<b>Earnings Per Share (Basic) (₹)</b>	<b>(29.78)</b>	<b>(29.53)</b>
	<b>Earnings Per Share (Diluted) (₹)</b>	<b>(29.78)</b>	<b>(29.53)</b>

## Notes on Financial Statements for the year ended 31st March, 2018

### NOTE - 33 EARNINGS PER SHARE (Contd.)

**Notes :** Pursuant to CDR Package, the Company has received unsecured loans amounting to ₹ 7,131 Lacs from promoters & promoter companies as promoter's contribution, to be converted into equity by 30th June, 2015, at such price as will be determined in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations. Pending approval & determination of price by SEBI, the same has not been considered in the calculation of EPS.

### 34 CONTINGENT LIABILITIES AND COMMITMENTS

(i) Contingent Liabilities not provided for in the books of accounts in respect of :

- (a) Bills discounted, outstanding as on 31st March, 2018 - ₹ NIL (P.Y.: ₹ NIL)
- (b) Corporate Guarantee to Indian Overseas Bank, Hongkong to secure the financial assistance to SKP Overseas Pte Ltd, a Wholly Owned Subsidiary. Amount payable by SKP Overseas Pte Ltd. to Indian Overseas Bank, Hongkong as on 31st March 2018 is USD. 6.06 Million (P.Y.:USD. 6.06 Million).
- (c) Right of Recompense to CDR Lenders for the relief and sacrifice extended, subject to provisions of CDR Guidelines, amounting to ₹ 69,987 lacs (Refer Note 32)
- (d) Claims against the company not acknowledged as debt: (₹ in Lacs)

	31-03-2018	31-03-2017
Disputed Excise Duty under appeal	1,997.28	1,927.74
Service Tax	380.52	42.39
Disputed Sales Tax/ VAT under appeal	5,452.31	1,616.46
Disputed VAT Refund claim under appeal	-	1,305.99
Disputed Entry Tax under appeal	51.42	51.42
Disputed Entry Tax Refund claim under appeal	103.97	103.97
Disputed Provident Fund demand under appeal	1.80	1.80
Customs	540.35	540.35
Income Tax	6,436.61	3,407.66
Dispute with parties not acknowledged as debt	2,995.61	3,067.38

(ii) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)- ₹ 1,574.33 Lacs (P.Y.: ₹ 1,402.36 Lacs).

**35** The current and non-current assets, in the opinion of the management, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the accounts. Adequate provisions have been made for all known losses and liabilities.

**36** Certain Balances of the sundry creditors, sundry debtors, unsecured loans and advances are subject to confirmation and reconciliation. The reported financials might have consequential impact once the reconciliation is completed, the quantum where of remains unascertained. Advance from Parties includes ₹ 198.62 lacs (P.Y.: ₹ 1,249.64 lacs) being certain receipts lying under suspense account in absence of information as to the credits in the bank account.

### 37 RESEARCH AND DEVELOPMENT EXPENSES

Research and Development expenses aggregating to ₹ NIL ( P.Y.: ₹ 0.35 Lacs) in the nature of revenue expenditure have been included under the appropriate account heads.

### 38 EMPLOYEE BENEFITS

#### a. Defined benefits - Gratuity

The Company's gratuity benefit scheme for its employees in India is a defined benefit plan (unfunded).

The Company provides for gratuity from employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of completed service.

The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as on 31st March, 2017 which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Company's gratuity expense is recognized under the head - "Employee Benefit Expense" in Note 29.

## Notes on Financial Statements for the year ended 31st March, 2018

### NOTE - 38 EMPLOYEE BENEFITS (Contd.)

These defined benefit plans expose the Company to actuarial risks, such as interest rate risk, liquidity risk, salary escalation risk and regulatory risk.

#### b. Defined Benefit Plan:

(₹ in Lacs)

	31-03-2018	31-03-2017
<b>Reconciliation of the Present Value of the Defined Benefit Obligation and the Fair Value of Plan Assets</b>		
Present Value of funded obligation at the end of the year	231.13	187.42
Fair Value of Plan Assets at the end of the year	206.18	123.46
<b>Net Asset / ( Liability) recognised in the Balance Sheet</b>		

#### (i) Reconciliation of Opening and Closing balances of the Present Value of the Defined Benefit Obligation :

	31-03-2018	31-03-2017
(a) Balance at the beginning of the year	187.42	154.69
(b) Current service cost	28.03	21.78
(c) Interest cost	14.05	12.37
(d) Actuarial (gains) / losses recognised in other comprehensive income		
- financial assumptions	(9.10)	22.29
- experience adjustment	16.42	32.47
(e) Past Service Cost	1.83	-
(f) Benefits paid	(7.53)	(56.17)
Balance at the end of the year	<b>231.13</b>	<b>187.42</b>

#### (ii) Changes in the Fair Value of Plan Assets and reconciliation thereof:

	31-03-2018	31-03-2017
(a) Balance at the beginning of the year	123.46	115.40
(b) Interest income	9.25	9.23
(c) Remeasurements due to:		
Actual return on plan asset less interest on plan asset	-	-
(d) Contributions by the employer	81.00	55.00
(e) Benefits paid	(7.53)	(56.17)
<b>Fair Value of Plan Assets at the close of the year</b>	<b>206.18</b>	<b>123.46</b>

#### (iii) Amount Recognised in the Balance Sheet including a reconciliation of the present value of the defined obligation in (i) and the fair value of the plan assets in (ii) to assets and liabilities recognised in the Balance Sheet :

	31-03-2018	31-03-2017
Present value of defined benefit obligation	(231.13)	(187.42)
Fair value of plan assets	206.18	123.46
<b>Net defined benefit obligations in the Balance Sheet</b>	<b>(24.95)</b>	<b>(63.97)</b>

#### (iv) Amount recognised in the Profit and Loss Account are as follows :

	31-03-2018	31-03-2017
Current service cost	28.03	21.78
Interest cost	4.79	3.14
Past Service Cost	1.83	-
Expected return on plan assets	-	-
<b>Amount charged to Statement of Profit and Loss</b>	<b>34.65</b>	<b>24.92</b>

## Notes on Financial Statements for the year ended 31st March, 2018

### NOTE - 38 EMPLOYEE BENEFITS (Contd.)

#### (v) Remeasurements recognised in other comprehensive income (₹ in Lacs)

	31-03-2018	31-03-2017
Actuarial loss (gain) arising on defined benefit obligation from		
- financial assumptions	(9.10)	22.29
- experience adjustment	16.42	32.47
Actual return on plan asset less interest on plan asset	-	-
<b>Amount recognised in other comprehensive income</b>	<b>7.33</b>	<b>54.76</b>

#### (vi) Maturity profile of defined benefit obligation

	31-03-2018	31-03-2017
Within the next 12 months	18.50	10.34
Between 1 and 5 years	36.13	30.22
Between 5 and 10 years	98.81	72.75
More than 10 years	649.29	536.39

#### (vii) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

	31-03-2018	31-03-2017
Defined benefit obligation on discount rate plus 100 basis points	204.22	164.60
Defined benefit obligation on salary growth rate plus 100 basis points	263.67	214.21
Attrition Rate(+50%)	233.78	189.18
Mortality Rate(+10%)	231.27	187.52
Defined benefit obligation on discount rate minus 100 basis points	263.57	215.09
Defined benefit obligation on salary growth rate minus 100 basis points	203.68	164.58
Attrition Rate(-50%)	228.18	185.45
Mortality Rate(-10%)	231.00	187.33

#### (viii) Broad Categories of Plan Assets as a percentage of Total Assets as at 31st March, 2018

	31-03-2018	31-03-2017
Qualifying Insurance Policy	100%	100%

#### (ix) Actuarial assumptions

	31-03-2018	31-03-2017
a. Discount Rate	7.80%	8.00%
b. Salary Escalation Rate	6.50%	6.00%
c. Mortality Rate (% of IALM 06-08)	100.00%	100.00%

### 39 OPERATING SEGMENTS

#### A. Basis of segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's management to make decisions about resources to be allocated to the segments and assess their performance.

The Company has two reportable segments, as described below, which is the Company's strategic business units. These business units are managed separately because they require different technology and marketing strategies. For these business units, the Company's management reviews internal reports on at least a quarterly basis.

## Notes on Financial Statements for the year ended 31st March, 2018

### NOTE - 39 OPERATING SEGMENTS (Contd.)

The following summary describes the operations in each of the Company's reportable segments:

Reportable segment	Operations
Ferro Alloys and Minerals	Manufacturing
Iron and Steel	Manufacturing

#### B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

(₹ in Lacs)

	31-03-2018	31-03-2017
<b>Segment Revenue</b>		
Ferro Alloys and Minerals	47,117.76	53,631.55
Iron and Steel	33,846.23	24,418.79
Inter Segment Revenue	(7,825.24)	(5,636.15)
<b>Total</b>	<b>73,138.75</b>	<b>72,414.18</b>

(₹ in Lacs)

	31-03-2018	31-03-2017
<b>Segment Results (Profit before Finance Cost &amp; Tax)</b>		
Ferro Alloys and Minerals	(22,896.39)	(16,015.90)
Iron and Steel	(5,878.53)	(19,796.22)
Unallocated	210.99	347.10
<b>Total</b>	<b>(28,563.93)</b>	<b>(35,465.22)</b>
Finance Cost	5,323.20	(1,866.01)
Exceptional Items	-	-
<b>Profit before tax</b>	<b>(33,887.13)</b>	<b>(33,599.21)</b>
Less: Income Tax	-	-
<b>Profit after tax</b>	<b>(33,887.13)</b>	<b>(33,599.21)</b>

#### Other information

	Year Ended	Assets	Liabilities	Capital Expenditure	Depreciation	Non-cash Exps (other than Depreciation)
Ferro Alloys and Minerals	31-03-2018	1,59,954.54	38,466.53	15.80	2,954.66	-
	31-03-2017	1,81,914.22	26,261.03	1,213.83	2,997.38	-
Iron and Steel	31-03-2018	37,249.08	(7,712.41)	-	419.41	-
	31-03-2017	63,114.02	24,549.56	-	420.77	-
Unallocated	31-03-2018	8,206.09	871.17	-	-	-
	31-03-2017	8,473.39	871.17	-	-	-
<b>Total (31-03-2018)</b>		<b>2,05,409.71</b>	<b>31,625.29</b>	<b>15.80</b>	<b>3,374.07</b>	-
<b>Total (31-03-2017)</b>		<b>2,53,501.63</b>	<b>51,681.75</b>	<b>1,213.83</b>	<b>3,418.15</b>	-

## Notes on Financial Statements for the year ended 31st March, 2018

### NOTE - 39 OPERATING SEGMENTS (Contd.)

#### Secondary segment information (geographical segment)

(₹ in Lacs)

Segment	Period		External revenue by location of customers	Carrying amount of segment assets by location of assets	Cost incurred on acquisition of tangible and intangible fixed assets
Within India	Year ended	31-03-2018	69,179.50	1,95,884.95	15.80
	Year ended	31-03-2017	66,740.45	2,46,566.31	1,213.83
Outside India	Year ended	31-03-2018	3,959.25	9,524.76	-
	Year ended	31-03-2017	5,673.73	6,935.32	-
Total	Year ended	31-03-2018	73,138.75	2,05,409.71	15.80
	Year ended	31-03-2017	72,414.18	2,53,501.63	1,213.83

### NOTE - 40 RELATED PARTY DISCLOSURES AS PER IND ACCOUNTING STANDARD-24

#### 1. Related Parties where control exists

- |                          |                                       |
|--------------------------|---------------------------------------|
| 1. SKP Overseas PTE Ltd. | - Wholly Owned Subsidiary             |
| 2. PT Bara Prima Mandiri | - Subsidiary of SKP Overseas PTE Ltd. |

#### 2(a) Key Managerial Personnel

- |                                 |                           |
|---------------------------------|---------------------------|
| 1. Mr. Ankit Patni              | - Managing Director       |
| 2. Mr. Suresh Kumar Patni       | - Non-Executive Director  |
| 3. Mr. Ankit Jain               | - Independent Director    |
| 4. Mr. Ravindra Kumar Mehra     | - Independent Director    |
| 5. Mrs. Sujata Agarwal          | - Independent Director    |
| 6. Mr. Ankit Rungta             | - Independent Director    |
| 7. Mr. Parama Bhattaraka Lahiri | - Nominee Director        |
| 8. Mr. Vipul Jain               | - Chief Financial Officer |
| 9. Mr. Anil Prasad Shaw         | - Company Secretary       |

#### (b) Enterprises in which director is interested

1. M/s. Ankit Metal & Power Ltd.
2. M/s. Impex Fero Tech Ltd.
3. M/s. Impex Metal & Ferro Alloys Ltd.
4. M/s. Relybulls Stock Broking Pvt. Ltd.
5. M/s. Relybulls Derivatives and Commodities Pvt. Ltd.

#### (c) Enterprises owned or significantly influenced by the Key managerial Personnel or their relatives

1. M/s. Nucore Exports Pvt. Ltd.
2. M/s. Arthodock Vinimay Pvt. Ltd.
3. M/s. Gajkarna Merchandise Pvt. Ltd.
4. M/s. SBM Steels Pvt. Ltd.
5. M/s. Shubham Complex Pvt. Ltd.
6. M/s. Relybulls Stock Broking Pvt. Ltd.
7. M/s. Relybulls Derivatives and Commodities Pvt. Ltd.
8. M/s. SKP Overseas Pte. Ltd.

