



Inspired by Steel



Beekay Steel Industries Limited  
annual report 2014-15



## **Contents**

Corporate Information 01 Director's Report 02 Annexure to the Director's Report 10  
(Corporate Social Responsibility 10 Extract of Annual Return 12 Secretarial Audit Report 19  
Report on Corporate Governance 23 MDAR 41) Independent Auditor's Report 46  
Annexure to the Auditors' Report 48 Balance Sheet 50 Profit & Loss Account 51  
Notes on Financial Statements 52 Auditors Certificate 70 Cash Flow Statement 71  
Ten Years' Review *Inside back cover*



## CORPORATE INFORMATION

<b>MENTOR</b>	Mr. Basheshar Lal Bansal
<b>BOARD OF DIRECTORS</b>	Mr. Suresh Chand Bansal-Executive Chairman Mr. Mukesh Chand Bansal- Managing Director Mr. Vikas Bansal- Executive Director Mr. Manav Bansal- Wholetime Director & CFO Mr. Gautam Bansal- Wholetime Director Mr. Vijay Kumar Bansal- Non Executive Director Mr. Bhal Chandra Khaitan-Independent Director Mr. Brijesh Kumar Dalmia- Independent Director Mr. Ravishankar Sridharan- Independent Director Mr. Srikumar Banerjee- Independent Director Mr. Tapan Kumar Banerjee- Independent Director Ms. Shyanthi Sengupta- Independent Woman Director
<b>COMPANY SECRETARY</b>	Mr. Rabindra Kumar Sahoo
<b>BANKERS</b>	State Bank of India Allahabad Bank Punjab National Bank Bank of Baroda
<b>AUDITORS</b>	M/s. Rustagi & Associates Chartered Accountants 59, Bentick Street, Kolkata-69
<b>REGISTERED OFFICE</b>	'Lansdowne Towers', 4 <sup>th</sup> Floor, 2/1A, Sarat Bose Road, Kolkata: 700 020 Tel: (033) 3051 4444 Fax: (033) 2283 3322 Email: <a href="mailto:contact@beekaysteel.com">contact@beekaysteel.com</a> Web: <a href="http://www.beekaysteel.com">www.beekaysteel.com</a>
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	M/s. Maheshwari Datamatics Pvt. Ltd. 6, Mangoe Lane, Kolkata-700 001 Phone: (033) 2243-5029/5809 Fax : (033) 22484787 Email: <a href="mailto:mdpl@cal.vsnl.net.in">mdpl@cal.vsnl.net.in</a>
<b>WORKS</b>	Jamshedpur(Jharkhand) Chennai (Tamil Nadu) Visakhapatnam Andhra Pradesh (a. Autonagar b. Bheemlipatnam C. Vellanki d. Parwada) Howrah(West Bengal)



## DIRECTORS' REPORT TO THE SHAREHOLDERS

To,  
The Members of  
Beekay Steel Industries Limited

Your Directors take pleasure in presenting the 34<sup>th</sup> annual report on the business and operations of your Company together with the audited accounts of your Company for the year ended 31<sup>st</sup> March, 2015:

### FINANCIAL RESULTS

(₹ in crores)

Particulars	Financial Year 2014-15	Financial Year 2013-14
<b>Sales/Income from Operations</b>	<b>554.20</b>	<b>581.13</b>
Profit for the Year before Interest, Depreciation & Tax	62.16	61.57
Interest	21.36	20.04
Depreciation	16.46	12.56
<b>Profit Before Taxation</b>	<b>24.34</b>	<b>28.97</b>
Provision for Tax-Current Tax	6.63	6.16
MAT Credit	—	(4.50)
Provision for Tax-Deferred Tax	2.11	9.01
<b>Profit for the Year</b>	<b>15.59</b>	<b>18.30</b>
Add/(Less): Adjustments	0.01	(0.06)
Balance of Profit for the Previous Year	74.67	61.43
Balance available for appropriation	<b>90.26</b>	<b>79.67</b>
<b>Appropriations:</b>		
Dividend-Equity Shares	1.91	—
Dividend Tax	0.38	—
Transfer to General Reserve	5.00	5.00
Transfer to Capital Redemption Reserve	—	—
<b>Balance of Profit carried over</b>	<b>83.01</b>	<b>74.67</b>

### RESULTS OF OPERATIONS

The turnover of your Company, during the year under review, has declined by 4.6 % to Rs.554.20 Crores against Rs.581.13 Crores during the previous year due to economic slowdown in India and across the Globe. The lower demand resulted from economic slump throughout the year in the domestic market which negatively affected our financial performance as it contributed to the market sentiment. There is an increase in operating EBIDTA by merely 1 % to 62.16 Crores against the previous year of Rs. 61.57 Crores. The net profit after tax during the year was Rs. 15.60 Crores against of Rs 18.24 Crores in the previous Year. There was decline in the net profit by 14.65 % comparing with the previous year due to slowdown & stiff competition in the market. The Board of Directors put their Endeavour to improve the overall performance of the company.

Production in different units of the Company situated at Visakhapatnam were severely affected due to Hudhud cyclone which caused not only shut down of plants temporarily for few months but also hit the orders to supply the materials which your Company could not met on time.



## **DIVIDEND**

Your Directors are pleased to recommend a dividend of Re. 1/- per share (i.e. 10%) on 19072052 equity shares for the year ended 31st March, 2015, subject to approval of the shareholder at the ensuing Annual General Meeting. The total outgo on account of dividend will be Rs. aggregating to Rs. 228.85 Lacs (In-taxes).

**The unpaid and unclaimed dividend lying in the Unpaid Dividend Account becomes due to be transferred to Investor Education & Protection Fund ("IEPF") after a period of 7 (seven) years. Your Directors therefore suggest you to claim the unpaid dividend before the last date.**

The unpaid and unclaimed Dividend for the year 2006-07 has already been transferred to the Central Government, to Investor Education & Protection Fund ("IEPF") on 2<sup>nd</sup> December, 2014. The unpaid and unclaimed Dividend for the year 2007-08 is due to be transferred to Investor Education & Protection Fund ("IEPF") by 26<sup>th</sup> November, 2015.

## **SHARE CAPITAL**

The paid up equity capital as on March 31, 2015 remained at Rs 19,09,09,270 comprising of 19072052 shares of Rs 10/-each. The Company has not issued any shares during the year under review. The company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

## **FINANCE**

Cash and cash equivalents as at March 31, 2015 was Rs. 469.53 Lacs. The company continues to focus on judicious management of its working capital, Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

## **FIXED DEPOSITS**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

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

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The detail of the investments made by company is given in the notes to the financial statements.

## **INTERNAL CONTROL & INTERNAL FINANCIAL CONTROL**

### **Overview**

A Robust System of internal control, commensurate with the size and nature of its business forms an integral part of the company corporate governance.

### **Internal Control:**

The Company has a proper and adequate system of internal control commensurate with the size and nature of its business. Internal control systems are integral to the Company's corporate governance policy. Some of the significant features of internal control systems include

- Documenting of policies, guidelines, authorities and approval procedures, encompassing the Company's all primary functions.
- Deploying of a Matrix- ERP system which covers most of its operations and is supported by a defined on-line authorization protocol.
- Ensuring complete compliance with laws, regulations, standards and internal procedures and systems.



- De-risking the Company's assets/resources and protecting them from any loss.
- Ensuring the accounting system's integrity proper and authorized recording and reporting of all transactions.

The internal control systems and procedures are designed to assist in the identification and management of risks, the procedure-led verification of all compliance as well as an enhanced control consciousness.

### **Internal Financial Control**

The Company has in place adequate internal financial controls with reference to financial statements. During the year such controls were tested and no reportable material weakness in the design or operation was observed.

This provides the Directors with reasonable assurance regarding the adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks. To enable them to meet these responsibilities, the Company has devised appropriate systems and framework including proper delegation of authority, policies and procedures, effective IT systems aligned to business requirements, risk based internal audit framework, risk management framework and whistleblower mechanism.

The Internal auditors continuously monitors the efficacy of Internal Financial Control system with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management with regard to the Internal Financial Control system.

Audit Committee meets regularly to review reports submitted by the internal auditors. The Audit Committee also meet the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system and compliance to accounting policies and procedures followed by the Company.

### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has a Corporate Social Responsibility Committee comprising of three directors which stood as follows as on 31<sup>st</sup> March, 2015:

The terms of reference and scope of work is same as prescribed in section 135 of the Companies Act, 2013, and the Rules there under. The Committee met four times during the year to discharge its responsibilities. As part of its initiatives under 'Corporate Social Responsibility' (CSR) the company has undertaken projects in the areas of Education, Livelihood, Health, Water and Sanitation, Environment, Rural development etc. As per the said policy, the Company continues the strategy of discharging part of its CSR responsibilities related to social service through various trusts/societies in addition to its own initiatives and donations made to other non-government organizations.

An Annual Report on CSR activities is annexed herewith as 'Annexure-A' in the prescribed format. During the year the Company has spent Rs. 28.01 lacs Towards CSR activities.

### **EXTRACT OF ANNUAL RETURN**

In accordance with the provisions of Section 134(3)(a) of the Companies Act, 2013, the details forming part of the extract of the annual return in Form No. MGT - 9, is marked as 'Annexure - B' and annexed hereto and forms a part of this report.

### **NUMBER OF MEETINGS OF THE BOARD**

The details of the number of meetings of the Board held during the financial year 2014-15 forms part of the Corporate Governance Report.



## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (a) in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- (b) the accounting policies adopted in the preparation of the annual accounts have been applied consistently except as otherwise stated in the Notes to Financial Statements and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2014-15 and of the profit for the year ended 31st March, 2015;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts for the year ended 31st March, 2015, have been prepared on a going concern basis.
- (e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- (f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## **DECLARATION BY INDEPENDENT DIRECTORS**

Mr. Brijesh Kumar Dalmia, Mr. Bhal Chandra Khaitan, Mr. Ravishankar Sridharan, Mr. Srikumar Banerjee, Mr. Tapan Kumar Banerjee, and Ms. Shyanthi Sengupta are Independent Directors on the Board of the Company. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

## **COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

Pursuant to provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Remuneration Policy.

The remuneration policy of the Company, inter alia, includes the aims and objectives, principles of remuneration, guidelines for remuneration to Executive Directors and Non-Executive Directors, fixed and variable components in the remuneration package, criteria for identification of the Board Members and appointment of senior management.

The criteria for identification of the Board Members including that for determining qualification, positive attributes, independence etc. are summarily given here under:

- The Board Member shall possess appropriate skills, qualification, characteristics and experience. The objective is to have a Board with diverse background and experience in business, government, academics, technology, human resources, social responsibilities, finance, law etc. and in such other areas as may be considered relevant or desirable to conduct the Company's business in a holistic manner.
- Independent director shall be person of integrity and possess expertise and experience and/or someone who the Committee/Board believes could contribute to the growth/philosophy/strategy of the Company.
- In evaluating the suitability of individual Board Members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business, social perspective, educational and professional background and personal achievements.



- Director should possess high level of personal and professional ethics, integrity and values. He should be able to balance the legitimate interest and concerns of all the Company’s stakeholders in arriving at decisions, rather than advancing the interests of a particular section.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. He must have the aptitude to critically evaluate management’s working as part of a team in an environment of collegiality and trust.
- The Committee evaluates each individual with the objective of having a group that best enables the success of the Company’s business and achieves its objectives.