## Notes on Financial Statements for the year ended 31st March, 2018

### NOTE - 40 RELATED PARTY DISCLOSURES AS PER IND ACCOUNTING STANDARD-24 (Contd.)

#### (d) Related Party Transaction taken place during the year

(₹ in Lacs)

Nature of Transactions	31-03-2018	31-03-2017
<b>Interest Received on Loan</b>		
SKP Overseas PTE Ltd.	88.99	83.90
<b>Purchases</b>		
Impex Ferro Tech Ltd.	66.14	2,498.94
Impex Metal & Ferro Alloys Ltd.	24.86	219.65
<b>Sales of Goods</b>		
Ankit Metal & Power Ltd.	-	303.64
Impex Ferro Tech Ltd.	86.02	3,337.64
Impex Metal & Ferro Alloys Ltd.	24.89	218.02
<b>DEPB/Focus Licence Sold</b>		
Impex Ferro Tech Ltd.	11.25	26.34
Impex Metal & Ferro Alloys Ltd.	42.88	96.80
<b>Lease Rent Received</b>		
Impex Metal & Ferro Alloys Ltd	4.09	3.60
Re-imbursement of Security Service Charges		
Marble Arch Properties Pvt.Ltd.	7.50	-
<b>Rent Paid</b>		
Marble Arch Properties Pvt.Ltd.	6.15	6.90
<b>Security Deposit Received</b>		
Sarita Patni	1.00	-
<b>Managerial Remuneration</b>		
Ankit Patni	24.00	13.80
R.K. Burnwal	25.68	16.26
<b>Sitting Fees</b>		
Suresh Kumar Patni	0.25	0.20
Ankit Patni	-	0.03

#### e) Outstanding Balances

Nature of Transactions	31-03-2018	31-03-2017
<b>Trade Payables/ Payables for Accrued Expenses</b>		
Marble Arch Properties Pvt.Ltd.	2.23	9.57
<b>Trade Receivables</b>		
Impex Metal & Ferro Alloys Ltd.	102.05	1.62
Impex Ferro Tech Ltd.	633.65	-
Ankit Metal & Power Ltd.	117.81	-
SKP Overseas PTE Ltd.	130.09	129.68
<b>Loan Given *</b>		
SKP Overseas PTE Ltd.	1,572.14	1,255.54
* Including accrued interest		

## Notes on Financial Statements for the year ended 31st March, 2018

### NOTE - 40 RELATED PARTY DISCLOSURES AS PER IND ACCOUNTING STANDARD-24 (Contd.)

(₹ in Lacs)

Nature of Transactions	31-03-2018	31-03-2017
<b>Loan Taken</b>		
Suanvi Trading & Investment Co.Pvt. Ltd	150.00	150.00
Shreyansh Leafin Pvt. Ltd.	1,498.50	1,498.50
Vasupujya Enterprises Pvt. Ltd.	1,613.00	1,613.00
Whitestone Suppliers Pvt.Ltd.	1,467.00	1,467.00
Gajkarna Merchandise Pvt Ltd.	1,459.00	1,459.00
Astabhuja Properties Pvt. Ltd.	1,010.50	1,010.50
Poddar Mech Tech Services Pvt. Ltd.	82.00	82.00
<b>Advances / Deposits Given</b>		
Impex Metal & Ferro Alloys Ltd.	-	7.91
SKP Overseas PTE Ltd.	97.57	320.19
Sarita Steel & Power Ltd.	70.00	50.00
<b>Investment in Equity Shares</b>		
SKP Overseas PTE Ltd.	7,724.41	7,724.41
<b>Advances / Deposits taken</b>		
Sarita Patni	1.00	-
<b>Managerial Remuneration</b>		
Ankit Patni	37.80	13.80
<b>Security Deposit</b>		
Marble Arch Properties Pvt. Ltd.	-	168.00

Term Loans, Working Capital Term Loan, Funded Interest Term Loans and Working Capital Facilities from banks are secured by way of Corporate Guarantee of the Related Parties - Vasupujya Enterprises Pvt. Ltd., Shubham Complex Pvt. Ltd., Poddar Mech Tech Services Pvt. Ltd., Invesco Finance Pvt. Ltd. and Suanvi Trading and Investment Co. Pvt. Ltd. and Personal Guarantee of the Promoters - Mr. Suresh Kumar Patni, Mr. Rohit Patni and Mr. Ankit Patni.

Corporate Guarantee to Indian Overseas Bank, Hongkong has been given to secure the financial assistance to SKP Overseas Pte. Ltd. Amount payable by SKP Overseas Pte. Ltd. to Indian Overseas Bank, Hongkong as on 31st March, 2018 is USD. 6.06 Million (P.Y. USD. 6.06 Million).

### 41 INFORMATION PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENTS WITH STOCK EXCHANGES

NOTES	Particulars	31-03-2018	31-03-2017	Maximum balance during the current year	Maximum balance during the previous year
	Loans and advances in the nature of loans to subsidiary companies*				
	SKP Overseas PTE Ltd.	1,572.14	1,255.54	1,572.14	1,426.69
	(*Including accrued interest)				



## Notes on Financial Statements for the year ended 31st March, 2018

42 FOREIGN EXCHANGE EARNINGS AND OUTGO: (₹ in Lacs)			
NOTES	Particulars	31-03-2018	31-03-2017
	<b>Earnings in Foreign Currency:</b>		
	F.O.B. Value of Exports	3,920.77	5,599.81
	Interest on Loan to Subsidiary	88.99	83.90
	<b>Expenditure in Foreign Currency:</b>		
	Travelling & Conveyance	2.58	16.94
	Membership & Subscription	4.03	3.96
	Interest on Purchase	-	6.82
	Commission on Sales	27.70	18.31
	<b>CIF Value of Imports:</b>		
	Raw Materials	4,660.68	5,145.02
	Stores & Spares	30.73	53.85

### 43 AMOUNTS RECEIVABLE / PAYABLE IN FOREIGN CURRENCY

a. Forward contracts/ hedging instruments outstanding as at the Balance Sheet date are ₹ Nil (P.Y. ₹ Nil)

b. Particulars of unhedged foreign currency exposure as at the year end are as follows:

Nature (Nos.) of Contract	Currency	31-03-2018	31-03-2017
a) Amount receivable in foreign currency	EURO	-	-
a) Amount receivable in foreign currency	USD	3.88	11.85
b) Amount payable in foreign currency	EURO	0.20	0.19
c) Amount payable in foreign currency	USD	40.36	16.55

44. The lenders have communicated to go for change in management by indentifying an investor who will acquire the shares held by the promoters in RFTL. A Deed of Undertaking has been executed by RFTL and its promoters in this regard. On Execution of the Deed of Undertaking, the Lenders have invited bids from prospective investors by way of sale of equity stake held by the promoters of the Company and the same is in process. The matter is subjudice in the Kolkata High Court.
45. The Company's Factory at Haldia (West Bengal) is suspended since 1st July, 2015 on account of depressed domestic and global market conditions in steel industry and excess procurement cost of Electricity. Robbery/Damages to certain properties had occurred and the Company had filed insurance claim which is under process. The claim settlement is currently under process. The financial impact of such insurance claim (Buglary/Robbery) on the reported financial year remains unascertained and unquantified.
46. The operations of the company was severely impacted by weak steel industry scenario and lack of demand for company's finished product. The company has incurred loss of ₹ 33,894.46 Lacs for the year ended 31st March, 2018 and accumulated loss as on 31st March 2018 is ₹ 147,825.98 Lacs which is in excess of the entire net worth of the company. The company has continuous support from the promoters and has put in place measures for revival and cost reduction. Considering the initiative of the company and given the emerging scenario of steel industry with notification of Minimum Support Price in India, the management is of view of foreseeable future about the operations of the company and accordingly the financial statements have been prepared under Going Concern basis.
47. The lenders have stopped charging interest on debts, since the dues from the company have been categorised as Non Performing Asset. Pending finalization of the restructuring plan, the company has not provided accrued interest in its books as the account has been declared NPA by the respective lenders. The amount of interest not so provided for the year ended 31st March 2018 stands at ₹ 29,797.16 Lacs. Penal interest and charges thereof (amount remaining unasserted) has not been provided for. The unprovided liability in respect of interest on long term and short term borrowings as on 31st March, 2018 amounted to ₹ 61,188.56 Lacs. The same have consequential impact on the reported figures.
48. The Company has not made any remittance in foreign currencies on account of dividend during the year and does not have information as to the extent to which remittance in foreign currencies on account of dividends have been made on behalf of non – resident shareholders.

## Notes on Financial Statements for the year ended 31st March, 2018

### 49. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

#### Risk management framework

The Company's principal financial liabilities comprises of borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

#### (i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans. In addition, credit risk arises from finance guarantees. Company's credit risk arises principally from the trade receivables and cash & cash equivalents.

Customer credit risk is managed centrally by the company through credit approvals establishing credit limits and continuously monitoring the credit worthiness of the customers to whom the credit is extended in the normal course of business. The concentration of credit risk is limited due the fact that the customer base is large and unrelated. The company estimates the Expected Credit Losses on the basis of its evaluation of each case. Provision is being made as per company's expected credit policy in the manner mentioned below;

Overdue for more than 1 year but not more than 2 years: 5%

Overdue for more than 2 years but not more than 4 years: 15%

Overdue for more than 4 years: 50%

followed by further provision on year to year basis based on the management evaluation of each case.

Credit risks from balances with banks are managed in accordance with the Company's policy.

#### Exposure to credit risks

The carrying amount of financial assets represents the Company's maximum exposure to credit risk. The maximum exposure to credit risk as of 31st March, 2018 and 31st March, 2017 are as follows: (₹ in Lacs)

Particulars	31-03-2018	31-03-2017
Cash and cash equivalents	1,027.07	864.51
Other Bank balances	17.18	848.30
Loans and other receivables	18,760.44	18,734.12
Trade accounts and notes receivable, net	51,460.71	62,168.75
<b>Total</b>	<b>71,265.40</b>	<b>82,615.68</b>

## Notes on Financial Statements for the year ended 31st March, 2018

### NOTE - 49 Financial risk management (Contd.)

(₹ in Lacs)

The ageing of trade accounts and notes receivable as of 31st March, 2018 and 31st March, 2017 are as follows:

Particulars	31-03-2018	31-03-2017
Not Due	-	-
Over due but less than 3 month	19,133.62	10,176.75
3 months - 12 months	942.83	1,721.31
over 12 months	31,384.26	50,270.69

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk.

#### Movement in impairment loss account is as follows:

Particulars	31-03-2018	31-03-2017
Balance at the beginning	2,657.95	-
Impairment loss recognised/ reversed	1,446.33	2,657.95
Amounts written-back	-	-
<b>Balance at the end</b>	<b>4,104.28</b>	<b>2,657.95</b>

#### (ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity, subject to its restructuring proposals, to meet its liabilities when due, under both normal and stressed conditions.

In the opinion of the management, the company's cash flow from business, borrowing or financing would be sufficient to meet the cash requirements for its operation with support of its lenders.

#### Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

31-03-2018	Less than 1 year	1-5 years	> 5 years	Total
Borrowings	1,13,533.42	54,656.17	42,999.21	2,11,188.80
Trade payables	21,773.95	-	-	21,773.95
Other non - current financial liabilities	-	-	-	-
Other current financial liabilities (Including current maturities of borrowings)	59,432.71	-	-	59,432.71
31-03-2017	Less than 1 year	1-5 years	> 5 years	Total
Borrowings	1,09,644.91	63,252.22	48,603.90	2,21,501.03
Trade payables	37,683.85	-	-	37,683.85
Other non - current financial liabilities	-	99.96	-	99.96
Other current financial liabilities (Including current maturities of borrowings)	43,736.09	-	-	43,736.09

## Notes on Financial Statements for the year ended 31st March, 2018

### NOTE - 49 Financial risk management (Contd.)

#### (iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The goal of market risk management is optimization of profit and controlling the exposure to market risk within acceptable limits.

#### (a) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the import of raw materials and spare parts, and exports of finished goods.

#### Exposure to currency risk

The Company's exposure to foreign currency are at the end of the reporting period are as follows:

Particulars	In original currency (USD/EURO)	In Rupees (₹)
31st March, 2018		
Trade receivables	3.68	47.65
Cash and cash equivalents	-	-
Other financial assets	-	-
	3.68	47.65
Borrowings (including current maturities of long-term debt)	-	-
Trade payables	40.36	2,625.35
Derivatives	-	-
	40.36	2,625.35
<b>Net exposure in respect of recognised financial assets and liabilities</b>	<b>(36.68)</b>	<b>(2,577.70)</b>

Particulars	In original currency (USD/EURO)	In Rupees (₹)
31st March, 2017		
Trade receivables	12.04	786.63
Cash and cash equivalents	-	-
Other financial assets	-	-
	12.04	786.63
Borrowings (including current maturities of long-term debt)	-	-
Trade payables	16.55	1,073.08
Derivatives	-	-
	16.55	1,073.08
<b>Net exposure in respect of recognised financial assets and liabilities</b>	<b>(4.51)</b>	<b>(286.45)</b>

#### Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD against Indian rupee at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

## Notes on Financial Statements for the year ended 31st March, 2018

### NOTE - 49 Financial risk management (Contd.)

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>31st March, 2018</b>				
USD (5% Movement)	(128.88)	128.88	(89.06)	89.06
<b>31st March, 2017</b>				
USD (5% Movement)	(14.32)	14.32	(9.90)	9.90

#### (b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

#### Exposure to interest rate risk

The interest rate profile of the Company 's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	31-03-2018	31-03-2017
<b>Fixed rate instruments</b>		
Financial assets	-	-
Financial liabilities	-	-
<b>Variable rate instruments</b>		
Financial assets	-	-
Financial liabilities	2,51,630	2,47,203
	<b>2,51,630</b>	<b>2,47,203</b>

#### Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

#### Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below.

(₹ in Lacs)

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>31st March, 2018</b>				
Variable rate instruments	2,516	(2,516)	1,739	(1,739)
<b>Cash flow sensitivity (net)</b>	<b>2,516</b>	<b>(2,516)</b>	<b>1,739</b>	<b>(1,739)</b>
<b>31st March, 2017</b>				
Variable rate instruments	2,472	(2,472)	1,708	(1,708)
<b>Cash flow sensitivity (net)</b>	<b>2,472</b>	<b>(2,472)</b>	<b>1,708</b>	<b>(1,708)</b>

#### (c) Equity price risks

The Company is not exposed to equity risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

#### (d) Hedge accounting

##### Currency risk-Transactions in foreign currency

The Company is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales and interest rate exposures are denominated. The currencies in which these transactions are primarily denominated are US dollars. The Company buys and sells derivatives, and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out as per the risk management policy of the Company.

The Company holds derivative financial instruments such as foreign currency forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company's risk management policy is to hedge its foreign currency exposure in respect of firm commitments and highly probable forecasted transactions and interest rate risks. The counterparty for these contracts is generally a bank or a financial institution.

## Notes on Financial Statements for the year ended 31st March, 2018

### NOTE - 49 Financial risk management (Contd.)

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Company assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item. In order to designate a derivative contract as an effective hedge, the management objectively evaluates and evidence with appropriate underlying documents of each contract whether the contract is effective in offsetting cash flow attributable to the hedged risk.

In these hedging relationships, the main sources of ineffectiveness are :

- the effect of the counterparty and the Company's own credit risk on the fair value of the forward exchange contracts, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates; and
- changes in the timing of the hedged transactions.

#### Interest rate risk

The Company adopts a policy of hedging its certain interest rate risk exposure is at a fixed rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at a floating rate.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional of hedging instruments or par amounts of hedged items.

### 50. Capital Management (Ind AS-1)

The fundamental goals of capital management are to:

- safeguard their ability to continue as a going concern, subject to note no. 30 so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants. The Company applied the same capital risk management strategy that was applied in the previous period.

The Company manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of cash and cash equivalents) divided by total equity.

(₹ in Lacs)		
Particulars	31-03-2018	31-03-2017
Debt *	2,51,630	2,47,203
Cash and bank balances	1,044	1,713
Net Debt	2,50,586	2,45,490
<b>Total Equity</b>	<b>(93,467)</b>	<b>(59,572)</b>
<b>Net debt to equity ratio</b>	<b>(2.68)</b>	<b>(4.12)</b>

\* Debt is defined as Non-Current Borrowings from Banks, Current Borrowings and Current Maturities of Non-Current Borrowings from Banks.

51. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever considered necessary to conform to this year's classification. Accordingly, amounts and other disclosures for the preceding years are included as an integral part of the current year financial statements and are to be read in relation to amounts and other disclosures relating to the current year.

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

**CA Manoj Kumar Sethia**

Partner

Membership No: 064308

Place: Kolkata

Date: 30th day of May, 2018

For and on behalf of the Board

**Suresh Kumar Patni**

Chairman

**Anil Prasad Shaw**  
Company Secretary

**Vipul Jain**  
Chief Financial Officer

# Independent Auditors' Report

To  
The Members of  
**Rohit Ferro-Tech Limited**

## Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of ROHIT FERRO-TECH LIMITED ('hereinafter referred to as the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Statement of Changes in Equity for the year ended, and a summary of the significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as the Consolidated Ind AS Financial Statements)

## Management's Responsibility for the Ind AS Consolidated 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 (hereinafter referred to as 'the Act') that give a true and fair view of the Consolidated Financial position, Consolidated Financial performance, Consolidated Cash Flows and Changes in Equity of the Group in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Ind AS Financial Statements. 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 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 has been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

## Auditor's 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 and the Rules made there under including the Accounting and Auditing Standards and matters which are required to be included in the audit report.

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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 disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the auditors' 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 is sufficient and appropriate to provide a basis for our qualified audit opinion on the Consolidated Ind AS Financial Statements.

## Basis of Qualified Opinion

1. We draw your attention to Note No. 41 of the accompanying statement with regard to non-recognition of interest expense amounting to ₹ 30,057.65 lacs on the borrowings of the Company for the year ended 31<sup>st</sup> March, 2018 which is not in accordance with the requirements of Ind AS 23: Borrowing Cost read with Ind AS 109: Financial Instruments. Had the aforesaid interest expenses been recognized, the finance cost for the year ended 31<sup>st</sup> March, 2018 would have been ₹ 35,381.49 lacs, instead of reported amount of ₹ 5,323.84 lacs. Total expenses for the year ended 31<sup>st</sup> March, 2018 would

# Independent Auditors' Report

have been ₹ 1,49,322.41 lacs instead of reported amount of ₹ 1,19,264.76 lacs. Net loss after tax for the year ended 31<sup>st</sup> March, 2018 would have been ₹ 75,830.56 lacs instead of reported amount of ₹ 45,772.91 lacs. Total comprehensive losses for the year ended 31<sup>st</sup> March, 2018 would have been ₹ 76,016.91 lacs instead of reported amount of ₹ 45,959.26 lacs. Other Equity would have been ₹ 146,245.63 lacs instead of reported amount of ₹ 1,16,187.98 lacs. Other current financial liability would have been ₹ 92,417.45 lacs instead of reported amount of ₹ 62,359.80 lacs.

The unprovided liability in respect of interest on long term and short term borrowings as on 31<sup>st</sup> March, 2018 amounted to ₹ 61,449.05 lacs. The same have consequential impact on the reported figures of current financial year as well as earlier periods on finance cost, total expenses, total comprehensive loss etc.

## Qualified Opinion

In our opinion, and to the best of our information and according to the explanations given to us, except for the effects of our observation stated above in the Basis of Qualified Opinion Paragraph, 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 state of affairs of the company as at 31<sup>st</sup> March, 2018, and its loss, total comprehensive loss, cash flows and the changes in equity for the year ended on that date.

## Emphasis of Matter

1. We draw your attention to Note No. 43 of the Consolidated Ind AS Financial Statements which indicate that as at 31<sup>st</sup> March, 2018, the accumulated losses has eroded the entire net worth of the holding company, indicating the existence of a material uncertainty about the Company's ability to continue as a going concern. These Statements have been prepared on a Going Concern Basis for the reason stated in the said note.
2. We draw your attention to Note No: 45 of the Consolidated Ind AS Financial Statements, that the balance of sundry debtors, advances, creditors etc. includes balances remaining outstanding for a substantial period. The balances are subject to confirmations and reconciliation. The reported financials might have consequential impact which remains unascertained.
3. In the case of the Company's subsidiary SKP Overseas Pte Ltd., as per last available audit report for the year 2016-17 their auditor has pointed out matter of emphasis that the company's total liabilities exceeded its total assets by US \$ 1,38,59,332 (INR 8986.20 lacs ). The appropriateness of the going concern assumption on which the financial statements of the company are prepared is dependent on the continued financial support from its directors. The directors have agreed to continue providing financial support to the company and not recall the amount until such time when the company is financially solvent and also confirmed that if and when required additional funds will be made available to the company in order for it to meet all its liabilities which may fall due.

Our Report is not qualified in this matter.

## Other Matter

We did not audit the Financial Statements of Subsidiaries, whose Financial Statements /financial information reflect total assets of ₹ 6,229.64 lacs as at 31<sup>st</sup> March, 2018, total revenues of ₹ Nil total comprehensive income ₹ Nil for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The financial statement / financial information of subsidiaries are unaudited and have been furnished to us by the 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 these subsidiaries, and our report in terms of Sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on such Unaudited Financial Statements as certified by the management.

Our report is not modified in these matter.

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 Financial Statements certified by the management.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable that:
  - a. We have sought and, except for the possible effect of the matter described in the basis for Qualified Opinion paragraph above, 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, except for the possible effect of the matter described in the basis for Qualified Opinion paragraph above, proper books of account as required by law maintained by the Holding Company, incorporated in India including relevant records relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and records of the Holding Company. The



# Independent Auditors' Report

subsidiaries of the Holding Company are incorporated outside India hence requirements of Section 143(3) are not applicable to them.

- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company incorporated in India including relevant records relating to the preparation of the Consolidated Ind AS Financial Statements. The subsidiaries of the Holding Company are incorporated outside India hence requirements of Section 143(3) are not applicable to them.
- d. Except for the possible effect of the matter described in the basis for Qualified Opinion paragraph above, in our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e. The matters described in the basis for the Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- f. On the basis of written representations received from the directors of Holding Company as on 31st March, 2018, and taken on record by the Board of Directors of the Holding Company incorporated in India, none of the directors are disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of section 164(2) of the Act. The subsidiaries of the Holding Company are incorporated outside India hence requirement of Section 143(3) are not applicable to them.
- g. With respect to the adequacy of the Internal Financial Controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”. The subsidiaries of the Holding Company are incorporated outside India hence requirement of Section 143(3) are not applicable to them.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations as at 31<sup>st</sup> March, 2018 on the Consolidated Financial position of the Group- Refer Note 36 to its Consolidated Financial Statements.
  - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. During the year the holding company has transferred an amount of ₹ 1.61 lacs to Investor Education and Protection Fund pertaining to dividend for the year 2009-10.

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

Place : Kolkata  
Dated: 14<sup>th</sup> August, 2018

**CA: Manoj Kumar Sethia**  
Partner  
Membership No: 064308

# "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 the Company as of and for the year ended 31<sup>st</sup> March, 2018, we have audited the Internal Financial Controls over financial reporting of Rohit Ferro Tech Limited (The Holding Company) incorporated in India as of that date.

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

The Board of Directors of the Holding Company, which is a company incorporated in India, are responsible for establishing and maintaining Internal Financial Controls based on 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 the respective 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 Act.

### **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 the ICAI and the Standards on Auditing 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 ICAI. 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 Consolidated Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Control Systems 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 Consolidated Ind AS 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 Consolidated Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Ind AS 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.

## "Annexure A" to the Independent Auditors' Report

### Opinion

In our opinion, the Holding Company, which is a Company 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 31<sup>st</sup> March, 2018, 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.

### Other Matter

Reporting on IFCFR is not applicable to subsidiaries incorporated outside India. Our opinion in Opinion paragraph above is not qualified in respect of this matter.

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

Place : Kolkata  
Dated: 14<sup>th</sup> August, 2018

**CA: Manoj Kumar Sethia**  
Partner  
Membership No: 064308

# Consolidated Balance Sheet as at 31st March, 2018

(₹ in Lacs)

Sl. No.	PARTICULARS	Note No.	31-03-2018	31-03-2017
<b>I</b>	<b>ASSETS</b>			
	<b>(1) Non-Current Assets</b>			
	(a) Property, Plant and Equipment	2	66,195.55	69,634.93
	(b) Capital work-in-progress	3	44,795.79	44,728.15
	(c) Goodwill	4	-	3,506.93
	(d) Other Intangible Assets under development	5	3,944.06	4,053.82
	(e) Financial Assets			
	(i) Investments	6	-	4,175.07
	(ii) Loans	7	3,087.07	3,216.61
	(f) Other Non-Current Assets	8	773.77	3,181.42
			<b>1,18,796.54</b>	<b>1,32,496.93</b>
	<b>(2) Current Assets</b>			
	(a) Inventories	9	13,389.60	37,943.41
	(b) Financial Assets			
	(i) Trade Receivables	10	51,330.62	62,168.75
	(ii) Cash and Cash equivalents	11	1,032.06	871.57
	(iii) Other Bank Balances	12	17.18	848.30
	(iv) Other Current Financial Assets	13	6,379.36	6,255.42
	(c) Other Current Assets	14	11,170.08	21,687.65
			83,318.90	1,29,775.10
	<b>TOTAL</b>		<b>2,02,115.44</b>	<b>2,62,272.03</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity Share Capital	15	11,377.61	11,377.61
	(b) Other Equity	16	(1,16,187.98)	(70,229.11)
			<b>(1,04,810.37)</b>	<b>(58,851.50)</b>
	<b>Non Controlling Interest</b>		(471.95)	(458.44)
	<b>Liabilities</b>			
	<b>(1) Non-Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	17	97,116.75	1,11,856.11
	(ii) Other Non-Current Financial Liabilities	18	-	99.96
	(b) Deferred Tax Liabilities (Net)	19	-	-
	(c) Other Non-Current Liabilities	23	97.86	106.03
			<b>97,214.61</b>	<b>1,12,062.10</b>
	<b>(2) Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	17	1,16,387.44	1,11,952.99
	(ii) Trade Payables	20	22,491.71	38,399.41
	(iii) Other Current Financial Liabilities	21	62,359.80	46,458.98
	(b) Current Tax Liabilities (Net)	22	389.49	406.94
	(c) Other Current Liabilities	23	8,554.81	12,301.55
			<b>2,10,183.15</b>	<b>2,09,519.87</b>
	<b>TOTAL</b>		<b>2,02,115.44</b>	<b>2,62,272.03</b>

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

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

**CA Manoj Kumar Sethia**  
Partner

**Membership No: 064308**

Place: Kolkata

Date: 14th day of August, 2018

For and on behalf of the Board

**Suresh Kumar Patni**  
Chairman

**Anil Prasad Shaw**  
Company Secretary

**Vipul Jain**  
Chief Financial Officer

# Consolidated Statement of Profit & Loss for the year ended 31st March, 2018

(₹ in Lacs)