### CREDIT RATING

India Rating & Research Private Limited (Ind-Ra), a wing of international rating agency FITCH Group, has upgraded your company long term debt rating from ‘IND BBB-’to ‘IND BBB’. The outlook is also stable. Ind-Ra has also upgraded your company bank facility also.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating.

The Company’s financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies as given below:

Instrument Rating	Agency	Rating Outlook	Remarks
Long Term Debt	Ind-Ra (A Fitch Group Co.)	IND BBB Stable	One notch above India’s sovereign rating

### RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties during the financial year were on an arm’s length basis and were in the ordinary course of business and the provisions of Section 188 of the Companies Act, 2013 are not attracted. Further, there are no materially significant related party transactions during the year under review.

### RISK MANAGEMENT

Pursuant to the provisions of Clause 49 of the Listing Agreement, the Company has constituted a Risk Management Committee. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board’s Report.

The Company has a robust Risk Management framework to identify, evaluate business risks, and opportunities. This framework seeks to minimize adverse impact on the business objectives and enhance the Company’s competitive advantage. The framework also defines the risk management approach across the enterprise at various levels. Risk Management forms an integral part of the Company’s planning process.

### BOARD EVALUATION & CRITERIA FOR EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board carried out an annual performance evaluation of its own performance, the individual Directors as well as the working of the Committees of the Board. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non- Independent Directors was carried out by Independent Directors. Details of the same are given in the Report on Corporate Governance annexed hereto.

For the purpose of proper evaluation, the Directors of the Company have been divided into 3 (three) categories i.e. Executive, Non –Executive Non-Independent & Non-Executive Independent. The criteria for evaluation includes factors such as engagement, strategic planning and vision, team spirit and consensus building, effective leadership, domain knowledge, management qualities, team work abilities, result/ achievements, understanding and awareness, motivation/ commitment/ diligence, integrity/ethics/values and openness/receptivity.





## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

i) On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company during its Meeting held on 31.03.2015 has appointed Mr. Tapan Kumar Banerjee as Independent Director and Ms. Shyanthi Sengupta as Independent Woman Director on the Board of the Company. The requirement under Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement also stands complied with such appointments.

Shri Vijay Bansal, Promoter Non-Executive Director retires from the Board by rotation and being eligible, offers himself for re-appointment.

The above are subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

In view of the provisions of Section 203 of the Companies Act, 2013 Shri Mukesh Chand Bansal, Managing Director, Shri Manav Bansal, Wholtime Director & CEO, and Shri Rabindra Kumar Sahoo, Company Secretary were identified as Key Managerial Personnel of the Company. Mr. Lalit Chandra Sharma has resigned from the office of the Company Secretary w.e.f. 30.06.2014.

The Company has appointed Additional Directors at the Board of Directors Meeting, viz. Mr. Tapan Kumar Banerjee as Independent Director and Ms. Shyanthi Sengupta as Independent Woman Director for a period of five years w.e.f. 31.03.2015. Their terms of office as Additional Directors will be expired at the ensuing Annual General Meeting and the Company has received application from a Member proposing their candidature to the office of Directors of the Company.

Mr. Krishna Chandra Raut has been resigned from the Directorship of the Company w.e.f. 12.02.2015. Your Directors place on record their deep appreciation of the valuable services rendered by Mr. Krishna Chand Raut during his tenure as Director of the Company.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and company's operations in future.

## **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

In compliance with provisions of Section 177(9) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has framed a Vigil Mechanism/Whistle Blower Policy to deal with unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy, if any. The Vigil Mechanism/Whistle Blower Policy has also been uploaded on the website of the Company.

## **PARTICULARS OF EMPLOYEES**

There is no such employee in the company the information of which is required to be furnished under provision of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Having regard to the provisions of Section 136 of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company.

## **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 is marked as 'Annexure - C' which is annexed hereto and forms part of the Directors' Report.

## **HUMAN RESOURCE DEVELOPMENT INDUSTRIAL RELATIONS**

There is a continuous effort for better Human Resource (HR) service delivery in order to better serve the customers with simpler well executed processes with proper use of technology. HR service delivery has become all the more critical in the organization due to rise in customer expectation.

The organization has a mechanism to provide employees with feedback on a continuous basis. Based on the organization's strategic plan, HR planning processes map the capacity of the organization. The knowledge, skills and abilities of the employees are identified.

The strategic thrust of HR has been improvement of the performance of the employees through training & development and also to identify high performers who are having potential for taking higher responsibilities.



### **ENVIRONMENTAL INITIATIVES**

Beekay Steel has always been a frontrunner in continuously improving its operational performance in all areas like safety and consumption of natural resources. These initiatives have been taken across all production facilities to ensure they become the culture at our organization. All the stack emissions, ambient air quality, effluent quality and work zone air quality are generally within the norms. The Company has undertaken various measures to address environmental issues at its plant locations.

### **AUDITORS & AUDITORS' REPORT**

#### ***Statutory Auditors:***

The Company's Auditors, M/s. Rustagi & Associates, Chartered Accountants, retire at the end of 36<sup>th</sup> Annual General Meeting of the Company and are eligible for reappointment subject to ratification at the ensuing AGM by members. The members are requested to appoint the auditors and to fix their remuneration.

Messrs Rustagi & Associates, Chartered Accountants has confirmed that their appointment is within the limits of the Section 139 of the Companies Act, 2013 and has certified that they are free from any disqualifications specified under Section 148(5) and all other applicable provisions of the Companies Act, 2013.

The notes on accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments.

#### ***Secretarial Auditor:***

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary to conduct Secretarial Audit of the Company for the Financial Year 2014-15. The Secretarial Audit Report for the Financial Year ended 31st March, 2015 is annexed herewith and marked as 'Annexure - D'. The Report is self-explanatory and do not call for any further comments.

#### ***Cost Auditors:***

Pursuant to Section 148 of the Companies Act, 2013, in terms of the Central Government's approval, the Board of Directors on the recommendation of the Audit Committee appointed M/s. Musib & Co., Cost Accountants, as the Cost Auditor of the Company for the year 2015-16. The remuneration proposed to be paid to the Cost Auditor requires ratification of the shareholders of the Company. In view of this, your ratification for payment of remuneration to the Cost Auditor is being sought at the ensuing Annual General Meeting.

The Audit Committee has also received a Certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company.

The Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period and the Cost Audit Report for the financial year 2013-14 has already been filed with MCA.

### **CORPORATE GOVERNANCE**

Your Company has initiated, by providing the shareholders, to avail the option of receiving online the requisite documents i.e. notices, annual reports, disclosures and all other communications, by registering their e-mail Ids. for the success of 'Green Initiative' as per MCA circular no. 17/2011 & No. 18/2011.

The Company continues to comply with the requirements of Clause 49 of the Listing Agreement regarding Corporate Governance. The Report on Corporate Governance together with a certificate from Mr. S.K. Tibrewalla, Practicing Company Secretary regarding Compliance of Conditions of Corporate Governance, certification by M.D. /CEO and the Management Discussion & Analysis Report are attached herewith which form part of this Annual Report.

### **STOCK EXCHANGE LISTING**

The Equity Shares of your Company are listed on BSE Limited (nation-wide trading terminal) under direct listing route, the trading of shares have started w.e.f. 25<sup>th</sup> March, 2015. The Company's Equity Shares are also listed with the Calcutta Stock Exchange and Uttar Pradesh Stock Exchange and the applicable annual listing fees to all stock exchanges have been paid till financial year 2015-16.



## CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 your Company has adopted the Code of Conduct for Prevention of Insider Trading.

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

Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013, read with 8(3) of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo, are given in the 'Annexure E', annexed hereto and forms a part of this report.

## DISCLOSURES AS PER APPLICABLE ACT AND LISTING AGREEMENT:

i) Composition of Audit Committee:

The Board has constituted the Audit Committee under the Chairmanship of Mr. Bhal Chandra Khaitan. Complete details of the Committee are given in the Corporate Governance Report, attached as Annexure to this Board's Report.

ii) Post Balance Sheet Events:

The company has received contract from TATA Steel Limited for job work of TMT Bars at company's new unit/work at Parwada, Visakhapatnam. There is no other material changes in commitments affecting the financial position of the Company occurred since the end of the financial year 2014-15.

iii) Subsidiaries, Associates or Joint Ventures:

Your Company has only one associate company i.e. M/s. AKC Steel Industries Ltd. and does not have any subsidiaries, associates or joint ventures, during the year under review.

iv) Nomination, Remuneration and Evaluation Policy:

The Company on recommendation of its Nomination & Remuneration Committee has laid down a Nomination, Remuneration and Evaluation Policy, in compliance with the provisions of the Companies Act, 2013 read with the Rules made therein and the Listing Agreement with the stock exchanges (as amended from time to time). This Policy is formulated to provide a framework and set standards in relation to the followings.

- a. Criteria for appointment and removal of Directors, Key Managerial Personnel (KMP) and Senior Management Executives of the Company.
- b. Remuneration payable to the Directors, KMPs and Senior Management Executives.
- c. Evaluation of the performance of the Directors.
- d. Criteria for determining qualifications, positive attributes and independence of a Director.

## APPRECIATION

Your Directors take this opportunity to express their appreciation for the cooperation and assistance received from the Government of India,; the State Governments of Andhra Pradesh, Tamil Nadu, West Bengal and Jharkhand; the financial institutions, banks as well as the shareholders and debenture holders during the year under review. The Directors also wish to place on record their appreciation of the devoted and dedicated services rendered by all employees of the Company.

Registered Office:  
'Lansdowne Towers', 4<sup>th</sup> Floor,  
2/1A, Sarat Bose Road  
Kolkata – 700 020

Place : Kolkata  
Date: 13<sup>th</sup> August, 2015

**For and on behalf of the Board  
For Beekay Steel Industries Ltd.**

Sd/-

**Suresh Chand Bansal** - Executive Chairman  
(DIN : 00103134)

**Mukesh Chand Bansal** - Managing Director  
(DIN : 00103098)



## ANNEXURE – A TO DIRECTORS' REPORT

### THE ANNUAL REPORT ON CSR ACTIVITIES

- Brief outline of the Company's CSR Policy:** A brief outline of the Company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR policy and projects or programmes :

In line with the provisions of the Companies Act, 2013, the Company has framed its CSR policy for the development of programmes and projects for the benefit of weaker sections of the society and the same has been approved by the CSR Committee of the Board. Though the Company would give preference to local area and areas around the Company for spending the amount earmarked for CSR, it would also work for the upliftment of the underprivileged at large. Greater emphasis is laid on the preventive health care, sanitation, education, water supply, agriculture, cattle care, environment protection and enhancing the income of the rural people. We have undertaken the CSR activities directly through our own staff and also through 'Akshya Patra Foundation', Friends of Tribal Society etc.

- The composition of the CSR Committee is as under :**

Mr. Mukesh Chand Bansal	Chairman
Mr. Brijesh Kumar Dalmia	Member
Mr. Manav Bansal	Member
Mr. Rabindra Kumar Sahoo	Secretary

- Average net profit of the Company for last three financial years:** Rs.28.03 Crores.