Sl. No.	PARTICULARS	Note No.	31-03-2018	31-03-2017
<b>I</b>	<b>INCOME:</b>			
	Revenue From Operations	24	73,138.75	72,414.18
<b>II</b>	Other Income	25	353.10	608.08
<b>III</b>	<b>Total Revenue (I + II)</b>		<b>73,491.85</b>	<b>73,022.26</b>
<b>IV</b>	<b>EXPENSES:</b>			
	Cost of Materials Consumed	26	66,883.92	67,656.57
	Purchase of Stock-In-Trade	27	-	288.24
	Changes in Inventories of Finished Goods & Work-in-Progress	28	1,431.70	983.37
	Excise Duty		1,790.03	6,399.23
	Employee Benefits Expense	29	1,519.91	1,385.70
	Finance Costs	30	5,323.84	(1,574.48)
	Depreciation and Amortization Expense	2	3,429.16	3,474.15
	Other Expenses	31	35,379.27	28,452.12
	<b>Total Expenses (IV)</b>		<b>1,15,757.83</b>	<b>1,07,064.90</b>
<b>V</b>	<b>PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (III-IV)</b>		<b>(42,265.98)</b>	<b>(34,042.64)</b>
<b>VI</b>	Exceptional Items		3,506.93	-
<b>VII</b>	<b>PROFIT/(LOSS) BEFORE TAX (V-VI)</b>		<b>(45,772.91)</b>	<b>(34,042.64)</b>
<b>VIII</b>	<b>TAX EXPENSES</b>			
	Current Tax		-	-
	MAT Credit Entitlement		-	-
	Earlier Years' Tax		-	-
	Deferred Tax		-	-
<b>IX</b>	<b>PROFIT/ (LOSS) FOR THE YEAR (VII - VIII)</b>		<b>(45,772.91)</b>	<b>(34,042.64)</b>
<b>X</b>	<b>Non Controlling Interest</b>		<b>(25.94)</b>	<b>(24.38)</b>
<b>XI</b>	<b>PROFIT/ (LOSS) FOR THE YEAR (IX - X)</b>		<b>(45,746.97)</b>	<b>(34,018.26)</b>
<b>XII</b>	<b>OTHER COMPREHENSIVE INCOME</b>			
	A. (i) Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans		(7.33)	(54.76)
	(ii) Income taxes on items that will not be reclassified to profit or loss		-	-
	B. (i) Items that will be reclassified to profit or loss			
	Changes in foreign currency translation reserve		(204.96)	481.28
	(ii) Income taxes on items that will be reclassified to profit or loss		-	-
	<b>TOTAL OTHER COMPREHENSIVE INCOME, NET OF TAXES</b>		<b>(212.29)</b>	<b>426.52</b>
<b>XIII</b>	<b>Total Comprehensive Income/ (Loss) for the year (XI + XII)</b>		<b>(45,959.26)</b>	<b>(33,591.74)</b>
	Profit/(Loss) attributable to:			
	- Owner of the Company		(45,746.97)	(34,018.26)
	- Non-Controlling Interest		(25.94)	(24.38)
			<b>(45,772.91)</b>	<b>(34,042.64)</b>
	Total Comprehensive Income/(Loss) attributable to:			
	- Owner of the Company		(45,959.26)	(33,591.74)
	- Non-Controlling Interest		(25.94)	(24.38)
			<b>(45,985.20)</b>	<b>(33,616.12)</b>
<b>XIV</b>	<b>Earnings per Equity Share [Nominal Value of Share - ₹ 10]</b>			
	Basic & Diluted	33	(40.21)	(29.90)
	Significant Accounting Policies	1 c		

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

**CA Manoj Kumar Sethia**

Partner

**Membership No: 064308**

Place: Kolkata

Date: 14th day of August, 2018

For and on behalf of the Board

**Suresh Kumar Patni**

Chairman

**Anil Prasad Shaw**  
Company Secretary

**Vipul Jain**  
Chief Financial Officer

# Consolidated Cash Flow Statement for the year ended 31st March, 2018

(₹ in Lacs)

PARTICULARS	Year Ended 31-03- 2018	Year Ended 31-03-2017
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax</b>	<b>(45,772.91)</b>	<b>(34,042.64)</b>
Adjustments for :		
Depreciation	3,429.16	3,474.15
Foreign Currency Translation Reserve	(204.96)	481.28
Interest Income	(146.50)	(470.80)
Finance Costs	5,323.84	(1,574.48)
Fair value (gain)/Loss on investments	-	24.40
Net (gain)/Loss on sale of investments	(20.42)	-
Provision/(Reversal) for supplement payments on retirement	(7.33)	(54.76)
Exchange Fluctuation Loss/(Gain)	144.57	6.94
Loss on sale of Fixed Assets	-	10.20
Sundry Balances written off / (back)	(115.83)	112.66
	<b>8,402.53</b>	<b>2,009.60</b>
<b>Operating Profit before Working Capital Changes</b>	<b>(37,370.38)</b>	<b>(32,033.04)</b>
Adjustments for :		
(Increase)/Decrease in Inventories	24,553.81	27,928.82
(Increase)/Decrease in Trade Receivables	10,953.96	12,743.85
(Increase)/Decrease in Non Current Financial Assets	129.54	(39.47)
(Increase)/Decrease in Current Financial Assets	15.21	(341.84)
(Increase)/Decrease in Other Non-Current Assets	2,407.65	(150.25)
(Increase)/Decrease in Other Current Assets	10,517.57	(2,856.09)
Increase/(Decrease) in Trade Payables	(15,907.70)	1,026.58
Increase/(Decrease) in Non-Current Financial Liabilities	(99.96)	(102.40)
Increase/(Decrease) in Current Financial Liabilities	(4,452.37)	2,463.13
Increase/(Decrease) in Other Non-Current Liabilities	(8.17)	(8.13)
Increase/(Decrease) in Other Current Liabilities and Provisions	(3,763.16)	1,315.20
	<b>24,346.38</b>	<b>41,979.40</b>
<b>Cash generated from operations</b>	<b>(13,024.00)</b>	<b>9,946.36</b>
Direct Tax Paid	(0.41)	-
Exchange Fluctuation Loss/(Gain)	(144.57)	(6.94)
<b>Net Cash from Operating Activities</b>	<b>(13,168.98)</b>	<b>9,939.42</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including Capital Work-in-Progress and Capital Advances)	(83.44)	(699.60)
Exchange Translation Adjustment for Property, Plant and Equipment	11.86	19.05
Sale of property, plant and equipment	-	1,908.83
(Increase) / Decrease in Non-Current Assets (Other than Property, Plant & Equipment)	7,507.01	(356.53)
Interest Received	7.36	74.82
Sale of Investment	305.17	-
(Increase) / Decrease in Fixed Deposits with Banks	831.12	324.24
<b>Net Cash used in Investing Activities</b>	<b>8,579.08</b>	<b>1,270.81</b>

## Consolidated Cash Flow Statement for the year ended 31st March, 2018 (Contd.)

(₹ in Lacs)

PARTICULARS	Year Ended 31-03- 2018	Year Ended 31-03-2017
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/ (Decrease) in Long Term Borrowings-Non Current	(14,739.36)	(21,195.81)
Increase/ (Decrease) in Long Term Borrowings-Current	16,091.94	13,903.92
Increase/ (Decrease) in Short Term Borrowings	4,434.45	(3,564.81)
Increase/ (Decrease) in Non Controlling Interest	25.94	24.38
Interest Paid	(1,062.58)	(266.62)
<b>Net Cash from Financing Activities</b>	<b>4,750.39</b>	<b>(11,098.94)</b>
Net Increase/(Decrease) in Cash & Cash Equivalents	160.49	111.29
Cash & Cash Equivalents at the beginning of the year (Refer Note No.11 to the Accounts)	871.57	760.28
Cash & Cash Equivalents at the end of the year (Refer Note No.11 to the Accounts)	<b>1,032.06</b>	<b>871.57</b>

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

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

**CA Manoj Kumar Sethia**  
Partner  
**Membership No: 064308**  
Place: Kolkata  
Date:14th day of August, 2018

For and on behalf of the Board

**Suresh Kumar Patni**  
Chairman

**Anil Prasad Shaw**  
Company Secretary

**Vipul Jain**  
Chief Financial Officer

# Consolidated Statement of Changes in Equity for the year ended 31st March, 2018

## A. EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	Numbers	Amount
Balance as at 01-04-2016	1,137.76	11,377.61
Changes in equity share capital during 2016-17	-	-
<b>Balance as at 31-03-2017</b>	<b>1,137.76</b>	<b>11,377.61</b>
Changes in equity share capital during 2017-18	-	-
<b>Balance as at 31-03-2018</b>	<b>1,137.76</b>	<b>11,377.61</b>

## B. OTHER EQUITY

For the year ended 31st March, 2018

Particulars	Reserve and Surplus					Effective portion of Cash Flow Hedges	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Foreign Currency Translation Reserve	Retained Earnings		
<b>Balance as at 01-04-2017</b>	128.14	42,403.10	450.00	2,379.04	(1,15,588.99)	-	(70,229.11)
Profit /(Loss) for the year	-	-	-	-	(45,746.97)	-	(45,746.97)
Movement during the year	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	(204.96)	(7.33)	-	(212.29)
<b>Total Comprehensive Income</b>	<b>128.14</b>	<b>42,403.10</b>	<b>450.00</b>	<b>2,174.08</b>	<b>(1,61,343.29)</b>	<b>-</b>	<b>(1,16,187.98)</b>
Depreciation charge	-	-	-	-	-	-	-
<b>Balance as at 31-03-2018</b>	<b>128.14</b>	<b>42,403.10</b>	<b>450.00</b>	<b>2,174.08</b>	<b>(1,61,343.29)</b>	<b>-</b>	<b>(1,16,187.98)</b>

For the year ended 31st March, 2017

Particulars	Reserve and Surplus					Effective portion of Cash Flow Hedges	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Foreign Currency Translation Reserve	Retained Earnings		
<b>Balance as at 01-04-2016</b>	128.14	42,403.10	450.00	1,897.75	(81,515.97)	-	(36,636.98)
Profit /(Loss) for the year	-	-	-	-	(34,018.26)	-	(34,018.26)
Movement during the year	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	481.28	(54.76)	-	426.52
<b>Total Comprehensive Income</b>	<b>128.14</b>	<b>42,403.10</b>	<b>450.00</b>	<b>2,379.04</b>	<b>(1,15,588.99)</b>	<b>-</b>	<b>(70,229.11)</b>
Depreciation charge	-	-	-	-	-	-	-
<b>Balance as at 31-03-2017</b>	<b>128.14</b>	<b>42,403.10</b>	<b>450.00</b>	<b>2,379.04</b>	<b>(1,15,588.99)</b>	<b>-</b>	<b>(70,229.11)</b>

### Significant accounting policies: Note no. 1c

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached

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

For and on behalf of the Board

**CA Manoj Kumar Sethia**  
Partner  
Membership No: 064308  
Place: Kolkata  
Date: 14th day of August, 2018

**Suresh Kumar Patni**  
Chairman

**Anil Prasad Shaw**  
Company Secretary

**Vipul Jain**  
Chief Financial Officer



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

- 1 a) The consolidated financial statements include results of the subsidiaries of Rohit Ferro-Tech Limited, consolidated in accordance with Ind AS 110 'Consolidated Financial Statements'.

Name of the Company	Country of incorporation	Current Year Percentage Holding-Share	Previous Year Percentage Holding-Share
SKP Overseas PTE Limited	Singapore	100%	100%
PT Bara Prima Mandiri	Indonesia	60%	60%

The above subsidiaries are consolidated on the basis of available unaudited financial statements/information.

- b) These financial statements 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.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

- c) Accounting policies applicable in consolidated financial statements

- i) The Company 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 unrealised gains on transactions between group companies are eliminated.
- ii) Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively.
- iii) The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
  - Assets and liabilities are translated at the closing rate at the date of that Balance Sheet
  - Income and expenses are translated at average exchange rates
  - All resulting exchange differences are recognised in other comprehensive income.

Goodwill arising on the acquisition of a foreign operation are treated as assets of the foreign operation and translated at the closing rate.

# Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

## NOTE 2 - Property, Plant and Equipment

	Land		Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Total
	Freehold	Leasehold						
<b>Cost or deemed cost (Gross carrying amount)</b>								
As at 01-04-2016	1,081.50	4,445.22	16,034.00	70,560.86	442.30	424.24	465.51	93,453.62
Additions	-	-	-	253.90	-	-	3.42	257.32
Disposals	-	-	-	2,603.23	-	45.35	-	2,648.59
Other Adjustments								
- Exchange translation adjustments	-	(11.91)	(1.44)	(10.37)	-	(4.49)	(1.70)	(29.91)
- Borrowing Costs	-	-	-	-	-	-	-	-
<b>As at 31-03-2017</b>	<b>1,081.50</b>	<b>4,433.31</b>	<b>16,032.56</b>	<b>68,201.15</b>	<b>442.30</b>	<b>374.40</b>	<b>467.23</b>	<b>91,032.45</b>
Additions	-	-	-	0.21	3.89	9.29	2.42	15.80
Disposals	-	-	-	-	-	-	-	-
Other Adjustments								
- Exchange translation adjustments	-	(8.90)	(1.07)	(7.76)	-	(3.36)	(1.27)	(22.36)
- Borrowing Costs	-	-	-	-	-	-	-	-
<b>As at 31-03-2018</b>	<b>1,081.50</b>	<b>4,424.41</b>	<b>16,031.49</b>	<b>68,193.60</b>	<b>446.18</b>	<b>380.33</b>	<b>468.38</b>	<b>91,025.89</b>
<b>Depreciation &amp; Amortisation</b>								
As at 01-04-2016	-	-	2,942.38	14,819.01	230.10	246.61	411.56	18,649.66
For the year (Note-a)	-	45.76	497.64	2,835.20	54.98	42.47	12.23	3,488.28
Transfer to Retained Earnings	-	-	-	-	-	-	-	-
Deductions	-	-	-	704.80	-	24.76	-	729.56
Exchange translation adjustments	-	-	(0.29)	(6.03)	-	(3.10)	(1.44)	(10.86)
<b>As at 31-03-2017</b>	<b>-</b>	<b>45.76</b>	<b>3,439.74</b>	<b>16,943.37</b>	<b>285.09</b>	<b>261.22</b>	<b>422.34</b>	<b>21,397.52</b>
For the year (Note-a)	-	57.46	497.62	2,793.01	47.01	40.27	7.96	3,443.32
Transfer to Retained Earnings	-	-	-	-	-	-	-	-
Deductions	-	-	-	-	-	-	-	-
Exchange translation adjustments	-	-	(0.29)	(6.11)	-	(2.83)	(1.26)	(10.50)
<b>As at 31-03-2018</b>	<b>-</b>	<b>103.22</b>	<b>3,937.06</b>	<b>19,730.27</b>	<b>332.10</b>	<b>298.66</b>	<b>429.04</b>	<b>24,830.34</b>
<b>Carrying amounts (net)</b>								
As at 31-03-2017	1,081.50	4,387.55	12,592.82	51,257.78	157.21	81.13	35.45	69,634.93
As at 31-03-2018	1,081.50	4,321.19	12,094.42	48,463.34	114.09	81.67	39.34	66,195.55

### NOTE :

- Includes ₹ 14.13 Lacs (PY: ₹ 14.13 Lacs) debited to Capital Work-in-Progress.
- For details of Property, Plant & Equipment pledged as security against the secured borrowings refer note 17(c)
- The management has evaluated and is of the opinion that there are no major components of the fixed assets for adopting components based accounting as per IND-AS-16.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>3.</b>	<b>CAPITAL WORK-IN-PROGRESS</b>		
	At the beginning of the year	44,728.15	44,279.46
	Add: Incurred during the year	67.64	702.60
	Less: Capitalised during the year	-	(253.91)
	At the end of the year	<b>44,795.79</b>	<b>44,728.15</b>
	Capital work-in-progress includes Pre Operative Expenses as below relating to project under implementation, pending allocation to Fixed Assets:		
	<b>Opening Balance</b>	<b>15,435.35</b>	<b>14,747.23</b>
	<b>Add: Expenditure incurred during the period</b>		
	Salaries	0.12	1.43
	Rent	-	(0.71)
	Electricity Charges	-	0.29
	Telephone Expenses	0.01	0.07
	Travelling & Conveyance	0.01	0.10
	Repairs & Maintenance	1.88	0.18
	Labour charges	(0.15)	(1.56)
	Security Service Charges	21.53	36.36
	Legal, Professional & Consultancy Charges	-	(0.79)
	General Expenses	0.47	(0.62)
	Bank Charges	-	0.09
	Interest on Term Loan from Banks	-	639.15
	Depreciation	14.13	14.13
	<b>Total</b>	<b>15,473.35</b>	<b>15,435.35</b>
	<b>Amount allocated to Fixed Assets</b>	-	-
	<b>Closing Balance</b>	<b>15,473.35</b>	<b>15,435.35</b>
NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>4.</b>	<b>GOODWILL</b>		
	At the beginning of the year	-	2,962.75
	Add: On Acquisition	-	-
	Add: Exchange translation adjustments	-	544.18
	At the end of the year	-	<b>3,506.93</b>

### Note:

Due to no operations and non-realization from non-current and current assets of the Step down subsidiary PT Bara Prima Mandiri, write off has been made in the books of SKP Overseas Pte Ltd. thus completely eroding the Network of SKP Overseas Pte Ltd. Accordingly the carrying value of Goodwill amounting to ₹ 3,506.93 Lacs has been impaired and shown under exceptional items. Appropriateness of the going concern assumption on which the financial statements of the SKP Overseas Pte Ltd. are prepared is dependent on the continued financial support from its director and the operations of Indonesia coal mine being restarted. Accordingly the financial statement of SKP Overseas Pte Ltd. has been prepared on 'Going Concern' basis.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>5.</b>	<b>OTHER INTANGIBLE ASSETS UNDER DEVELOPMENT</b>		
	Intangible Assets under development represents expenses incurred for development of mines under the following heads:		
	<b>Opening Balance</b>	<b>4,053.82</b>	4,200.62
	Add: On Acquisition	-	-
	Less: Exchange translation adjustments	<b>(109.76)</b>	(146.80)
	<b>Closing Balance</b>	<b>3,944.06</b>	<b>4,053.82</b>

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>6.</b>	<b>NON - CURRENT FINANCIAL INVESTMENTS</b>		
	<b>Investments in Exchangeable Bonds– unquoted*</b>		
	PT Pacific Samudra Perkasa (F.V. 10,00,000 USD)	-	3,890.32
	<b>Investments in Mutual Fund– unquoted</b>		
	Investment carried at fair value through profit and loss (FVTPL)		
	NIL (31-03-2017: 25) units of SBI Mutual Fund	-	284.75
	<b>Total of Non Current Investments</b>	<b>-</b>	<b>4,175.07</b>
	Aggregate value of unquoted equity Investments	-	3,890.32
	Aggregate value of unquoted Mutual Funds	-	284.75
	Aggregate value of diminution other than temporary in value of Investments	-	-

### Note:

Due to no operations and non-realization from non-current and current assets of the Step down subsidiary PT Bara Prima Mandiri, write off has been made in the books of SKP Overseas Pte Ltd. thus completely eroding the Networth of SKP Overseas Pte Ltd. Accordingly the carrying value of Investment amounting to ₹3,890.32 Lacs has been written off. Appropriateness of the going concern assumption on which the financial statements of the SKP Overseas Pte Ltd. are prepared is dependent on the continued financial support from its director and the operations of Indonesia coal mine being restarted. Accordingly the financial statement of SKP Overseas Pte Ltd. has been prepared on 'Going Concern' basis.

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>7.</b>	<b>LOANS</b>		
	<i>(Unsecured, Considered good)</i>		
	<b>Non-Current</b>		
	Security Deposits		
	- Related Parties	-	168.00
	- Parties other than Related Parties	3,087.07	3,048.61
		<b>3,087.07</b>	<b>3,216.61</b>

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>8.</b>	<b>OTHER NON-CURRENT ASSETS</b>		
	<i>(Unsecured, Considered good)</i>		
	Capital Advances (Refer Note No. 34 (ii) of standalone)		
	- Related Parties	-	7.91
	- Parties other than Related Parties	773.77	723.71
	Unamortised Expenses		
	- Deferred Expenses	-	2,449.80
		<b>773.77</b>	<b>3,181.42</b>

### Note:

Due to no operations and non-realization from non-current and current assets of the Step down subsidiary PT Bara Prima Mandiri, write off has been made in the books of SKP Overseas Pte Ltd. thus completely eroding the Networth of SKP Overseas Pte Ltd. Accordingly the carrying value of Deferred Expenses amounting to ₹ 2,450 Lacs has been written off. Appropriateness of the going concern assumption on which the financial statements of the SKP Overseas Pte Ltd. are prepared is dependent on the continued financial support from its director and the operations of Indonesia coal mine being restarted. Accordingly the financial statement of SKP Overseas Pte Ltd. has been prepared on 'Going Concern' basis.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>9.</b>	<b>INVENTORIES</b>		
	(As taken, valued and certified by the management)		
	Raw Materials	8,389.30	31,625.62
	Work In Process	3,176.75	3,923.42
	Finished Goods	1,295.86	2,016.99
	Stores & Spares	432.66	189.08
	Packing Materials	16.78	18.38
	Intermediates	78.25	169.92
		<b>13,389.60</b>	<b>37,943.41</b>

### Notes:

- a) The amount written down for raw materials in Haldia as an expense (included in cost of raw materials consumed) during the year is ₹ 6,323.03 Lacs (P.Y. ₹ 6,323.03 Lacs) on prudent basis as the plant was shut down since July'15.
- b) For details of inventory pledged as security against secured borrowings refer note 17 (c) & 20 (b)

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>10.</b>	<b>TRADE RECEIVABLES</b>		
	Unsecured		
	- Considered good	51,330.62	62,168.75
	- Considered doubtful	4,104.28	2,657.95
		55,434.90	64,826.70
	Less: Allowances for doubtful debts	(4,104.28)	(2,657.95)
		<b>51,330.62</b>	<b>62,168.75</b>
	<b>Age analysis of trade receivables</b>		
	Debtors outstanding for a period exceeding Six months from the date they were due for payment.	45,963.69	51,131.29
	Other receivables	5,366.93	11,037.46
	<b>Total</b>	<b>51,330.62</b>	<b>62,168.75</b>

### Notes:

- a) Trade Receivables include ₹ 853.51 Lacs (P.Y.: ₹ 1.62 Lacs) due from Related Party.
- b) For details of book debts pledged as security against secured borrowings refer note 17(c)

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>11.</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash In Hand (as certified by the management)	9.78	14.65
	Balances With Banks		
	- In Current Accounts	1,022.28	676.33
	Term deposits with original maturity of less than 3 months*	-	180.59
		<b>1,032.06</b>	<b>871.57</b>

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>12.</b>	<b>OTHER BANK BALANCES</b>		
	(A) Term Deposits with Banks *		
	with maturity more than 3 months but less than 12 months	10.63	840.14
	with maturity more than 12 months	3.90	3.90
	(B) Earmarked Balances with Banks	2.65	4.26
		<b>17.18</b>	<b>848.30</b>

\* Held as Margin against Bank guarantee and letter of credit.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>13.</b>	<b>OTHER CURRENT FINANCIAL ASSETS</b>		
	<i>(Unsecured, Considered Good, unless otherwise stated)</i>		
	Accrued Interest on Deposits	2.28	16.46
	Insurance Claim Receivable	1,902.12	1,902.12
	Export Incentive Receivable:		
	Considered Good	43.78	124.85
	Considered doubtful	188.99	188.99
	Less: Allowance for doubtful receivables	(188.99)	(188.99)
	Subsidy/Power Incentive Receivable	4,126.01	4,211.99
	SBI Mutual Fund Receivable	305.17	-
		<b>6,379.36</b>	<b>6,255.42</b>

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>14.</b>	<b>OTHER CURRENT ASSETS</b>		
	<i>(Unsecured, Considered Good)</i>		
	Advances recoverable in kind or for value to be received		
	To Related Parties	70.00	50.00
	To Others	8,832.08	16,165.81
	Balance with Central Excise and Cenvat Receivable	1,060.85	2,019.89
	Sales Tax / VAT Receivable/ Refundable	598.96	3,402.27
	GST Receivable	592.75	-
	Prepaid Expenses	15.44	49.68
		<b>11,170.08</b>	<b>21,687.65</b>

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>15.</b>	<b>EQUITY SHARE CAPITAL</b>		
	<b>Authorised</b>		
	1,850.00 Lacs (P.Y.: 1,850.00 Lacs) Equity Shares of ₹ 10/- each	18,500.00	18,500.00
	<b>Issued, Subscribed and Paid-up</b>		
	1,137.76 Lacs (P.Y.: 1,137.76 Lacs) Equity Shares of ₹ 10/- each fully paid up	11,377.61	11,377.61

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

Equity Shares	31-03-2018		31-03-2017	
	Nos. (in Lacs)	(₹ in Lacs)	Nos. (in Lacs)	(₹ in Lacs)
At the beginning of the Period	1,137.76	11,377.61	1,137.76	11,377.61
Issued during the Period	-	-	-	-
<b>At the end of the Period</b>	<b>1,137.76</b>	<b>11,377.61</b>	<b>1,137.76</b>	<b>11,377.61</b>

### b) Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of Equity Shares held by the share holders.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

### NOTE - 15 EQUITY SHARE CAPITAL (Contd.)

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

	31-03-2018		31-03-2017	
	No. of Shares (in Lacs )	% holding	No. of Shares (in Lacs )	% holding
<b>Equity shares of ₹ 10 each fully paid</b>				
Suanvi Trading and Investment Co. Pvt. Ltd.	112.38	9.88	112.38	9.88
Vasupujya Enterprises Pvt. Ltd	113.60	9.98	113.60	9.98
Invesco Finance Pvt. Ltd.	110.39	9.70	110.39	9.70
Poddar Mech Tech Services Pvt. Ltd.	129.80	11.41	129.80	11.41
Shreyansh Leafin Pvt. Ltd.	109.93	9.66	109.93	9.66
Whitestone Suppliers Pvt. Ltd.	109.08	9.59	109.08	9.59

### 16. OTHER EQUITY

Below are the other components of other equity:

Components	Note No.	01-04-2017	Movement during the year	31-03-2018	01-04-2016	Movement during the year	31-03-2017
Capital Reserve	a	128.14	-	128.14	128.14	-	128.14
Securities Premium Account	b	42,403.10	-	42,403.10	42,403.10	-	42,403.10
General Reserve	c	450.00	-	450.00	450.00	-	450.00
Foreign Currency Translation Reserve	d	2,379.03	(204.96)	2,174.07	1,897.75	481.28	2,379.03
Retained Earnings	e	(1,15,485.90)	(45,746.97)	(1,61,232.87)	(81,467.64)	(34,018.26)	(1,15,485.90)
Other Comprehensive Income	f	(103.09)	(7.33)	(110.42)	(48.33)	(54.76)	(103.09)
		<b>(70,229.11)</b>	<b>(45,959.26)</b>	<b>(1,16,187.98)</b>	<b>(36,636.98)</b>	<b>(33,591.74)</b>	<b>(70,229.11)</b>

- (a) Capital reserve: Capital reserves consists of Deposits forfeited against share warrants.
- (b) Securities Premium Account: Securities premium account represents the premium received on issue of shares over and above the face value of equity shares. The account is available for utilisation in accordance with the provisions of the Companies Act, 2013.
- (c) General reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- (d) Retained earnings: It comprise of accumulated profit/ (loss) of the Company. The movement is on account of ₹ (45,746.97) Lacs {P.Y.: ₹ (34,018.26 Lacs)} profit/ (loss) incurred by the Company.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTE	PARTICULARS				
<b>17. BORROWINGS</b>	Borrowings consist of the following:				
	<b>NON - CURRENT BORROWINGS</b>	<b>Non-Current</b>		<b>Current</b>	
		<b>31-03-2018</b>	<b>31-03-2017</b>	<b>31-03-2018</b>	<b>31-03-2017</b>
	<b>Term Loans from Banks (Secured)</b>				
	Rupee Term Loans	42,852.65	47,737.93	16,081.30	11,196.02
	Working Capital Term Loan (WCTL)	41,148.56	44,185.51	9,110.88	6,073.92
	Funded Interest Term Loan (FITL)	5,688.98	12,167.67	22,675.40	16,196.71
	Foreign Currency Loan	-	-	1,626.10	1,620.97
		<b>89,690.19</b>	<b>1,04,091.11</b>	<b>49,493.68</b>	<b>35,087.62</b>
	<b>Loans from Related Parties (Unsecured)</b>				
	from Body Corporates	7,280.00	7,280.00	-	-
		<b>7,280.00</b>	<b>7,280.00</b>	-	-
	<b>Other Loans and Advances</b>				
	Loans from Body Corporates (Unsecured)	146.56	485.00	-	-
		<b>146.56</b>	<b>485.00</b>	-	-
		<b>97,116.75</b>	<b>1,11,856.10</b>	<b>49,493.68</b>	<b>35,087.62</b>
	<b>The above amount includes</b>				
	Secured Borrowings	89,690.19	1,04,091.11	49,493.68	35,087.62
	Unsecured Borrowings	7,426.56	7,765.00	-	-
	Amount disclosed under the head - "Other Current Financial Liabilities" (Refer Note 21)	-	-	(49,493.68)	(35,087.62)
		<b>97,116.75</b>	<b>1,11,856.11</b>	-	-
	<b>CURRENT BORROWINGS</b>			<b>31-03-2018</b>	<b>31-03-2017</b>
	<b>Working Capital Loans from Banks (Secured)</b>				
	-Rupee Loans			1,13,435.77	1,09,358.59
	-Foreign Currency Loans-Bank Overdraft			2,315.39	2,308.08
	<b>Other Loans and Advances</b>				
	Bridge Loan from WBIDC Ltd. (against interest subsidy receivable)			-	86.14
	SBI Global Factors Limited under factoring facility secured against specific debts			636.28	200.18
				<b>1,16,387.44</b>	<b>1,11,952.99</b>

**(A) Working Capital Term Loan :**

Upon implementation of the CDR Package (Refer Note 32), the overdrawn portion of the Cash Credit Accounts of the Company has been carved out into separate Working Capital Term Loans (WCTL).