- Required CSR Expenditure:** Rs. 56.07 Lacs

- Details of CSR spend for the financial year:**

a) **Amount spent for the financial year:** Rs. 28.01 Lacs; (PYear we spent Rs. 25.00 Lacs)

b) **Amount unspent:** Rs. 28.06 Lacs;

c) **Manner in which the amount spent during the financial year 2014-15 is detailed below**

Sl. No	CSR Project activity identified	Sector in which the project is covered	Projects programmes 1. Local area others 2. State district (Name of the District, State where project programme was undertaken	Amount Outlay(budget) project programme wise (Rs. In Lac)	Amount spent on the projects programmes Sub- heads : 1. Direct expenditure on project programe 2. Overheads (Rs. In Lac)	Cumulative spend upto to the reporting period i.e. F.Y. 2014-15 (Rs. In Lac)	Amount spent: Direct through implementing agency
1	2	3	4	5	6	7	8
1	Provision of Mid Day Meal and Providing Education	Eradication of Poverty and Promoting Education	Around Visakhapatnam.	5.00	5.00	5.00	Through Implementing Agency (The Akshaya Patra Foundation)
2	Provision of Help to Society for preventive Health Care etc	Social Awareness and Preventive of Health Care	Local Areas (Kolkata Suburban Areas)	0.50	0.51	0.51	Through Implementing Agency (Kolkata Senior Citizens Forum)



3	Provision of Literacy, Health Care and Supply of Drinking Water etc	Livelihood Enhancement	All States of India	10.00	10.00	10.00	Through Implementing Agency (Friends of Tribals Society)
4	Provision of Health Care & Medical Treatment of Patient	Promoting Health Care	Local Area (Kolkata)	5.00	5.00	5.00	Direct to Tata Medical Center
5	Provision of Eradication of Poverty, Hunger	Eradication of Poverty	Local Area (Visakhapatnam, AP)	1.00	1.00	1.00	Implementing Agency
6	Provision of Social Business Project	Socio-Economic Projects	Local Area (Visakhapatnam, AP)	0.20	0.11	0.11	Implementing Agency
7	Provision of School Infrastructures and Enhancement of Quality Education	Promoting Social Development	Local Area (Visakhapatnam, AP)	1.25	1.21	1.21	Implementing Agency
8	Provision of Boring of Tube Wells and Supply of Drinking Water	Safe Drinking water	Local Area (Chengalpet, Tamilnadu)	4.00	3.85	3.85	Direct
				26.95	26.68	26.68	
	Overhead @5% of Project Costs				1.33		
	Total Amount Spent on Program & Overhead During FY'15				28.01		

#### 6. Reasons for not spending the prescribed CSR expenditure :

We have been always historically ahead of compliances & regulations. But while the Companies Act, 2013 became effective from 1<sup>st</sup> April, 2014, the rules and clarifications relating to CSR got settled as late of September, 2014. In view of various issues which arose relating to interpretation of the law and the implementation challenges faced by corporates, the Government came out with a number of clarifications on the issue raised. Considering the reputation risk and the care needed to be taken in identifying projects, the Company was able to finalise the CSR projects and firm up the implementation mechanism only by end of 3rd quarter of 2014-15. Despite the delay in finalising the projects, identifying the implementation agencies and in deploying the personnel of CSR related activities, the Company was able to successfully implement a number of projects as per plan and could spend an aggregate sum of Rs.28.01 lacs ( as against the obligation of Rs.56.07 lacs). Being the first year of implementation of CSR under the statute, the Company faced certain challenges in terms of identifying the agencies and allocating dedicated personnel. However we are continuously looking at new CSR initiatives to give back to Society. The Company has identified an appropriate project called 'School Adoption-Construction of Boundary wall and refurbishment of electrical wiring and provisions of Inverter Systems with additional bench/desk requirements'. The main purpose of this project will be promoting education with better livelihood. Implementation of this project will require more time to plan and execute suitably and is expected to be started in 2015-16.

#### 7. Responsibility Statement :

It is hereby affirmed that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Place: KOLKATA  
Date: 13.08.2015

Sd/-  
**Mr. Mukesh Chand Bansal**  
(Chairman of CSR Committee)  
(DIN : 00103098)

Sd/-  
**Mr. Manav Bansal**  
(Wholetime Director & CFO)  
(DIN : 00103024)



## ANNEXURE - B TO THE DIRECTORS' REPORT

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015

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

<b>I. REGISTRATION AND OTHER DETAILS</b>	
i) CIN	L27106WB1981PLC033490
ii) Registration Date	28-03-1981
iii) Name of the Company	<b>Beekay Steel Industries Limited</b>
iv) Category / Sub-Category of the Company	Public Company / Limited by shares
v) Address of the Registered office and contact details	2/1A, Sarat Bose Road, Lansdowne Towers, 4 <sup>th</sup> Floor, Kolkata-700020 Tel: +91 33 30514444 Fax: +91 33 22833322 Email: contact@beekaysteel.com
vi) Whether listed company	Yes / <del>No</del>
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheswari Datamatics Private Limited 6, Mango Lane, 2 <sup>nd</sup> Floor, Kolkata-700001 Tel: 033 22482248, 22435809/5029 Fax: +91 33 2248 4787
<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b> All the business activities contributing 10% or more of the total turnover of the company	
	As per Attachment A
<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>	
	As per Attachment B
<b>IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)</b>	
i) Category-wise Share Holding	As per Attachment C
ii) Shareholding of Promoters	As per Attachment D
iii) Change in Promoters' Shareholding	As per Attachment E
iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment F
v) Shareholding of Directors and Key Managerial Personnel	As per Attachment G
<b>V. INDEBTEDNESS</b> Indebtedness of the Company including interest outstanding/accrued but not due for payment	
	As per Attachment H
<b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>	
A. Remuneration to Managing Director, Whole-time Directors and/or Manager	As per Attachment I
B. Remuneration to other directors	As per Attachment J
C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD	As per Attachment K
<b>VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES</b>	
	As per Attachment L

#### ATTACHMENT - A

#### 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 :-

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product service	% to total turnover of the company
1.	Steel	2714 / 2715	100

**ATTACHMENT - B**
**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN I GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	A K C Steel Industries Limited	L27109WB1957PLC023360	ASSOCIATE	NIL	2(6)

**ATTACHMENT - C**
**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding**

Category of Shareholdings	No. of Shares held at the beginning of the year (as on 01.04.2014)				No. of Shares held at the end of the year (as on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A1) Promoters									
(a) Individual/HUF	8578408	23534	8601942	45.10	8578408	23534	8601942	45.10	0.00
(b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
(c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
(d) Bodies Corp.	4647408	0	4647408	24.37	4647408	0	4647408	24.37	0.00
(e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(f) Any Other.. Society	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1) :-	13225816	23534	13249350	69.47	13225816	23534	13249350	69.47	0.00
2) Foreign									
(a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other..	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2) :-	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	13225816	23534	13249350	69.47	13225816	23534	13249350	69.47	0.00
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
(b) Banks I FI	0	0	0	0.00	0	0	0	0.00	0.00
(c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
(d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1) :-	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
(a) Bodies Corp.									
(i) Indian	4330928	468348	4799276	25.16	3530928	468348	3999276	20.97	-4.19
(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	10800	671622	682422	3.58	9757	671622	681379	3.57	-0.01
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	37200	303804	341004	1.79	837200	303804	1141004	5.98	4.19
(c) Others (specify)									
(i) Clearing Member	0	0	0	0.00	1043	0	1043	0.005	0.005
Sub-total (B)(2) :-	4378928	1443774	5822702	30.53	4378928	1443774	5822702	30.53	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	4378928	1443774	5822702	30.53	4378928	1443774	5822702	30.53	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	17604744	1467308	19072052	100.00	17604744	1467308	19072052	100.00	0.00


**ATTACHMENT - D**
**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2014)			Shareholding at the end of the year (as on 31.03.2015)			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered total Shares	
1	Suresh Chand Bansal	2013854	10.5592	0.00	2013854	10.5592	0.00	0.00
2	Basheshar Lal Bansal	1516710	7.9525	0.00	1516710	7.9525	0.00	0.00
3	Manav Bansal	1258196	6.5971	0.00	1258196	6.5971	0.00	0.00
4	Mukesh Chand Bansal	1193374	6.2572	0.00	1193374	6.2572	0.00	0.00
5	Vikas Bansal	735998	3.8590	0.00	735998	3.8590	0.00	0.00
6	Ritu Bansal	300966	1.5780	0.00	300966	1.5780	0.00	0.00
7	Gautam Bansal	262856	1.3782	0.00	262856	1.3782	0.00	0.00
8	Aruna Bansal	238398	1.2500	0.00	238398	1.2500	0.00	0.00
9	Kirti Bansal	203350	1.0662	0.00	203350	1.0662	0.00	0.00
10	B.L. Bansal	169800	.8903	0.00	169800	.8903	0.00	0.00
11	Indu Bansal	163518	.8574	0.00	163518	.8574	0.00	0.00
12	Mukesh Chand Bansal	152292	.7985	0.00	152292	.7985	0.00	0.00
13	Suresh Chand Bansal	125196	.6564	0.00	125196	.6564	0.00	0.00
14	Bhawani Bansal	124800	.6544	0.00	124800	.6544	0.00	0.00
15	Krishna Kanodia	60000	.3196	0.00	60000	.3146	0.00	0.00
16	Ramniwas Kanodia	12000	.0629	0.00	12000	.0629	0.00	0.00
17	Megha Goenka	12000	.0629	0.00	12000	.0629	0.00	0.00
18	Gaurav Goenka	12000	.0629	0.00	12000	.0629	0.00	0.00
19	Usha Goenka	12000	.0629	0.00	12000	.0629	0.00	0.00
20	Bhagwati Prasad Goenka	12000	.0629	0.00	12000	.0629	0.00	0.00
21	Sarika Bansal	11100	.0582	0.00	11100	.0582	0.00	0.00
22	Gouri Dutta Bansal	9042	.0474	0.00	9042	.0474	0.00	0.00
23	Kirti Bansal	2450	.0128	0.00	2450	.0128	0.00	0.00
24	O P Agarwalla	42	.0002	0.00	42	.0002	0.00	0.00
25	Concast Steel And Alloys Limited	2129754	11.1669	0.00	2129754	11.1669	0.00	0.00
26	Century Vision Pvt. Ltd.	1060938	5.5628	0.00	1060938	5.5628	0.00	0.00
27	Manvik Estates Pvt. Ltd.	754920	3.9583	0.00	754920	3.9583	0.00	0.00
28	Tirumala Holdings Pvt. Ltd	559596	2.9341	0.00	559596	2.9341	0.00	0.00
29	Emerald Suppliers Pvt Ltd	142200	.7456	0.00	142200	.7456	0.00	0.00
	<b>TOTAL</b>	<b>13249350</b>	<b>69.4699</b>	<b>0.00</b>	<b>13249350</b>	<b>69.4699</b>	<b>0.00</b>	<b>0.00</b>

**ATTACHMENT - E**
**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**(iii) Change in Promoters' Shareholding**

Sl. No.		Shareholding at the beginning of the year (as on 01.04.2014)		Cumulative Shareholding during the year (as on 01.04.2014 to 31.03.2015)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	13249350	69.47	--	--
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease	No change during the year			
	At the end of the year	13249350	69.47	13249350	69.47