**(B) Funded Interest Term Loan :**

Upon implementation of the CDR Package (Refer Note 32), funding of interest has been provided for:

- Interest on existing term loans for a period of 24 months from the Cut-Off Date i.e. from 1st October, 2013 to 30th September, 2015;
- Interest on WCTL for a period of 24 months from the Cut-Off Date i.e. from 1st October, 2013 to 30th September, 2015;
- Interest on residual cash credit limit for a period of 9 months from the Cut-Off Date i.e. from 1st October, 2013 to 30th June, 2014;

**(C) Details of security :**

- (i) In terms of the CDR package, Rupee Term Loans , Working Capital Term Loans, Funded Interest Term Loans and Working Capital Loan are pooled together and secured as under:



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

### NOTE - 17 BORROWINGS (Contd.)

- a) First pari-passu charge on the entire Fixed Assets of the Company (excluding value of vehicles), both present and future, including equitable mortgage of factory land & building at Bishnupur (West Bengal), Jajpur (Odisha) and Haldia (West Bengal). Also, secured by way of mortgage on Freehold land at New Town, District: North 24 Parganas measuring 50 Cottahs.
- b) First pari-passu charge on the entire Current Assets of the Company comprised of stock of raw materials, semi finished and finished goods and book debts, outstanding moneys, receivables, both present and future pertaining to the Company's manufacturing units/divisions at Bishnupur (West Bengal), Jajpur (Odisha) and Haldia (West Bengal) and at other Units.
- c) Collateral security by equitable mortgage on Land & Building at 1/26, Vidyadhar Nagar, Jaipur, Rajasthan held in the name of Shubham Complex Pvt. Ltd., Office space measuring 835 sq. ft. located at Flat no. 21B, 4th Floor, Bowbazar, 35, C.R. Avenue, Kolkata-12, held in the name of Mr. S.K.Patni and Flat No. A-52, Block-A, 35, Dr. Abani Dutta Road, Salkia, Howrah, held in the name of Mr. Rohit Patni.
- d) Pledge of 100% of the promoter's shares representing 72% of the paid up Capital of the company on pari passu basis.
- e) Personal Guarantee of the Promoters - Mr. S.K.Patni, Mr. Rohit Patni and Mr. Ankit Patni.
- f) Corporate Guarantee of the Group Companies - Vasupujya Enterprises Pvt. Ltd., Shubham Complex Pvt. Ltd., Poddar Mech Tech Services Pvt. Ltd., Invesco Finance Pvt. Ltd. and Suanvi Trading and Investment Co. Pvt. Ltd.

#### (D) Terms of Repayment of Loans :

##### (i) Terms of Repayment of Rupee Term Loans availed for Haldia Project, 33 MVA Furnace and Stainless Steel Plant of the Company and Working Capital Term Loan :

Upon implementation of the CDR Package, the existing Rupee Term Loan amounting to ₹ 33,234.93 Lacs in respect of Haldia Project, 33 MVA Furnace and Stainless Steel Project and Working Capital Term Loan are to be repaid over a period of 8 years by way of 32 structured quarterly installments commencing from 31st December, 2015 up to 30th September, 2023 as per the Repayment Schedule given below. Further, such loans carry the interest rate @11% p.a. linked to the Base Rate of the State Bank of India, with annual reset option with the approval of CDR-EG.

Financial Year	Quarters	Repayment per Quarter	Total
2015-2016	2	1.00%	2.00%
2016-2017	4	1.00%	4.00%
2017-2018	4	1.50%	6.00%
2018-2019	4	1.50%	6.00%
2019-2020	4	1.50%	6.00%
2020-2021	4	4.00%	16.00%
2021-2022	4	4.50%	18.00%
2022-2023	4	6.00%	24.00%
2023-2024	2	9.00%	18.00%
<b>Total</b>	<b>32</b>		<b>100.00%</b>

##### (ii) Terms of Repayment of Term Loan availed for 67.5 MVA Captive Power Plant project of the Company :

Upon implementation of the CDR Package, the Rupee Term Loan amounting to ₹ 25,699.04 Lacs in respect of 67.5 MVA Captive Power Plant is to be repaid by way of 38 equal quarterly installments commencing from 31st December, 2015 up to 31st March, 2025. Further, the loan carries the interest rate @ 11% p.a. linked to the Base Rate of the State Bank of India, with annual reset option with the approval of CDR-EG.

##### (iii) Terms of Repayment of Funded Interest Term Loan :

Repayment of FITL is to be made in 18 equal quarterly installments commencing from 31st December, 2015 with the last installment due on 31st March, 2020. FITL carries interest @11% pa linked to the Base Rate of the State Bank of India, with annual reset option with the approval of CDR-EG.

Repayment of FITL is to be made in 18 equal quarterly installments commencing from 31st December, 2015 with the last installment due on 31st March, 2020. FITL carries interest @11% pa linked to the Base Rate of the State Bank of India, with annual reset option with the approval of CDR-EG.

##### (iv) Terms of Repayment of Working Capital Loan :

The rate of interest on the working capital loans from banks is 10.3% linked to the base rate of State Bank of India.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

### NOTE - 17 BORROWINGS (Contd.)

(v) Period and Amount of Default as on the Balance Sheet date :

RUPEE TERM LOAN	Amount of default as at the balance sheet date (₹ in Lacs)		Period of default
	Principal Repayment	Interest (Net of Reversals)	
ALLAHABAD BANK	1,585.00	486.88	Quarter ending 31st Dec, 2015 to 31st March, 2018
CANARA BANK	275.16	696.26	
EXIM BANK	1,068.00	2,505.52	
STATE BANK OF INDIA	6,902.56	228.91	
UNITED BANK OF INDIA	1,365.30	597.65	
<b>TOTAL</b>	<b>11,196.02</b>	<b>4,515.22</b>	
<b>WORKING CAPITAL TERM LOAN</b>			
ALLAHABAD BANK	176.16	106.00	Quarter ending 31st Dec, 2015 to 31st March, 2018
ANDHRA BANK	142.92	362.97	
BANK OF BARODA	534.00	-	
CENTRAL BANK OF INDIA	27.72	(0.00)	
PUNJAB NATIONAL BANK	515.04	-	
STATE BANK OF INDIA	2,900.52	(48.82)	
UNITED BANK OF INDIA	1,427.76	1,262.54	
UCO BANK	349.80	305.79	
<b>TOTAL</b>	<b>6,073.92</b>	<b>1,988.48</b>	
<b>FUNDED INTEREST TERM LOAN</b>			
ALLAHABAD BANK	1,210.99	28.57	Quarter ending 31st Dec, 2015 to 31st March 2018
ANDHRA BANK	242.20	147.20	
BANK OF BARODA	699.93	-	
CANARA BANK	279.97	171.68	
CENTRAL BANK OF INDIA	157.21	(19.05)	
EXIM BANK	1,079.34	506.33	
PUNJAB NATIONAL BANK	902.69	1.00	
STATE BANK OF INDIA	8,270.28	148.96	
UNITED BANK OF INDIA	2,941.93	557.16	
UCO BANK	412.18	105.16	
<b>TOTAL</b>	<b>16,196.72</b>	<b>1,647.01</b>	
<b>FOREIGN CURRENCY LOAN:</b>			
INDIAN OVERSEAS BANK (TL)	1,626.10	107.47	Quarter ending 31st Dec, 2015 to 31st March, 2018
INDIAN OVERSEAS BANK (WC)	2,315.39	153.02	
<b>TOTAL</b>	<b>3,941.49</b>	<b>260.49</b>	
<b>WORKING CAPITAL LOAN</b>			
ALLAHABAD BANK (CC)		771.31	Quarter ending 31st Dec, 2015 to 31st March, 2018
ANDHRA BANK (CC)		1,126.45	
BANK OF BARODA (CC)		248.67	
CENTRAL BANK OF INDIA (CC)		(28.63)	
PUNJAB NATIONAL BANK (CC)		131.20	
PUNJAB NATIONAL BANK (OD)		(86.19)	
STATE BANK OF INDIA (CC)		389.76	
UNITED BANK OF INDIA (CC)		1,091.78	
UCO BANK (CC)		338.88	
UCO BANK (OD)		29.91	
<b>TOTAL</b>		<b>4,013.14</b>	
<b>GRAND TOTAL</b>	<b>37,408.15</b>	<b>12,424.34</b>	

The above disclosure is as per provision made in books. The unprovided liability in respect of interest on non-current and current borrowings amounting to ₹61,449.05 Lacs as per notes no. 41 also continued to be in default.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

### NOTE - 17 BORROWINGS (Contd.)

(vi) Pursuant to CDR Package, the Company has received unsecured loans amounting to ₹ 7,280 Lacs from promoters & promoter group companies as promoter's contribution, to be converted into equity. Subsequently, with the invocation of SDR, the said amount of ₹ 7,280 Lacs was allowed to be converted into equity at par. Since the SDR has been kept in abeyance no allotment has been made by the company.

#### (vii) Terms of Repayment of Foreign Currency Loan :

Repayment of Foreign Currency Loan is to be made in 1 quarterly installment of ₹ 120.20 Lacs, 6 quarterly installments of ₹ 150.25 Lacs each, 3 quarterly installments of ₹ 180.30 Lacs each and 4 quarterly installments of Rs. 240.40 Lacs each. The loan carries effective interest rate @ 6 months Libor+ 4.5%.

(viii) Unsecured Loan from Body Corporates (Other than related parties) aggregating to ₹ 146.56 Lacs (P.Y.: ₹ 485.01 Lacs) are interest free. Such loans are repayable at the option of the Company and are stated by the management to be in the nature of Long term borrowings.

(₹ in Lacs)

NOTE	PARTICULARS	31-03-2018	31-03-2017
18.	<b>OTHER NON-CURRENT FINANCIAL LIABILITIES</b>		
	Liability for Accrued Expenses	-	99.96
		-	<b>99.96</b>

NOTE	PARTICULARS	31-03-2018	31-03-2017
19.	<b>DEFERRED TAX LIABILITIES (NET)</b>		
	Deferred tax liabilities	15,100.25	12,611.65
	Deferred tax assets	(77,633.06)	(45,266.90)
	<b>Net Deferred Tax Liability / (Asset)</b>	<b>(62,532.81)</b>	<b>(32,655.25)</b>

2017-18			
Deferred tax liabilities/(assets) in relation to:	Opening balance	Recognised in Statement of Profit & Loss	Closing Balance
Provision for doubtful debts and advances/other write offs	2,846.94	1,446.33	4,293.27
Property, plant & equipment (PPE)	9,764.71	1,042.28	10,806.98
Unabsorbed Depreciation	(8,552.47)	(4,416.35)	(12,968.82)
Unabsorbed business Loss	(36,714.43)	(27,949.81)	(64,664.24)
<b>Total</b>	<b>(32,655.25)</b>	<b>(29,877.56)</b>	<b>(62,532.81)</b>

2016-17			
Deferred tax liabilities/(assets) in relation to:	Opening balance	Recognised in Statement of Profit & Loss	Closing Balance
Provision for doubtful debts and advances/other write offs	-	2,846.94	2,846.94
Property, plant & equipment (PPE)	9,018.78	745.93	9,764.71
Unabsorbed Depreciation	(6,960.60)	(1,591.86)	(8,552.47)
Unabsorbed business Loss	(28,346.37)	(8,368.06)	(36,714.43)
<b>Total</b>	<b>(26,288.19)</b>	<b>(6,367.06)</b>	<b>(32,655.25)</b>

Net Deferred Tax Asset has not been recognised as a matter of Prudence, in accordance with the Ind AS-12 (Income Taxes) issued by The Institute of Chartered Accountants of India.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>20.</b>	<b>TRADE PAYABLES</b>		
	Due to Micro, Small & Medium Enterprises [Refer Note (a) below]	-	-
	Due to others	22,491.71	38,399.41
		<b>22,491.71</b>	<b>38,399.41</b>

a. There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

b. Trade Payables include ₹ 5,731.33 Lacs (P.Y.: ₹ 5,531.51 Lacs) against pledge of stock of raw materials.

c. Trade Payables include ₹ 2.23 Lacs (P.Y.: ₹ 9.57 Lacs) due to related parties. (Refer Note No. 40 of standalone) (₹ in Lacs)

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>21.</b>	<b>OTHER CURRENT FINANCIAL LIABILITIES</b>		
	Current maturities of long-term debt (Refer Note 17)	49,493.68	35,087.62
	Interest Accrued and due on Borrowings	8,830.45	7,144.57
	Unclaimed Dividend *	2.65	4.26
	Other Payables		
	For Capital Goods	1,850.65	2,426.06
	For Accrued Expenses & Others	2,182.37	1,796.47
		<b>62,359.80</b>	<b>46,458.98</b>

\* An amount of ₹ 1.61 Lacs (P.Y.: ₹ 1.88 Lacs) has been transferred during the year to Investor Education & Protection Fund.