**ATTACHMENT - F**
**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

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

Sl. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.14 to 31.03.15)	
		No. of Shares at the beginning (01.04.14) and end of the year (31.03.15)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	JYOTIRMAY TRADING PRIVATE LIMITED	2457678 2457678	12.8863 12.8863	01.04.2014 31.03.2015	NA	Nil movement during the year	2457678	12.8863
2	APEX ENTERPRISES (INDIA )LIMITED	307992 307992	1.6149 1.6149	01.04.2014 31.03.2015	NA	Nil movement during the year	307992	1.6149
3	SUN STAR BUSINESS PVT LTD	275802 275802	1.4461 1.4461	01.04.2014 31.03.2015	NA	Nil movement during the year	275802	1.4461
4	IDEAL GOODS AND SERVICES PVT LTD	270000 270000	1.4157 1.4157	01.04.2014 31.03.2015	NA	Nil movement during the year	270000	1.4157
5	VAISHALAI RASAYANS PVT LTD	224074 224074	1.1749 1.1749	01.04.2014 31.03.2015	NA	Nil movement during the year	224074	1.1749
6	BABBU COMMERCIALS PVT LTD	171546 171546	.8995 .8995	01.04.2014 31.03.2015	NA	Nil movement during the year	171546	.8995
7	ESTELLE CONSULTANT PVT LTD	171184 171184	.8976 .8976	01.04.2014 31.03.2015	NA	Nil movement during the year	171184	.8976
8	KANTA AGARWAL	000000 800000	 4.1946	01.04.2014 12.12.2014 31.03.2015	800000	Transfer	800000	4.1946
9	PRACHI JINDAL	00000 97998	 .5138	01.04.2014 29.08.2014 31.03.2015	97998	Transfer	97998	.5138
10	RITESH JINDAL	00000 87282	 .4576	01.04.2014 05.09.2014 31.03.2015	87282	Transfer	87282	.4576

**ATTACHMENT - G**
**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	Name of the Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>A.</b>	<b>DIRECTORS :</b>				
1	Shri Suresh Chand Bansal *	2139050	11.2156	2139050	11.2156
2	As on 01.04.2014 & 31.03.2015 Shri Mukesh Chand Bansal*	1345666	7.0557	1345666	7.0557
3	As on 01.04.2014 & 31.03.2015 Shri Vikas Bansal	735998	3.8590	735998	3.8590
4	As on 01.04.2014 & 31.03.2015 Shri Manav Bansal *	1258196	6.5971	1258196	6.5971
5	As on 01.04.2014 & 31.03.2015 Shri Gautam Bansal	262856	1.3782	262856	1.3782
6	As on 01.04.2014 & 31.03.2015 Shri Vijay Kumar Bansal	0	0.00	0	0.00
7	As on 01.04.2014 & 31.03.2015 Shri Aditya Kumar Sikdar *	0	0.00	0	0.00
8	As on 01.04.2014 & 31.03.2015 Shri Brijesh Kumar Dalmia	0	0.00	0	0.00
9	As on 01.04.2014 & 31.03.2015 Shri Bhal Chandra Khaitan	0	0.00	0	0.00
10	As on 01.04.2014 & 31.03.2015 Shri Ravishankar Sridharan	0	0.00	0	0.00
11	As on 01.04.2014 & 31.03.2015 Shri Krishna Chandra Raut *	0	0.00	0	0.00
12	As on 01.04.2014 & 31.03.2015 Shri Srikumar Banerjee	0	0.00	0	0.00
13	As on 01.04.2014 & 31.03.2015 Shri Tapan Kumar Banerjee #	0	0.00	0	0.00
14	As on 01.04.2014 & 31.03.2015 Smt. Shyanthi Sengupta #	0	0.00	0	0.00



B.	KEY MANAGERIAL PERSONNEL (KMP) :				
1	Shri Mukesh Chand Bansal As on 01.04.2014 & 31.03.2015	1345666	7.0557	1345666	7.0557
2	Shri Manav Bansal As on 01.04.2014 & 31.03.2015	1258196	6.5971	1258196	6.5971
3	Shri Rabindra Kumar Sahoo As on 01.04.2014 & 31.03.2015	0	0.00	0	0.00

\* Shares held jointly with other Shareholder

**Note :** There is no change in the shareholding of Directors and KMPs during the year.

\* Mr. Aditya Kumar Sikdar has resigned from the office of the Board of Directors of the Company w.e.f 28.07.2014

\* Mr. Manav Bansal has been appointed as Whole Time Director w.e.f. 01.04.2014 at the Board of Directors Meeting held on 25.03.2014 and vide Board of Directors Meeting held on 14.08.2014 he is being appointed as Chief Financial Officer (CFO).

\* Mr. Suresh Chand Bansal was continuing as Chairman & Managing Director upto 14.08.2014

\* Mr. Mukesh Chand Bansal was continuing as Jt. Managing Director upto 14.08.2014.

\* Mr. Krishna Chandra Raut has resigned from the office of the Board of Directors of the Company w.e.f 12.02.2015

# Appointed as Independent Directors w.e.f. 31.03.2015

#### ATTACHMENT - H

##### V. INDEBTNESS

Indebtness of the company including interest outstanding or accrued but not due for payment

(Amount in ₹)

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtness
Indebtness at the beginning of the financial year				
i) Principal Amount as on 31.03.2014	1,315,117,969	296,550,000	0	1,611,667,969
ii) Interest due but not paid	0	72,504,463	0	72,504,463
iii) Interest accrued but not due as on 31.03.2014	0	0	0	0
TOTAL (i+ii+iii)	1315,117,969	369,054,463	0	1,684,172,432
Change in Indebtness during the financial year *				
ADDITION	0	332,694,067	0	332,694,067
REDUCTION	(148,051,992)	(128,086,188)	0	(276,138,180)
Exchange Difference	0	0	0	0
Net Change	(148,051,992)	204,607,876	0	56,555,887
Indebtness at the end of the financial year				
i) Principal Amount as on 31.03.2015	1,167,065,977	503,550,000	0	1,670,615,977
ii) Interest due but not paid	0	70,112,342	0	70,112,342
iii) Interest accrued but not due as on 31.03.2015	0	0	0	0
TOTAL (i+ii+iii)	1,167,065,977	573,662,342	0	1,740,728,319

**Note :** Loan & Interest in Foreign currency is considered at closing Rate for respective years.

\* Including refinance of foreign currency term loan.

#### ATTACHMENT - I

##### (VI) DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

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

(₹ In Lacs)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / MANAGER					Total Amount (₹ in Lacs)
		Mr. Suresh Chand Bansal (Executive Chairman)	Mr. Mukesh Chand Bansal (Managing Director)	Mr. Vikas Bansal (Executive Director)	Mr. Manav Bansal (Whole-time Director & CFO)	Mr. Gautam Bansal (Whole Time Director)	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	50.40	32.26	27.22	21.30	16.56	147.74
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	8.26	6.94	6.77	5.29	1.47	28.73
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	0.00	0.00	0.00	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00	0.00	0.00	0.00
3	Sweat Equit	0.00	0.00	0.00	0.00	0.00	0.00
4	Commission - as % of profit - others	0.00	0.00	0.00	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00	0.00	0.00	0.00
	Total (A)	58.66	39.20	33.99	26.59	18.03	176.47
	Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013.					

**ATTACHMENT - J**
**(VI) DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

B. Remuneration to other directors :

1. Independent Directors :

Particulars of Remuneration	NAME OF THE DIRECTORS							
	Shri Bhal Chandra Khaitan	Shri Brijesh Kumar Dalmia	Shri Ravishankar Sridharan	Shri Srikumar Banerjee	Shri Krishna Chandra Raut	Shri Tapan Kumar Banerjee	Smt. Shyanthi Sengupta	Total (₹ in Lacs)
• Fee for attending board committee meetings	0.24	0.34	0.14	0.10	0.02	0.04	0.04	0.96
• Commission	0	0	0	0	0	0	0	0
• Others	0	0	0	0	0	0	0	0
Total (B)(1)	0.24	0.34	0.14	0.10	0.02	0.04	0.04	0.96

2. Other Non-Executive Directors

Particulars of Remuneration	Name of Director Shri Vijay Kumar Bansal	Total (₹ in Lacs)
• Fee for attending board committee meetings	0.04	0.04
• Commission	0.00	0.00
• Others	0.00	0.00
Total (B)(2)	0.04	0.04

Total (B)=(B1)+(B2) = ₹ 1.00 lacs

**ATTACHMENT - K**
**(VI) DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

(iv) Remuneration to Key Managerial Personnel other than MD/Manager/WTD :

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total Amount (₹ in Lacs)
		Shri Mukesh Chand Bansal (MD/CEO)	Shri Manav Bansal (Whole time Director & Chief Financial Officer)	Shri Lalit Chand Sharma (Company Secretary)*	Shri Rabindra Kumar Sahoo (Company Secretary)*	
1.	Gross salary (a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	AS MENTIONED	AS MENTIONED	1.16 0.00	2.32 0.00	69.27 0.00
2.	Stock Option					
3.	Sweat Equity					
4.	Commission - as % of profit - others					
5.	Others, please specify					
	Total			1.16	2.32	69.27

\*Shri Lalit Chand Sharma resigned with effect from 30.06.14

\*Shri Rabindra Kumar Sahoo appointed with effect from 22.12.2014

**ATTACHMENT - L**
**(VII) DETAILS OF PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :**

There are no penalties / punishment / Compounding of Offences during the period under review.



## ANNEXURE - C TO THE DIRECTORS' REPORT

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

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No.	Name of Director / KMP and Designation	Remuneration of Director/ KMP for financial year 2014-15 (Rs. in lacs)	% increase in Remuneration in the financial year 2014-15	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Shri Suresh Chand Bansal Executive Chairman	58.65	25.13%	54.22	Profit Before Tax decreased by 16 % and Profit After Tax decreased by 14.43 % in the financial year 2014-15.
2	Shri Mukesh Chand Bansal Managing Director	39.20	23.74%	36.29	
3	Shri Manav Bansal Wholetime Director & CFO	26.59	NA	24.62	Profit Before Tax decreased by 16 % and Profit After Tax decreased by 14.43 % in the financial year 2014-15.
4	Shri Vikas Bansal Executive Director	33.99	21.48%	31.47	
5	Shri Gautam Bansal Whole Time Director	18.03	30.65%	16.69	
6	Shri Lalit Chand Sharma* Company Secretary	1.16	-85%	NA	
7	Shri Rabindra Kumar Sahoo** Company Secretary	2.32	NA	NA	

\* Shri Lalit Chand Sharma resigned from the post of Company Secretary with effect from 30.06.2014.

\*\* Shri Rabindra Kumar Sahoo appointed to the post of Company Secretary with effect from 22.12.2014.

**Note:** No other Director other than the Managing Director, Executive Chairman, Executive Director, Whole time Directors received any remuneration other than sitting fees during the financial year 2014-15.

- ii) The median remuneration of employees of the Company during the financial year was Rs. 1.08 lakh
- iii) In the financial year, there was an increase of 11.66 % in the median remuneration of employees;
- iv) There were 445 permanent employees on the rolls of Company as on March 31, 2015.
- v) Relationship between average increase in remuneration and company performance: - The Profit Before Tax for the financial year ended March 31, 2015 decreased by 16 % whereas the increase in median remuneration was 11.66 %. This increase is in line with the economic trend partly on individual employee's performance.
- vi) Comparison of remuneration of the Key Managerial Personnel against the performance of the Company: The total remuneration of Key Managerial Personnel increased by 25.30 % from Rs. 120.26 Lacs in 2013-14 to Rs. 176.47 lacs in 2014-15 (added of one more WTD in 2014-15) whereas the Profit Before Tax decreased by 16 % to Rs. 24,33,70,355 lacs in 2014-15 (Rs. 28,96,75,011 lacs in 2013-14).
- vii) Variations in the market capitalization of the Company, price earning ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer:



Sl. No.	Closing Market Price per Share (Rs.)		% Increase	Price Earnings Ratio		Market Capitalisation (Rs in Crores)	
	As on 31.03.2014	As on 31.03.2015		As on 31.03.2014	As on 31.03.2015	As on 31.03.2014	As on 31.03.2015
BSE	N.A.	70.18	N.A.	N.A.	8.58	N.A.	133.85
CSE	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
UPSE	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

- The equity shares of the Company was listed with BSE Ltd. w.e.f. 25.03.2015 and there is no trading in the CSE Ltd. & UPSE Ltd. during the financial year 2014-15.

The Company has not made any Public Issue or Rights Issue of securities in the last 10 (ten) years, and therefore no comparison has been made of current share price with public offer price.

The Company's shares are listed on Bombay Stock Exchange Limited, Calcutta Stock Exchange Limited and Uttar Pradesh Stock Exchange.

- viii) Average percentage increase made in the salaries of the employees other than the managerial personnel in the financial year 2014-15 was 9.25 % whereas the increase in the managerial remuneration for the same financial year was 25.30 %.
- ix) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors and Senior Management Personnel.
- x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – The Executive Chairman is the highest paid Director. No employee received remuneration higher than the Executive Chairman.
- xi) It is hereby affirmed that the remuneration paid during the year ended 31<sup>st</sup> March, 2015 as per the Remuneration Policy of the Company.

## ANNEXURE - D TO THE DIRECTORS' REPORT SECRETARIAL AUDIT REPORT

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

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

To,  
The Members,  
**Beekay Steel Industries Ltd.**  
2/1A, Sarat Bose Road  
Lansdowne Towers, 4th Floor, Kolkata – 700 020.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Beekay Steel Industries Ltd.(hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Beekay Steel Industries Ltd.'s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the



Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Beekay Steel Industries Ltd. ('the Company') for the financial year ended on 31<sup>st</sup> March, 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period);
- (vi) I have carried out requisite verification and also relied on the representation made by the Company and its officers for systems and mechanism framed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company, Internal Audit Report, Statutory Auditors Report, etc. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the Company during the audit period).
- (ii) The Listing Agreements entered into by the Company with Calcutta, U.P. & Bombay Stock Exchange(s);

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.



**I further report that -**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

Place: Kolkata  
Date:04.8.2015

**SANTOSH KUMAR TIBREWALLA**  
5A, N.C. Dutta Sarani (Formely Clive Ghat Street)  
3<sup>rd</sup> Floor, Kolkata – 700 001  
Phone : 3022-9082/ 40054842  
email : santibrewalla@rediffmail.com

Sd/-  
**Santosh Kumar Tibrewalla**  
(Name of Company Secretary in practice)  
FCS No.: 3811  
C P No.: 3982

**ANNEXURE - I**

**List of Other applicable laws to the Company**

1. Factories Act, 1948
2. Payment of Wages Act, 1936
3. Minimum Wages Act, 1940
4. ESI Act, 1948
5. Gratuity Act, 1972
6. Bonus Act, 1965
7. W.B. Profession Tax Act, 1979
8. Workmen Compensation Act, 1923
9. Contract Labour (Regulation & Abolition) Act, 1970
10. Apprentices Act, 1961
11. Industrial Employment (Standing Order) Act, 1946
12. West Bengal Fire & Emergency Services Act, 1950
13. Interstate Migrant Workmen ( Regulation of Employment & Condition of Services) Act, 1979
14. Air (Prevention & Control of Pollution) Act, 1981
15. Water (Prevention & Control of Pollution) Act, 1974
16. Employees Provident Fund & Misc. Provisions Act, 1952
17. West Bengal Shop & Establishment Act, 1964
18. The Central Excise Act, 1944 ;
19. Employment Exchange (Compulsory Notification of Vacancies) Act, 1959 ;
20. Equal Remuneration Act, 1976 ;
21. Personal Injuries Compensation Act, 1963 ;
22. Indian Fatal Accidents Act, 1855 ;
23. Hazardous Wastes ( Management and Handling) Rules, 1989
24. Environment Protection Act, 1986 ;
25. Employer's Liability Act, 1938 ;
26. Kolkata Municipal Corporation Act, 1980 ;
27. Negotiable Instruments Act, 1881 ;
28. Information Technology Act, 2000, etc.



## ANNEXURE - E TO THE DIRECTORS' REPORT

Particulars pursuant to the provisions of Section 134 (3) (m) of the Companies Act, 2013 and rule 8(3) of the Companies (Accounts) Rules, 2014:

### **A) Conservation of Energy -**

#### **(i) Steps taken or impact on conservation of energy**

The Company has the most modern plant having inbuilt features for minimum energy consumption. Energy saving devices/equipments are installed to ensure saving in power consumption. Company has changed the old 550V system to 440V system & installed energy efficient motors.

#### **(ii) Steps taken by the Company for utilizing alternate sources of energy**

The Company is in the process of evaluating installation of Solar Power Plant of 10-20 MW. Power generated from this unit will be exchanged with the power consumed at our all units in Andhra Pradesh.

#### **(iii) Capital investment on energy conservation equipments**

Not ascertainable.

### **B) Technology Absorption -**

(i) Efforts made towards technology absorption: upgradation/modernization of the plants and best technologies is absorbed and adapted to Indian working conditions to increase mill productivity, improvement in yield and product quality.

(ii) Benefits derived like product improvement, cost reduction product development or import substitution: The Company is constantly endeavouring to bring about further development in the product.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

a) Details of technology imported	}	N.A.
b) Year of import	}	
c) Whether the technology been fully absorbed	}	
d) If not fully absorbed, areas where absorption has not taken place, reasons thereof: and	}	

#### **(iv) the expenditure incurred on Research and Development**

Expenses incurred are charged to respective heads are not allocated separately

The Company is keeping a close watch on the new product Development in Jute Goods, Upgradation and Automation is being done wherever.

### **C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Foreign exchange earned in terms of actual cash inflows during the year and the Foreign exchange outgo during the year in terms of actual outflows is as follow –

	2014-15 (Rs.in lacs)	2013-14 (Rs.in lacs)
Total Foreign Exchange Used and Earned :		
Earned (F.O.B.)	3682.98	5508.35
Used	3870.82	64.94





## ANNEXURE TO THE DIRECTORS' REPORT

### REPORT ON CORPORATE GOVERNANCE

The report containing the details of Corporate Governance systems and processes at Beekay Steel Industries Ltd. that is in accordance with Clause 49 of the Listing Agreement with BSE Limited (BSE), the Calcutta Stock Exchange Limited (CSE) and the U. P. Stock Exchange Ltd. (UPSE) is as follows:

#### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance is all about maintaining a trustworthy relationship with all stakeholders such as shareholders, employees, customers, business partners and the society at large. The management considers stakeholders as partners in the success of the organization and hence committed to maximizing stakeholders' value. The Company maintains a high degree of transparency in all its dealings with stakeholders through sustained disclosures. The belief and core principles of Corporate Governance adopt by the Company leads the Company's Governance philosophy, transparency, independence, fairness, equity, accountability and social responsibility, which in turn is the basis of public confidence in corporate system. The Company is committed to execute sustainable business practices and create long term value for all its stakeholders.

The Company has strengthened its governance practices over the years and in turn it defines the way business is conducted and sustainable value is created. The Company has proper Governance Structure with defined roles and responsibilities. The Committees of the Board of Directors constituted under the Companies Act, 1956 / Companies Act, 2013 are to discharge their duties & responsibilities in a fair and effective manner. The Board of Directors of the Company governs the Company and deliberately creates a culture of leadership to provide a long-term vision to improve the quality of governance. The Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in all its dealings. Therefore, the Board has adopted various codes and policies to carry out its duties and responsibilities in a fair and ethical manner, some of these codes and policies are as follows :

- Code of Conduct
- Code of Conduct for Prohibition of Insider Trading
- Vigil Mechanism and Whistle Blower Policy
- Corporate Social Responsibility Policy
- Policy on Materiality of Related Party Transactions
- Remuneration Policy for Directors, Key Managerial Personnel and other Employees

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is in charge to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

#### **BOARD OF DIRECTORS**

The Company's Board has optimum combination of Executive and Non-Executive Directors and are in accordance with the Corporate Governance Practices. Currently, six (6) out of Twelve (12) Directors are Independent Directors including one Woman Director.

The Directors of the Company are appointed by the shareholders at General Meetings. 1/3rd of such Directors as are liable to retire by rotation, if eligible, generally offer themselves for re-election, in accordance with the provisions of Section 152 of the Companies Act, 2013 and that of the Articles of Association of the Company.

The Executive Directors on the Board serve in accordance with the terms of their contracts of service with the Company.



**a) Composition and Category of Directors as on 31<sup>st</sup> March, 2015**

The Chairman is executive and a Promoter of the Company. The number of Independent Directors is 6 which is in compliance with the stipulated one half of the total number of Directors. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company. All Independent Directors meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

All the Five executive Directors are related to each other and no other Director is related to any other Director on the Board in terms of the definition of "relative" as defined in Section 2(77) of the Companies Act, 2013. None of the Directors on the Board are Independent Directors of more than seven listed companies and none of the Whole-time Directors are Independent Directors of any listed company.

The details of composition of the Board as at 31.03.2015 are given as under:

Category	Name of Directors
Promoters - Executive Directors	Mr. Suresh Chand Bansal
	Mr. Mukesh Chand Bansal
	Mr. Vikas Bansal
	Mr. Manav Bansal
	Mr. Gautam Bansal
Non - Promoter - Non Executive Director	Mr. Vijay Kumar Bansal
Non-Executive - Independent Directors	Mr. Brijesh Kumar Dalmia
	Mr. Bhal Chand Khaitan
	Mr. S. Ravishankar Sridharan
	Mr. Srikumar Banerjee
	Mr. Krishna Chandra Raut *
	Mr. Tapan Kumar Banerjee **
	Ms. Shyanthi Sengupta **

\* Mr. Krishna Chandra Raut has resigned from the office of the Board of Directors of the Company w.e.f. 12.02.2015

\*\* Mr. Tapan Kumar Banerjee & Ms. Shyanthi Sengupta have been appointed as Independent Directors w.e.f. 31.03.2015 by the Board of Directors Meeting held on that date.

The appointment of the Independent Directors of the Company has been confirmed by the shareholders in the previous Annual General Meeting of the Company held on 27th September, 2014 for a term of consecutive five years i.e., upto 31st March, 2019 and they shall not be liable to retire by rotation. The appointment of two Independent Directors of the Company for a term of consecutive five years i.e., upto 30th March, 2020 is to confirmed by the shareholders in the ensuing Annual General Meeting of the Company to be held on 26th September, 2015 and they shall not be liable to retire by rotation. They meet all the criteria's as provided in Companies Act, 2013 and Clause 49 of the Listing Agreement. The appointment letters issued to every Independent Directors sets out their roles, responsibilities, fiduciary duties in the Company and the expectation of the Board from them along with other terms of their appointment.