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>22.</b>	<b>CURRENT TAX LIABILITIES (NET)</b>		
	<b>Tax Liabilities:</b>		
	Provision For Taxation	871.17	871.17
	<b>Tax Assets:</b>		
	-Income Tax Payments (Including TDS)	(458.58)	(441.55)
	-Income Tax Refundable	(23.10)	(22.68)
		<b>389.49</b>	<b>406.94</b>

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>23.</b>	<b>OTHER LIABILITIES</b>		
	<b>Non Current</b>		
	Deferred Government Grant	97.86	106.03
		<b>97.86</b>	<b>106.03</b>
	<b>Current</b>		
	Advance from Parties	6,387.67	9,342.10
	Deferred Government Grant	8.15	8.15
	Liabilities against statutory dues	2,158.99	2,951.30
		<b>8,554.81</b>	<b>12,301.55</b>
	<b>Total Other Liabilities</b>	<b>8,652.67</b>	<b>12,407.58</b>

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>24.</b>	<b>REVENUE FROM OPERATIONS</b>		
	<u>Sale of Products</u>		
	Sale of Manufactured Goods	71,441.00	67,613.63
	Sale of Raw Materials	1,576.97	3,650.56
	Sale of Traded Goods	-	325.52
		<b>73,017.97</b>	<b>71,589.71</b>
	<u>Other Operating Revenues</u>		
	Export Incentives	120.78	824.47
		<b>73,138.75</b>	<b>72,414.18</b>

### Note:

Revenue from Operations for the year is not comparable with previous year since sales are net of GST whereas in previous year sales were gross of excise duty.

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>25.</b>	<b>OTHER INCOME</b>		
	Interest Income		
	- On Credit Sales	-	11.85
	- On Fixed Deposits	9.64	91.28
	- Other Deposits	136.86	367.67
	Commission Income	-	37.64
	Sundry Balances Written Back	171.09	4.00
	Lease Rent Received	5.76	3.60
	Miscellaneous Income	21.55	59.20
	Insurance Claim Received	0.02	0.31
	Amortisation of Deferred Government Grant	8.18	8.13
	Changes in Fair Value of Mutual Funds	-	24.40
		<b>353.10</b>	<b>608.08</b>

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>26.</b>	<b>COST OF MATERIALS CONSUMED</b>		
	(including cost of Raw Materials sold)		
	Opening Stock of Raw Materials (including intermediates)	31,795.54	57,367.53
	Purchases during the year (including freight)	43,555.93	42,084.58
		75,351.47	99,452.11
	Less: Closing Stock of Raw Materials	8,389.30	31,625.62
	Cost of Raw Materials consumed	<b>66,962.17</b>	<b>67,826.49</b>
	Less: Closing Stock of Intermediates	78.25	169.92
	Cost of Materials consumed	<b>66,883.92</b>	<b>67,656.57</b>

### Note:

Raw Material consumed includes ₹ 6,323.03 Lacs (P.Y. ₹ 6,323.03 Lacs) on account of amount write down of raw material in Haldia plant on prudent basis as the Haldia plant was shut down since July'15.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>27.</b>	<b>PURCHASES OF STOCK IN TRADE</b>		
	Iron and Steel Products	-	288.24
		-	<b>288.24</b>

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>28.</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS &amp; WORK-IN-PROGRESS</b>		
	<b>Opening Stock</b>		
	<b>Finished Goods</b>		
	Ferro Alloys	903.96	306.24
	Coal	322.35	322.35
	Iron & Steel Products	801.94	649.92
	<b>Work-In-Progress</b>		
	Ferro Alloys	2,607.62	3,205.68
	Coal In Progress	1,058.92	1,058.92
	Iron & Steel Products	293.89	1,428.94
		<b>5,988.68</b>	<b>6,972.05</b>
	<b>Closing Stock</b>		
	<b>Finished Goods</b>		
	Ferro Alloys	425.25	903.96
	Coal	322.35	322.35
	Iron & Steel Products	567.96	801.94
	<b>Work-In-Progress</b>		
	Ferro Alloys	1,686.46	2,607.62
	Coal In Progress	1,058.92	1,058.92
	Iron & Steel Products	496.04	293.89
		<b>4,556.98</b>	<b>5,988.68</b>
		<b>1,431.70</b>	<b>983.37</b>

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>29.</b>	<b>EMPLOYEE BENEFITS EXPENSE</b>		
	Salaries, Wages, Bonus & Allowances	1,332.30	1,231.45
	Contribution to Provident & Other Funds	84.23	68.25
	Gratuity [Refer Note 38 of standalone]	34.65	24.92
	Directors' Remuneration	49.68	32.93
	Welfare Expenses	19.05	28.15
		<b>1,519.91</b>	<b>1,385.70</b>

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>30.</b>	<b>FINANCE COSTS</b>		
	Interest Expense		
	- To Banks (Refer Note 41)	4,261.25	(1,841.10)
	- To Others	721.26	144.65
	Other Borrowing Costs	341.33	121.97
		<b>5,323.84</b>	<b>(1,574.48)</b>

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>31.</b>	<b>OTHER EXPENSES</b>		
	Labour Charges	1,754.54	1,423.75
	Power & Fuel	16,375.12	16,183.75
	Water Supply Charges	115.14	64.10
	Stores, Spares and Consumables [Refer Note (a) below]	4,026.92	4,058.69
	Packing Materials	12.34	49.05
	Material Handling Expenses	441.24	409.86
	Excise Duty on Variation in Stock [Refer Note (a) below]	-	75.61
	Repairs		
	- To Factory Shed & Building	21.68	30.74
	- To Plant & Machinery	88.86	72.63
	Rent	22.68	23.29
	Rates & Taxes	13.04	45.75
	Electricity Expenses	17.07	14.13
	Insurance	72.56	111.98
	Printing and Stationery	8.76	12.22
	Postage and Courier	6.34	9.03
	Telephone Charges	27.67	43.48
	Travelling & Conveyance	86.33	103.10
	Car Running and Maintenance	53.90	55.73
	Other Repairs and Maintenance	62.82	51.68
	Security Service Charges	183.32	175.19
	Membership and Subscription	6.48	8.35
	Internal Audit Fees	2.00	2.50
	Legal and Professional Charges	160.11	107.29
	Auditors' Remuneration [Refer Note Below (c)]	16.68	17.78
	Directors' Sitting Fees	1.18	1.40
	Miscellaneous Expenses	71.50	144.50
	Short Realisation/ Loss on sale of DEPB	6.71	233.30
	Testing & Inspection Charges	17.91	20.80
	Donations	3.11	2.28
	Advertisement & Sales Promotion	44.88	58.40
	Freight & Forwarding on Export	122.99	178.29
	Transportation & Delivery Charges	1,619.80	1,582.57
	Commission on Sales	44.13	88.52
	Corporate Social Responsibility	5.60	2.82
	Loss on Sale of Fixed Assets	-	10.20
	Short Recovery & Damages	-	3.88
	Sundry Balances Written Off	55.25	116.66
	Allowances for Doubtful Debt	3,233.06	2,657.95
	Allowances for doubtful export incentives	-	188.99
	Impairment Loss	3,941.31	-
	Deferred Expenditure Written Off	2,481.91	-
	Provision for Expenses	9.76	4.95
	Foreign Exchange Fluctuation Loss	144.57	6.94
		<b>35,379.27</b>	<b>28,452.12</b>

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

### NOTE - 31 OTHER EXPENSES (Contd.)

a) Amount of excise duty on variation in stock represents differential excise duty on opening and closing stock of finished goods.

#### b) Auditors' Remuneration:

(₹ in Lacs)

	31-03-2018	31-03-2017
As Statutory Auditor [includes tax audit fees of ₹2.00 Lacs (P.Y. ₹ 2.00 Lacs)]	11.31	10.00
For Taxation matters	0.10	-
For Other services	5.27	4.50
<b>Total</b>	<b>16.68</b>	<b>14.50</b>

### 32. CORPORATE DEBT RESTRUCTURING

During the year 2013-14, at the request of the Company, the Corporate Debt Restructuring Proposal (CDR Proposal) was referred to CDR Empowered Group (CDR EG) by the consortium of lenders led by State Bank of India (SBI). The CDR Proposal as recommended by SBI was approved by CDR EG on March 24, 2014 and communicated vide Letter of Approval dated 28th March, 2014, as amended / modified from time to time. Under CDR package, the Company's debts were restructured / rescheduled and additional credit facilities have been sanctioned as set out in the said Letter of Approval. The cut off date for CDR package was 30th September, 2013 and upon implementation, the financial effect thereof has been duly taken into accounts.

The CDR Package includes reliefs / measures such as reduction in interest rates, funding of interest, rearrangement of securities etc. The key features of the CDR Proposal are as follows:

- (i) Repayment of Rupee Term Loans (RTL) (except term loan for Captive Power Plant of the Company) after moratorium of 2 years from the cut-off date in 32 structured quarterly installments commencing from 31st December, 2015 to 30th September, 2023.
- (ii) Repayment of Rupee Term Loans for Captive Power Plant of the Company after moratorium of 2 years from the cut-off date in 38 structured quarterly installments commencing from 31st December, 2015 to 31st March, 2025.
- (iii) Conversion of various irregular/outstanding/devolved financial facilities into Working Capital Term Loan ('WCTL'). Repayment of WCTL after moratorium period of 2 years from cut-off date in 32 structured quarterly installments commencing from 31st December, 2015 to 30th September, 2023.
- (iv) Restructuring of existing fund based and non fund based financial facilities.
- (v) Interest on RTL and WCTL during the moratorium period of 2 years from cut-off date and interest on Cash Credit limit for a period of 9 months from the cut-off date shall be converted to FITL. Repayment of FITL would be done in 18 equal quarterly installments commencing from 31st December, 2015 to 31st March, 2020.
- (vi) The rate of interest on RTL, WCTL, FITL and Fund Based Working Capital Facilities shall be 11% (linked to the base rate of SBI) with the right to reset the rate of the Term loan(s) and FITL every year with the approval of CDR-EG.
- (vii) Waiver of penal interest for irregularities in the Cash Credit accounts for the period from cut-off date to the date of implementation of the package.
- (viii) Contribution of ₹ 5,664 Lacs in the Company by the promoters in lieu of bank sacrifices and ₹ 8,577 Lacs to meet the additional cost over run towards the Captive Power plant project of the Company. The contribution is to be brought initially in the form of unsecured loan by 30th September, 2014 and the same is to be converted into equity by 30th June, 2015.
- (ix) The CDR Package as well as the provisions of the Master Circular on Corporate Debt Restructuring issued by the Reserve Bank of India, gives a right to the CDR Lenders to get a recompense of their waivers and sacrifices made as part of the CDR Proposal. The recompense payable by the Company is contingent on various factors, the outcome of which currently is materially uncertain and hence the proportionate amount payable as recompense has been treated as a contingent liability. The aggregate present value of the outstanding sacrifice made/ to be made by CDR Lenders as per the CDR package is approximately ₹ 69,987 Lacs.



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

NOTE	PARTICULARS	31-03-2018	31-03-2017
<b>33.</b>	<b>EARNINGS PER SHARE</b>		
	Weighted average number of Equity Shares outstanding during the year	1,137.76	1,137.76
	Number of Shares considered as weighted average shares and potential shares outstanding for calculation of Diluted Earnings Per Share (Refer Note below)	1,137.76	1,137.76
	Profit after Tax attributable to Equity Shareholders (₹ in Lacs)	(45,746.97)	(34,018.26)
	Nominal Value of Ordinary Shares (₹)	10	10
	<b>Earnings Per Share (Basic) (₹)</b>	<b>(40.21)</b>	<b>(29.90)</b>
	<b>Earnings Per Share (Diluted) (₹)</b>	<b>(40.21)</b>	<b>(29.90)</b>

### Note:

Pursuant to CDR Package, the Company has received unsecured loans amounting to ₹ 7,131 Lacs from promoters & promoter companies as promoter's contribution, to be converted into equity by 30th June, 2015, at such price as will be determined in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations. Pending approval & determination of price by SEBI, the same has not been considered in the calculation of EPS.

34. Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the companies. Recognising this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures.
35. The accounting policies, notes and disclosures made by the parent are best viewed in its standalone financial statements to which these consolidated financial statements are attached. Accounting policies specifically related to consolidated financial statements are mentioned in note 1c. Differences in accounting policies followed by the other entities consolidated have been reviewed and no adjustments have been made, since the impact of these differences is not significant.
36. Consolidated contingent liability is same as contingent liability of standalone Rohit Ferro-Tech Ltd.
37. Consolidated capital commitments are same as capital commitments of standalone Rohit Ferro-Tech Ltd.
38. Consolidated related party transactions are same as related party transactions of standalone Rohit Ferro-Tech Ltd.

### 39. OPERATING SEGMENTS

#### A. Basis of segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's management to make decisions about resources to be allocated to the segments and assess their performance.