They have taken active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Board of Directors.

The Company in accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, has taken initiatives to familiarize its Independent Directors (IDs) with the Company, their roles, rights, responsibilities in the company,



nature of the industry in which the company operates, business model of the company, etc., through various programs posted on the website of the Company: [www.beekaysteel.com](http://www.beekaysteel.com).

The Board has carried out performance evaluation of Independent Directors and recommended to continue the term of their appointment.

#### b) Meetings & Attendance Record of each Director

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees (as specified in Clause 49 of the Listing Agreement) across all the Companies in which he/ she is a Director. The necessary disclosures regarding committee positions have been made by the Directors.

The information stipulated under Annexure X to Clause 49 of the Listing Agreement is being made available to the Board.

The attendance record of the Directors at the Board Meetings held during the financial year 2014-15 and at the last Annual General Meeting (AGM), as also the number of Directorships, Committee Chairmanships and Memberships held by them in other Companies are given here below:

During the Financial Year 2014-15, Eleven (11) Board Meetings were held and the gap between two Board Meetings did not exceed four months. Board Meetings were held on 24.04.2014, 30.05.2014, 30.06.2014, 28.07.2014, 13.08.2014, 30.08.2014, 20.10.2014, 14.11.2014, 22.12.2014, 14.02.2015 and 31.03.2015.

Category	Name of Director	Position	Date of Joining the Board	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last AGM	No. of Directorship in other Indian Public Ltd. Cos.	No. of other Chairmanship(s)/ Membership(s) of Committees in other Indian Public Ltd. Cos. as on 31 <sup>st</sup> March, 2015	
								Chairmanship(s)	Membership(s)
Executive Directors	Mr. Suresh Chand Bansal	Executive Chairman	28.03.1981	11	7	YES	2	1	3
	Mr. Mukesh Chand Bansal	Managing Director	28.03.1981	11	8	YES	3	2	3
	Mr. Vikas Bansal	Executive Director	02.12.1991	11	7	YES	2	1	Nil
	Mr. Manav Bansal	Wholetime Director & CFO	29.11.2006	11	10	YES	3	Nil	3
	Mr. Gautam Bansal	Wholetime Director	29.01.2002	11	8	NO	Nil	Nil	2
<b>Non-Executive Directors</b>									
Non-Independent Directors	Mr. Vijay Kumar Bansal	Director	08.05.2001	11	2	NO	Nil	Nil	Nil
Independent Directors	Mr. Bhal Chandra Khaitan	Director	15.09.1993	11	6	NO	3	4	6
	Mr. Brijesh Kumar Dalmia	Director	19.11.2006	11	5	YES	1	1	5
	Mr. Ravishankar Sridharan	Director	16.07.2010	11	5	NO	Nil	Nil	1
	Mr. Srikumar Banerjee	Director	16.08.2011	11	4	NO	Nil	Nil	Nil
	Mr. Tapan Kumar Banerjee *	Director	31.03.2015	11	1	N.A.	1	Nil	Nil
	Ms. Shyanthi Sengupta *	Director	31.03.2015	11	1	N.A.	1	Nil	Nil
	Mr. Aditya Kumar Sikdar #	Director	13.10.1997	11	0	N.A.	Nil	Nil	Nil
	Mr. Krishna Chandra Raut \$	Director	16.08.2011	11	1	N.A.	3	Nil	Nil
		* Appointed w.e.f. 31.03.2015 # Resigned w.e.f. 28.07.2014 \$ Resigned w.e.f. 12.02.2015							
(*) Excludes Directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.									



**c) Board Meeting, Board Committee Meetings and Procedures:**

The Board of Directors oversees the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the stakeholders are being served. The Executive Chairman and Managing Director are assisted by the Executive Director/ Wholtime Directors & Senior Managerial Personnel in overseeing the functional matters of the Company. The Board of Directors has constituted Six Standing Committees, namely, Audit Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee & Share Transfer Committee.

A minimum of four Board Meetings are held every year. Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors alongwith the Agenda papers. The meetings are usually held at the Company's Registered Office at "Lansdowne Towers", 4<sup>th</sup> Floor, 2/1A, Sarat Bose Road, Kolkata – 700 020. The Board is also provided with Audit Committee observations on the Internal audit findings and matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.

The Company Secretary records the minutes of the proceedings of each Board and Committee meetings. The final minutes are entered in the Minutes Book within 30 days from conclusion of the meeting and are signed by the Chairman of the meeting/ Chairman of the next meeting. While preparing the Agenda, Notes on Agenda, Minutes etc. of the meeting(s), adequate care is taken to ensure adherence to all applicable laws and regulations including the Companies Act, 2013, read with the Rules made thereunder and compliance thereof.

A strategy meet of the Board of Directors is generally held at appropriate intervals to formulate, evaluate and approve the business strategy of the Company. The Functional Heads give a brief presentation to the Board covering their respective areas of responsibility. The meeting focuses on strategic goals, financial management policies, management assurances and control aspects and the growth plan of the Company and compliance management.

**d) Meeting of Independent Directors:**

The Independent Directors of the Company meet every quarter before the Board Meeting without the presence of Executive Directors or management personnel. These meetings are conducted in an informal and flexible manner to enable the Independent Directors to discuss matters pertaining to the affairs of the Company and put forth their views to the Chairman and Managing Director. The Independent Directors of the Company meet once in a year formally through a Meeting called Independent Directors Meeting.

During the year under review, the Independent Directors met on March 31, 2015, inter alia, to discuss:

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

The performance of the Chairperson of the Company, taking into account the views of executive Directors and non-executive Directors ; and the Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

**Whistle Blower (Vigil Mechanism) Policy :**

As per the requirements of the Companies Act, 2013 and the revised Clause 49 of the Listing agreement, the Company had established a mechanism for employees to report concerns for unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics. It also provides for adequate safeguards against the victimization of employees who avail the said mechanism. This policy also allows the direct access to the Chairperson of the Audit Committee. The Audit Committee is committed to ensure the flawless work environment by providing a platform to report any suspected or confirmed incident of fraud/ misconduct.



### **Policy for evaluation of Independent Directors and the Board :**

The following criteria may assist in determining how effective the performances of the Directors have been:

- Leadership & Managerial abilities.
- Contribution to the corporate objectives & plans.
- Communication of expectations & concerns clearly with subordinates.
- Obtaining adequate, relevant & timely information from external sources.
- Review & approval of strategic & operational plans of the Company, its objectives and budgets.
- Regular monitoring of corporate results against projection.
- Identification, monitoring & mitigation of significant corporate risks.
- Assessment of policies, structures & procedures followed in the Company and their significant contribution to the same.
- Direct, monitor & evaluate KMPs, senior officials.
- Regularity in attending meetings of the Company and inputs therein.
- Review & Maintenance of corporation's ethical conduct.
- Ability to work effectively with rest of the Board of Directors.
- Commitment to the promotion of equal opportunities, health and safety in the workplace .

### **BOARD COMMITTEES:**

#### **Audit Committee:**

Audit Committee of the Board comprises three Directors out of which two are Independent & Non-Executive Directors. The members of Audit Committee are Mr. Bhal Chand Khaitan, Mr. Suresh Chand Bansal and Mr. Brijesh Kumar Dalmia. The Members possess adequate knowledge of Accounts, Audit, Finance, etc. The composition of the Audit Committee meets the requirements as per Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Mr. Rabindra Kumar Sahoo, Company Secretary is acting as Secretary of the Committee.

The terms of reference of Audit Committee are as per Section 177 of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement.

#### **The scope of the Audit Committee, inter alia includes:**

- a) Review of the Company's financial reporting process, the financial statements and financial/risk management policies;
- b) Review of the adequacy of the internal control systems and finance of the internal audit team;
- c) Discussions with the management and the external auditors, the audit plan for the financial year and joint post-audit and review of the same;

#### **Terms of reference :**

The present terms of reference / scope and function of the Audit Committee are as follows:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report



5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing 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;
16. Discussion 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;
17. 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;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of 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 and background, etc. of the candidate;
20. Examining the financial statement and the auditor's report thereon;
21. Monitoring the end use of funds raised through public offers and related matters;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
23. **To review -**
  - Management discussion and analysis of financial condition and results of operations;
  - Statement of significant related party transactions, submitted by management;
  - Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
  - Internal audit reports relating to internal control weaknesses, etc.
  - Secretarial audit report relating to suspected fraud or irregularity or a failure of compliance of any legislation.

The Audit committee is empowered to investigate any activities within its terms of reference, seek information from employees, obtain outside legal or other professional advice or secure attendance of outside experts of relevant field as and when necessitated. The Audit Committee also reviews such matters as referred to it by the Board.

Four (4) meetings of the Audit Committee were held during the financial year 2014-15, as against the minimum requirement of four meetings, held on 30.05.2014, 13.08.2014, 14.11.2014 & 14.02.2015.

**The composition of the Audit Committee as at 31.03.2015 and attendance of its meetings are given below:**



Cnstituion	No. of Meetings	
	Held	Attended
Mr. Bhal Chandra Khaitan - Non- Executive –Independent Director - Chairman	4	4
Mr. Suresh Chand Bansal- Executive Chairman- Member	4	4
Mr. Brijesh Kumar Dalmia- Non- Executive –Independent Director- Member	4	4

#### **NOMINATION & REMUNERATION COMMITTEE :**

In compliance with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board in its meeting held on 24.04.2014, merged the Remuneration Committee and re-named the merged committee as the Nomination & Remuneration Committee. The Remuneration Committee’s responsibilities include framing of specific remuneration package of Executive Directors and commission / fees for Non-Executive Directors etc. and approval of remuneration to the managerial personnel as per the Company’s policy on the same.

#### **The terms of reference of the Nomination & Remuneration Committee are as follows:**

- i. To identify persons who are qualified to become Directors and who may be appointed in the Senior management in accordance with the criteria laid down and to recommend to the Board their appointment, terms of appointment and/or removal;
- ii. To formulating a criteria for determining the qualification, positive attitudes, independence of a Director and evaluation of Independent Directors and the Board;
- iii. To evaluate every Directors performance;
- iv. To recommend to the Board a policy, relating to the remuneration for the Directors, key managerial persons and other employees;
- v. To ensure that the level of composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- vi. To ensure that the relationship of remuneration to performance is clear and meets the appropriate performance benchmarks;
- vii. To ensure that the remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals;
- viii. To devise a policy on Board diversity.
- ix. To Carry out any other function as is mandated by the Board of Directors of our Company or prescribed by the Listing Agreement, as amended, from time to time.
- x. To invite any employee or such document as it may deem fit for exercising of its functions
- xi. To obtain such outside or professional advice as it may consider necessary to carry out its duties.

#### **Policy for evaluation of Independent Directors and the Board :**

The following criteria may assist in determining how effective the performances of the Directors have been:

- Leadership & Managerial abilities.
- Contribution to the corporate objectives & plans.
- Communication of expectations & concerns clearly with subordinates.
- Obtaining adequate, relevant & timely information from external sources.
- Review & approval of strategic & operational plans of the Company, its objectives and budgets.
- Regular monitoring of corporate results against projection.
- Identification, monitoring & mitigation of significant corporate risks.
- Assessment of policies, structures & procedures followed in the Company and their significant contribution to the



same.