The Company has two reportable segments, as described below, which is the Company's strategic business units. These business units are managed separately because they require different technology and marketing strategies. For these business units, the Company's management reviews internal reports on at least a quarterly basis.

The following summary describes the operations in each of the Company's reportable segments:

Reportable segment	Operations
Ferro Alloys and Minerals	Manufacturing
Iron and Steel	Manufacturing

#### B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

(₹ in Lacs)

PARTICULARS	31-03-2018	31-03-2017
<b>Segment Revenue</b>		
Ferro Alloys and Minerals	47,117.76	53,631.55
Iron and Steel	33,846.23	24,418.79
Inter Segment Revenue	(7,825.24)	(5,636.15)
<b>Total</b>	<b>73,138.75</b>	<b>72,414.18</b>

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

(₹ in Lacs)

### NOTE - 39 OPERATING SEGMENTS (Contd.)

PARTICULARS	31-03-2018	31-03-2017
<b>Segment Results (Profit before Finance Cost &amp; Tax)</b>		
Ferro Alloys and Minerals	(34,781.54)	(16,168.00)
Iron and Steel	(5,878.53)	(19,796.22)
Unallocated	210.99	347.10
<b>Total</b>	<b>(40,449.08)</b>	<b>(35,617.12)</b>
Finance Cost	5,323.84	(1,574.48)
Exceptional Items	-	-
<b>Profit Before Tax</b>	<b>(45,772.91)</b>	<b>(34,042.64)</b>
Less: Income Tax	-	-
<b>Profit After Tax</b>	<b>(45,772.91)</b>	<b>(34,042.64)</b>

### Other information

PARTICULARS	Year Ended	Assets	Liabilities	Capital Expenditure	Depreciation	Non-cash Expenses (other than Depreciation)
Ferro Alloys and Minerals	31-03-2018	1,64,384.68	43,046.96	15.80	3,009.75	-
	31-03-2017	1,90,436.01	30,406.03	1,213.83	3,067.51	-
Iron and Steel	31-03-2018	37,249.08	(7,712.41)	-	419.41	-
	31-03-2017	63,114.02	24,549.56	-	420.77	-
Unallocated	31-03-2018	481.68	871.17	-	-	-
	31-03-2017	8,722.00	871.17	-	-	-
<b>Total (31-03-2018)</b>		<b>2,02,115.44</b>	<b>36,205.71</b>	<b>15.80</b>	<b>3,429.16</b>	<b>-</b>
<b>Total (31-03-2017)</b>		<b>2,62,272.03</b>	<b>55,826.76</b>	<b>1,213.83</b>	<b>3,488.28</b>	<b>-</b>

### Secondary segment information (Geographical Segment)

Segment	Period	External revenue by location of customers	Carrying amount of segment assets by location of assets	Cost incurred on acquisition of tangible and intangible fixed assets
Within India	Year ended 31-03-2018	69,179.50	1,95,885.81	15.80
	Year ended 31-03-2017	66,740.45	2,46,566.31	1,213.83
Outside India	Year ended 31-03-2018	3,959.25	6,229.63	-
	Year ended 31-03-2017	5,673.73	15,705.72	-
Total	Year ended 31-03-2018	<b>73,138.75</b>	<b>2,02,115.44</b>	<b>15.80</b>
	Year ended 31-03-2017	<b>72,414.18</b>	<b>2,62,272.03</b>	<b>1,213.83</b>

40. The lenders have communicated to go for change in management by indentifying an investor who will acquire the shares held by the promoters in Rohit Ferro-Tech Ltd. A Deed of Undertaking has been executed by Rohit Ferro-Tech Ltd. and its promoters in this regard. On execution of the Deed of Undertaking, the Lenders have invited bids from prospective investors by way of sale of equity stake held by the promoters of the Company and the same is in process. The matter is subjudice in the Kolkata High Court.
41. The lenders have stopped charging interest on debts, since the dues from the Company have been categorised as Non Performing Asset. Pending finalisation of the restructuring plan, the Company has not provided accrued interest in its books as the account has been declared NPA by the respective lenders. The amount of interest not so provided for the year

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

- ended 31st March, 2018 stands at ₹ 30,057.65 Lacs. Penal interest and charges thereof (amount remaining unascertained) has not been provided for. The unprovided liability in respect of interest on long term and short term borrowings as on 31st March, 2018 amounted to ₹ 61,449.05 Lacs. The same have consequential impact on the reported financials.
42. The Company's Factory at Haldia (West Bengal) is suspended since 1st July, 2015 on account of depressed domestic and global market conditions in steel industry and excess procurement cost of Electricity. Robbery/Damages to certain properties had occurred and the Company had filed insurance claim which is under process. The claim settlement is currently under process. The financial impact of such insurance claim (Burglary/Robbery) on the reported financial year remains unascertained and unquantified.
  43. The operations of the Company was severely impacted by weak steel industry scenario and lack of demand for Company's finished products. The Company has incurred loss of ₹ 45,959.26 Lacs for the year ended 31st March, 2018 and accumulated loss as on 31st March, 2018 is ₹ 1,61,343.29 Lacs which is in excess of the entire net worth of the Company. The Company has continuous support from the promoters and has put in place measures for revival and cost reduction. Considering the initiative of the Company and given the emerging scenario of steel industry with notification of Minimum Support Price in India, the management is of view of foreseeable future about the operations of the Company and accordingly the financial statements have been prepared under 'Going Concern' basis.
  44. The current and non-current assets, in the opinion of the management, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the accounts. Adequate provisions have been made for all known losses and liabilities.
  45. Certain Balances of the sundry creditors, sundry debtors, unsecured loans and advances are subject to confirmation and reconciliation. The reported financials might have consequential impact once the reconciliation is completed, the quantum where of remains unascertained. Advance from Parties includes ₹ 198.62 Lacs (P.Y.: ₹ 1,249.64 Lacs) being certain receipts lying under suspense account in absence of information as to the credits in the bank account.
  46. The total comprehensive income has been attributed to the owner of the parent and to the non-controlling interest even if this results in the non-controlling interest having deficit balance. Hence, the non-controlling interest are restated and reclassified as per the requirements of Ind-AS.
  47. The Consolidated Financial Statement includes the financial statements of the Parent Company, its wholly-owned subsidiary, SKP Overseas Pte. Ltd., incorporated in Singapore and its step down subsidiary, PT. Bara Prima Mandiri., incorporated in Indonesia. Subsidiaries are consolidated from the date on which effective control is acquired and are excluded from the date of transfer/disposal.

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

(₹ in Lacs)

Name of the Entity	As at 31-03-2018		As at 31-03-2017	
	Net Assets (Total Assets- Total Liabilities)		Net Assets (Total Assets- Total Liabilities)	
	As % of Consolidated Net Assets	Amount (₹)	As % of Consolidated Net Assets	Amount (₹)
<b>Parent Company</b>				
Rohit Ferro-Tech Ltd.	96.11%	(1,01,191.80)	98.65%	(58,058.05)
<b>Subsidiaries</b>				
<b>Foreign</b>				
SKP Overseas PTE Ltd.	2.77%	(2,912.69)	-1.38%	811.05
PT Bara Prima Mandiri	0.67%	(705.89)	1.95%	(1,146.06)
<b>Minority Interest in all Subsidiaries</b>	0.45%	(471.95)	0.78%	(458.44)
<b>Total</b>	<b>100%</b>	<b>(1,05,282.32)</b>	<b>100%</b>	<b>(58,851.50)</b>

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

### NOTE - 47 (Contd.)

(₹ in Lacs)

Name of the Entity	As at 31-03-2018		As at 31-03-2017	
	Share in Profit or loss		Share in Profit or loss	
	As % of consolidated Profit or loss	Amount (₹)	As % of consolidated Profit or loss	Amount (₹)
<b>Parent Company</b>				
Rohit Ferro Tech Ltd.	81.69%	(37,393.15)	98.87%	(33,634.34)
<b>Subsidiaries</b>				
<b>Foreign</b>				
SKP Overseas PTE Ltd.	18.17%	(8,314.91)	0.88%	(298.59)
PT Bara Prima Mandiri	0.09%	(38.91)	0.18%	(60.95)
<b>Minority Interest in all Subsidiaries</b>	0.06%	(25.94)	0.07%	(24.38)
<b>Total</b>	<b>100%</b>	<b>(45,772.91)</b>	<b>100%</b>	<b>(34,018.26)</b>

48. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever considered necessary to conform to this year's classification. Accordingly, amounts and other disclosures for the preceding years are included as an integral part of the current year financial statements and are to be read in relation to amounts and other disclosures relating to the current year.

As per our report of even date attached

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

**CA Manoj Kumar Sethia**  
Partner  
Membership No: 064308  
Place: Kolkata  
Date: 14th day of August, 2018

For and on behalf of the Board

**Suresh Kumar Patni**  
Chairman

**Anil Prasad Shaw**  
Company Secretary

**Vipul Jain**  
Chief Financial Officer

## FORM AOC 1

[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/ Joint Ventures  
**PART "A" - Subsidiaries**

(₹ in Crores)

Sl. No.	Name of the Subsidiary	SKP Overseas PTE Ltd.	PT. Bara Prima Mandiri (Subsidiary of SKP Overseas PTE Ltd.)
1	The date since when the subsidiary was acquired	9th April, 2008	8th January, 2013
2	Reporting Period	2017-18	2017-18
3	Reporting Currency	INR (Converted)	INR (Converted)
4	Exchange	65.0441	0.0047
5	Share Capital	105.51	7.09
6	Reserves & Surplus	(196.81)	(18.87)
7	Total Assets	-	62.30
8	Total Liabilities (Excluding Equity & Other Equity)	91.30	74.07
9	Investments	-	-
10	Turnover*	-	-
11	Profit Before Taxation	(186.96)	(0.65)
12	Provision for Taxation	-	-
13	Profit After Taxation	(186.96)	(0.65)
14	Proposed Dividend	-	-
15	% of Shareholding	100%	60%

\*Currency rate for turnover has been taken on average rate.

1. Name of Subsidiaries which are yet to commence operations : **None**
2. Name of Subsidiaries which have been liquidated or sold during the year : **None**

## PART "B" - Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures :

Sl. No.	Name of Associate/Joint Venture	N.A.	
1	Latest Audited Balance Sheet date	-	
2	Date on which the associate or Joint Venture was associated or acquired	-	
3	Shares of Joint Ventures held by the Company on the year end		
	No. of Shares	-	
	Amount of Investment in Joint Venture	-	
	Extend of Holding %	-	
4	Description of how there is significant influence	-	
5	Reason why the Joint Venture is not consolidated	-	
6	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in Lacs)	-	
7	Profit/Loss for the year (₹ in Lacs)		
	i. Considered in Consolidation	-	
	ii. Not Considered in Consolidation	-	

1. Names of Associates or Joint Ventures which are yet to commence operations : **None**
2. Names of Associates or Joint Ventures which have been liquidated or sold during the year : **None**

As per our report of even date attached

For **R. Kothari & Company**

Chartered Accountants

FRN: 307069E

**CA Manoj Kumar Sethia**

Partner

Membership No: 064308

Place: Kolkata

Date: 14th day of August, 2018

For and on behalf of the Board

**Suresh Kumar Patni**

Chairman

**Anil Prasad Shaw**  
Company Secretary

**Vipul Jain**  
Chief Financial Officer

## This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

# Corporate Information

## Board of Directors

Mr. Suresh Kumar Patni  
Mr. Ankit Patni  
Mr. Ranjeet Kumar Burnwal  
Mr. P. B. Lahiri  
Mr. Jatindra Nath Rudra  
Mrs. Sujata Agarwal  
Mr. Ankit Rungta  
Mr. Ankit Jain

*Non-Executive Chairman*  
*Managing Director*  
*Executive Director (Works)*  
*Nominee Director*  
*Independent/Non-Executive Director*  
*Independent/Non-Executive Director*  
*Independent/Non-Executive Director*  
*Independent/Non-Executive Director*

## Chief Financial Officer

Mr. Vipul Jain

## Company Secretary

Mr. Anil Prasad Shaw

## Statutory Auditors

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

## Internal Auditors

M/s. NR & Associates  
Cost Accountants  
16A, Shakespeare Sarani,  
5th Floor, Kolkata - 700 071

## Cost Auditors

M/s. S. B. & Associates  
Cost Accountants  
5, Garstin Place, 1st Floor  
Kolkata- 700 001

## Secretarial Auditor

M/s. K. C. Dhanuka & Co.  
Practicing Company Secretaries  
419, Centre Point  
21, Hemanta Basu Sarani  
Kolkata - 700 001

## Bankers

State Bank of India  
United Bank of India  
UCO Bank  
Allahabad Bank

Canara Bank  
Bank of Baroda  
Punjab National Bank  
Central Bank of India  
Export Import Bank of India  
Andhra Bank

## Registered office

35, Chittaranjan Avenue, Kolkata - 700 012  
Phone: +91 33 2211 0225/26

## Corporate office

SKP House, 132A, S. P. Mukherjee Road  
Kolkata - 700 026  
Phone: +91 33 4016 8000/8100  
Fax: +91 33 4016 8191/8107  
E-mail: grievance@rohitterrotech.com  
Website: www.rohitterrotech.com

## Plant Information

Bishnupur  
WBIDC Road, P.S.: Bishnupur  
P.O.: Dwarika - 722 122  
Dist: Bankura, West Bengal

## Jajpur

Kalinganagar Industrial Complex  
P.O.:Duburi - 755 026,  
Dist: Jajpur, Odisha

## Haldia

Jaynagar, PS: Durgachak  
P.O.: Buniaraichak,  
Dist: Purba Medinipur, West Bengal

## DISCLAIMER

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

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

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



*If undelivered, please return to :*  
**Rohit Ferro-Tech Limited**  
SKP House, 132A, S. P. Mukherjee Road,  
Kolkata - 700 026