- Direct, monitor & evaluate KMPs, senior officials.
- Regularity in attending meetings of the Company and inputs therein.
- Review & Maintenance of corporation's ethical conduct.
- Ability to work effectively with rest of the Board of Directors.
- Commitment to the promotion of equal opportunities, health and safety in the workplace.

The composition of the Nomination & Remuneration Committee as at March 31, 2015 are as given below:

The Committee has three Independent Non-Executive Directors. Mr. Bhal Chand Khaitan, as the Chairman and Mr. Brijesh Kumar Dalmia and Mr. Ravishankar Sridharan as other members. During the year under review four meetings of the Nomination and Remuneration Committee were held on 30.05.2014, 13.08.2014, 22.12.2014 & 31.03.2015.

Cnstituion	No. of Meetings	
	Held	Attended
Mr. Bhal Chandra Khaitan - Non- Executive –Independent Director – Chairman	4	4
Mr. Brijesh Kumar Dalmia - Non- Executive –Independent Director- Member	4	4
Mr. Ravishankar Sridharan -Non- Executive –Independent Director- Member	4	4

The Board decided and fixes the powers and roles of the Committee from time to time. Mr. Rabindra Kumar Sahoo, Company Secretary is acting as Secretary of the Committee.

The Company follows the policy to fix remuneration of Managing Director & Whole Time Director by taking into account the financial position of the Company, trend in the Industry, qualification, experience, past performance and past remuneration of the respective Directors in the manner to strike a balance between the interest of the Company and the Shareholders.

#### Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee (NRC) and by the Board. The Board carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

The Executive Directors (EDs) compensation is based on the appraisal system wherein their individual goals are linked to the organizational goals. EDs are paid compensation as per the agreements entered into between them and the Company, subject to the approval of the Board and of the members in General Meeting and such other approvals, as may be necessary. The present remuneration structure of EDs comprises of salary, perquisites, allowances and contribution to PF etc. The Non-Executive Directors are paid compensation by way of sitting fees. The sitting fees payable to the Non-Executive Directors is based on the number of meetings of the Board & other Committees of the Board attended by them. The Company pays sitting fees at the rate of ' 2,000/- for each meeting of the Board and Committees attended by them.

#### Remuneration to Directors:

The details of remuneration paid /payable to the Executive Directors & Wholetime Directors and Sitting Fees paid/ payable to Non-Executive Directors are given hereunder:-



Name of Director	Remuneration paid/payable for the year ended 31st March, 2015				Service Terms		
	Salary (Rs.)	Bonus (Rs.)	Benefits (Rs.)	Sitting Fees (Rs.)	Pay Scale per Month (Rs.)	Period	Effective
Mr. Suresh Chand Bansal	28,80,000	21,60,000	8,25,600	—	2,40,000	5 Years	01-10-2013
Mr. Mukesh Chand Bansal	17,85,600	14,40,000	6,94,272	—	1,48,800	5 Years	01-01-2012
Mr. Vikas Bansal	16,41,600	10,80,000	6,76,992	—	1,36,800	5 Years	01-10-2013
Mr. Manav Bansal	14,10,000	7,20,000	1,69,200	—	1,17,500	—	—
Mr. Gautam Bansal *	12,24,000	4,32,000	—	—	1,02,000	5 Years	01-06-2010
Mr. Aditya Kumar Sikdar	—	—	—	—	—	—	—
Mr. Bhal Chand Khaitan	—	—	—	24,000	—	—	—
Mr. Vijay Bansal	—	—	—	4,000	—	—	—
Mr. Brijesh Kumar Dalmia	—	—	—	34,000	—	—	—
Mr. Ravishankar Sridharan	—	—	—	14,000	—	—	—
Mr. Krishna Chandra Raut	—	—	—	2,000	—	—	—
Mr. Srikumar Banerjee	—	—	—	10,000	—	—	—
Mr. Tapan Kumar Banerjee	—	—	—	4,000	—	—	—
Ms. Shyanthi Sengupta	—	—	—	4,000	—	—	—

\* Note: Mr. Gautam Bansal has been re-appointed as Wholetime Director in the Board meeting held on 30.05.2015, subject to the approval of the shareholders at the general meeting, for a period of Five years w.e.f. 01.06.2015. Mr. Aditya Kumar Sikdar & Mr. Krishna Chandra Raut were resigned from Directorship w.e.f. 28.07.2014 & 12.02.2015 respectively. Mr. Tapan Kumar Banerjee & Ms. Shyanthi Sengupta were appointed w.e.f. 31.03.2015 as Independent Director & Independent Woman Director respectively.

#### SHARES HELD BY NON-EXECUTIVE DIRECTORS

The shareholdings of Non-Executive Directors are given hereunder:-

Name of Directors	No. of Shares held as on 31-03-2015
Mr. Aditya Kumar Sikdar*	Nil
Mr. Bhal Chandra Khaitan	Nil
Mr. Vijay Bansal	Nil
Mr. Brijesh Kumar Dalmia	Nil
Mr. Ravishankar Sridaran	Nil
Mr. Krishna Chandra Raut*	Nil
Mr. Srikumar Banerjee	Nil
Mr. Tapan Kumar Banerjee#	Nil
Ms. Shyanthi Sengupta#	Nil

\*Mr. A.K. Sikdar & Mr. K.C. Raut were resigned from the Directorship with effect from 28.07.2014 & 12.02.2015 respectively.

# Mr. T.K. Banerjee & Ms. Shyanthi Sengupta were appointed as Independent Directors w.e.f. 31.03.2015.

#### SHARE TRANSFER COMMITTEE

The Board has also modified the scope of the Committee to align it with the revised Clause 49 of the Equity Listing Agreement and in compliance with the provisions of the Companies Act, 2013.

The Share Transfer Committee comprises of 3 Directors all of whom are Executive Directors. The Composition of the Committee are as follows:

- Mr. Suresh Chand Bansal - Chairman
- Mr. Vikas Bansal - Member
- Mr. Gautam Bansal - Member



No Share Transfer Committee meeting was held during the year under review. Generally, the meetings of the Committee are held whenever necessary for transfer / transmission of shares, issue of duplicate share certificates, change of name/status, transposition of names, sub-division/ consolidation of share certificates, de-materialisation/ re-materialisation of shares, etc. Mr. Rabindra Kumar Sahoo, Company Secretary of the Company is acting as Secretary of the Committee.

As at 31<sup>st</sup> March, 2015, 1,76,04,744 nos. of equity shares constitutes 92.31 % (previous year – 92.31 %) of the Company's equity shares are held in dematerialized form.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Board of Directors at its meeting held on 24<sup>th</sup> April, 2014 has renamed the Shareholders/Investors Grievance Committee as 'Stakeholders Relationship Committee' in compliance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The main tasks of Shareholders'/ Investors' Grievance Committee is to look into redressing of shareholders' and investors grievances like transfer / transmission of Shares, non- receipt of Dividend, Balance Sheet, etc. The Company has registered with SCORES of SEBI for Redressal of Investors' Grievances on-line.

The Board has also modified the scope of the Committee to align it with the revised Clause 49 of the Equity Listing Agreement, which is as follows:

- 1) To review the reports submitted by the Registrars and Share Transfer Agents of the Company at Half yearly intervals.
- 2) To interact periodically and as & when required with the Registrars and Share Transfer Agents to ascertain and look into the quality of the Company's Shareholders/ Investors grievance redressal system and to review the report on the functioning of the said Investor grievances redressal system.
- 3) To consider and resolve the grievances of the security holders of the company.
- 4) To periodically report to the Board about serious concerns if any.
- 5) To follow-up on the implementation of suggestions for improvement.

The Stakeholders Relationship Committee comprises of 3 Directors out of whom One is Independent Director & the Chairman of the Committee.

The Stakeholders Relationship Committee met four times during the financial year 2014-15 on 30.05.2014, 13.08.2014, 14.11.2014 & 14.02.2015. The composition of the Committee as at March 31, 2015 and the number of meetings attended by the Members are as given below:

The Committee comprises of the following members:

Cnstituiton	No. of Meetings	
	Held	Attended
Mr. Brijesh Kumar Dalmia - Non- Executive –Independent Director- Chairman	4	4
Mr. Suresh Chand Bansal -Executive Chairman – Member	4	4
Mr. Gautam Bansal –Wholetime Director – Member	4	4

Mr. Rabindra Kumar Sahoo, Company Secretary of the Company is acting as Secretary of the Committee. The Company Secretary is the Compliance Officer for complying with the requirements of SEBI Regulations and the Listing Agreement with the Stock Exchanges in India. His address and contact details are as given below:

Address : Lansdowne Towers, 4<sup>th</sup> Floor, 2/1A, Sarat Bose Road, Kolkata-700020

Phone : 033-3051 4444

Fax : 033-2283 3322

Email : [contact@beekaysteel.com](mailto:contact@beekaysteel.com)/[rksahoo@beekaysteel.com](mailto:rksahoo@beekaysteel.com)

Number of complaints from members received and resolved during the period under review and pending as on 31-03-2015 are as follows:

No of complaints received – Nil, No. of complaints resolved – Nil and No. of complaints pending at the end of the year – Nil. No request for transfer was pending for more than 15 days as on 31-03-2015.

No request for Share transfer remains pending for registration for more than 15 days. No complaint / query is received by the Company during the financial year and no complaint is pending as on 31st March, 2015.

### Securities and Exchange Board of India ('SEBI') Complaints Redress System ("SCORES") :

As per the SEBI directive, the investors desirous of making complaints pertaining to the listed Companies has to be made electronically and sent through SCORES and the Companies or their appointed Registrar & Share Transfer Agent (R&TA/STA) are required to view the pending complaints and submit 'Action Taken Report' ('ATRs') along with necessary documents electronically in SCORES. Further, there is no need to file any physical ATRs with SEBI. **The Company is already registered under SCORES to efficiently and effectively redress the investors/shareholders complaints in time.**

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors at its meeting held on 24<sup>th</sup> April, 2014 has constituted Corporate Social Responsibility (CSR) Committee in compliance with the provisions of Section 135 of the Companies Act, 2013 and rules made there under. The CSR Committee comprises of two executive non-independent Directors & One Independent Non-executive Director. The broad terms of reference of CSR committee is as follows:

- Formulate and recommend to the board, a corporate social responsibility (CSR) policy which shall indicate a list of CSR projects or programs which a Company plans to undertake falling within the purview of the Schedule VII of the Companies Act, 2013, as may be amended;
- Recommend the amount of expenditure to be incurred on the activities within the purview of the Schedule VII of the Companies Act, 2013, as may be amended;
- Monitor the CSR policy of the Company from time to time;
- To institute a transparent monitoring mechanism for implementation of the CSR Projects or programs or activities under taken by the Company.
- Oversee the Company's conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen; and
- Oversee activities impacting the quality of life of various stakeholders.

During the year, Three meetings of the CSR Committee were held on 30.05.2014, 14.11.2014 & 14.02.2015.

The Committee comprises of the following members:

Constituion	No. of Meetings	
	Held	Attended
Mr. Mukesh Chand Bansal- Managing Director- Chairman	3	3
Mr. Manav Bansal - Wholetime Director- Member	3	3
Mr. Brijesh Kumar Dalmia-Non-Executive- Independent Director – Member	3	3

Mr. Rabindra Kumar Sahoo, Company Secretary is the Secretary to the committee.

### DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT

The Details of Directors seeking appointment / re-appointment as required under the clause 49(VIII)(E)(1) of the Listing Agreement with the Stock Exchanges are given herein hereunder:

### GENERAL BODY MEETINGS

i. General Meetings:

a) Annual General Meetings (A.G.M.):

Date, Location and time of Annual General Meeting held in last three years :

Financial Year	Type of Meeting	Date & Time of Meeting	Venue of Meeting	If Special Resolution(s)Passed
2013-14	33 <sup>rd</sup> A.G.M.	27-09-2014 at 11.30 A.M	Lansdowne Towers", 4 <sup>th</sup> Floor, 2/1A, Sarat Bose Road, Kolkata – 700 020.	NO
2012-13	32 <sup>nd</sup> A.G.M.	28-09-2013 at 11.30 A.M	Lansdowne Towers", 4 <sup>th</sup> Floor, 2/1A, Sarat Bose Road, Kolkata – 700 020.	NO
2011-12	31 <sup>st</sup> A.G.M.	29-09-2012 at 11.30 A.M.	Lansdowne Towers", 4 <sup>th</sup> Floor, 2/1A, Sarat Bose Road, Kolkata – 700 020.	Yes



b) **Extraordinary general meeting:**

One extraordinary general meeting of the members was held during the year 2014-15.

- i. Two Special Resolutions were passed through postal ballot Meeting during the financial year 2014-15 in respect of borrowing powers and to create charges on the properties of the Company and the postal ballot exercise was conducted by Mr. Manav Bansal, Whole- Time Director of the Company.

**Voting Pattern of Postal Ballot :**

Promoter/Public	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes in favour	No. of votes in against	% of votes in favour on votes polled	% of votes against on votes polled
	(1)	(2)	$(3) = \frac{[(2)/(1)] * 100}{100}$	(4)	(5)	$(6) = \frac{[(4)/(2)] * 100}{100}$	$(7) = \frac{[(5)/(2)] * 100}{100}$
<b>Resolution No. 1 - Creation of Charge/Mortgage on Company's properties</b>							
Promoter and Promoter Group	13249350	13204266	99.6597	13204266	NIL	100%	NIL
Public – Institutional holders	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Public - Others	5822702	460944	7.9163	460944	NIL	100%	NIL
<b>TOTAL</b>	<b>19072052</b>	<b>13665210</b>	<b>71.6504</b>	<b>13665210</b>	<b>NIL</b>	<b>100%</b>	<b>NIL</b>
<b>Resolution No. 2 - Authority to Borrow Money</b>							
Promoter and Promoter Group	13249350	13204266	99.6597	13204266	NIL	100%	NIL
Public – Institutional holders	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Public - Others	5822702	460944	7.9163	460944	NIL	100%	NIL
<b>TOTAL</b>	<b>19072052</b>	<b>13665210</b>	<b>71.6504</b>	<b>13665210</b>	<b>NIL</b>	<b>100%</b>	<b>NIL</b>

- 1) No special resolution proposed to be transacted at the ensuing Annual General Meeting is required to be passed by Postal Ballot in terms of Section 110 of the Companies Act, 2013 and Rules made thereunder.

**DISCLOSURES**

- i) **Related Party transactions**  
All material transactions entered into with related parties as defined under the Act and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business. No transactions of materially significant nature were entered into by the Company with its promoters, the Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.
- ii) The Company has complied with various rules and regulations prescribed by the Stock Exchange, Securities and Exchange Board of India or any other Statutory Authority related to the capital markets during last three years. No penalty or strictures have been imposed by them on the Company.
- iii) The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the Company.
- iv) The Company has identified risk involved in respect to its products, quality, cost, location and finance. It has also adopted the procedures / policies to minimize the risk and the same are reviewed and revised as per the needs to minimize and control the risk.



- v) The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure XIII to the Clause 49 of the Listing Agreements entered into with the Stock Exchanges:
- The statutory financial statements of the Company are unqualified.
  - Mr. Suresh Chand Bansal is the Chairman of the Company and Mr. Mukesh Chand Bansal is the Managing Director of the Company. The Company has complied with the requirement of having separate persons to the post of Chairman and Managing Director/CEO.
  - The CEO / CFO certification as required under Clause 49 is annexed hereto which forms part of this report.
  - The Management Discussion and Analysis Report as required under Clause 49 is annexed hereto which forms part of this report.

vi) **Reconciliation of share capital audit:**

A qualified Practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the national securities depository limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

vii) **Code of Conduct :**

The members of the Board and Senior Management Personnel have affirmed the compliance with the Code applicable to them during the year ended March 31, 2015. The Annual Report of the Company contains a Certificate by the Managing Director/CEO in terms of Clause 49 of the listing agreement based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

Duties of the Independent Directors have suitably been incorporated in the code. The Code is displayed on the Company's website: [www.beekaysteel.com](http://www.beekaysteel.com)

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (as amended), the Board has approved the 'Code of Conduct for prevention of Insider Trading' and entrusted the Audit Committee to monitor the compliance of the code.

The Board at its meeting held on 30<sup>th</sup> May, 2015 has approved and adopted the SEBI (Prohibition of Insider Trading) Regulations, 2015 relating to the code of practices and procedure for fair disclosure of Unpublished Price Sensitive Information and formulated the code of conduct of the Company.

**Subsidiary Company :**

The Company does not have any material non-listed Indian Subsidiary as defined in Clause 49 of the Listing Agreement.

**Risk Management :**

The Company has identified risk involved in respect to its products, quality, cost, location and finance. It has also adopted the procedures / policies to minimize the risk and the same are reviewed and revised as per the needs to minimize and control the risk.

The Details of Directors seeking appointment / re-appointment as required under the clause 49(VIII)(E)(1) of the Listing Agreement with the Stock Exchanges is given in annexure to the notice which forms part of this Report. The disclosure of relationships between directors inter se as required as per Clause 49(VIII)(E) is as follows :

**Relationship between the Directors inter se :**

Mr. Suresh Chand Bansal & Mr. Mukesh Chand Bansal are brothers, Mr. Vikas Bansal & Mr. Manav Bansal are brothers & son of Mr. Suresh Chand Bansal, Mr. Gautam Bansal is the son of Mr. Mukesh Chand Bansal. No other Directors in the Board are related to each other in any way.

**MEANS OF COMMUNICATION**

The results are also published within 48 hours of the Board's meeting in the Newspapers.

The unaudited / audited quarterly & half yearly financial results approved by the Board of Director at its meeting within the prescribed time-frame of the close of every quarter together with limited review by the Auditors and yearly audited



results alongwith Auditors Report are furnished to all the stock Exchange where the Company's shares in compliance with the Listing Agreement Clause/s and are published in leading newspapers in India which include Financial Express & Business Standard and in leading regional languages. The results are also displayed on the Company's website "www.beekaysteel.com".

Website: The Company's web site is [www.beekaysteel.com](http://www.beekaysteel.com) where the quarterly / annual results and other statutory & non-statutory information are displayed.

No presentation has been made to Institutional Investors or Analysts

**GENERAL INFORMATIONS FOR MEMBERS:**

- a. Annual General Meeting :  
(Date, Time & Venue)  
Date : 26-09-2015  
Time : 1.00 P. M.,  
Venue : **'Somany Conference Hall'**  
MCC Chamber of Commerce & Industry  
15-B, Hemanta Basu Sarani, Kolkata: 700 001
- b. Dividend payment : A dividend of Re.1.00/- (10%) has been recommended by the Board of Directors for approval of the Members for the Financial Year ended on 31-03-2015.

**DETAILS OF UNCLAIMED & UNPAID DIVIDEND**

The Company has transferred unclaimed & unpaid Dividend for the financial year 2006-07 an amount of Rs.2,41,447/- to Investor Education & Protection Fund (IEPF) on 02.12.2014. The Company will transfer unclaimed & unpaid Dividend for the financial year 2007-08 an amount of Rs. 1,46,115/- to Investor Education & Protection Fund (IEPF) on 26.11.2015.

The last dates for claiming of unpaid and unclaimed dividend lying in the Unpaid Dividend Account for the respective years are as follows:

Year	AGM Date	Last Date for Claiming of Dividend	Due Date for Transfer to IEPF	Amount as on 31.03.2015 (Rs.)
2007-08	22.09.2008	21.09.2015	26.11.2015	146241*
2008-09	29.09.2009	28.09.2016	03.12.2016	91794
2009-10	30.09.2010	29.09.2017	04.12.2017	157894
2010-11	24.09.2011	23.09.2018	01.12.2018	282060

\*An excess amount of Rs. 126/- was deposited in unpaid dividend account to adjust the fractions of payment of dividends.

**FILING OF UNCLAIMED DIVIDEND WITH MINISTRY:** As per the Investor Education & Protection Fund (IEPF) Rules, 2012, the detailed list of shareholders in respect of unpaid and unclaimed dividend are filed with the Ministry of Corporate Affairs ("MCA") every year within the due time period. The same has also been updated in the website of the Company for your reference.

- c. **Date of Book Closure**  
22.09.2015 to 26.09.2015 (Both days inclusive) - For AGM & payment of Dividend
- d. **Financial Year & Calendar** :  
**Financial Year 2015-16** - **April-March**  
Unaudited Results for the quarter ending 30th June, 2015 - By middle of August, 2015  
Unaudited Results for the quarter ending 30th Sept., 2015 - By middle of November, 2015  
Unaudited Results for the quarter ending 31st Dec., 2015 - By middle of February, 2016  
Audited Annual Accounts for 2015-16 - By end of May, 2016  
Annual General Meeting for the year Ending 31st March, 2016 - Middle of Sept, 2016
- e. **Listing** :  
Shares of your Company are listed on Direct Listing route with the BSE Ltd. w.e.f. 25.03.2015 and continued to be listed with BSE and with the Stock Exchanges at Kolkata and Kanpur. Vide SEBI exit notice to Kanpur Stock Exchange on June, 2015, the

Kanpur Stock Exchange has stopped its operation as a Stock Exchange. The names and addresses of the Stock Exchanges and the Company's Stock Code are given below.

—The BSE Ltd. 7, P.J. Towers, Dalal Street, Mumbai - 400001. (Stock Code 539018).

—The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata-700 001. (Stock Code 10012082).

—The Uttar Pradesh Stock Exchange Association Ltd., Padam Towers, 14/113, Civil Lines, Kanpur: 208 001. (Stock Code B00020).

**f. Market price Data :**

The equity shares of the Company was listed with BSE Ltd. on 25.03.2015 under direct listing route. Monthly High/ Low price during the last Financial Year 2014- 15 at the BSE Ltd. depicting liquidity of the Equity Shares is given hereunder :

Month	Share Price		Month	Share Price	
	High	Low		High	Low
April,2014	No Trading		October,2014	No Trading	
May,2014	—do—		November,2014	—do—	
June,2014	—do—		December,2014	—do—	
July,2014	—do—		January,2015	—do—	
August,2014	—do—		February,2015	—do—	
September,2014	—do—		March,2015	70.18	55.00

There was no trading of shares of the Company either at the Calcutta Stock Exchange Ltd. & U P Stock Exchange Ltd. during the year under review.

**g. Performance in comparison:**

No comparison to broad based indices such as BSE Sensex etc. could be drawn since the shares of the Company was listed w.e.f. 25.03.2015 & traded for a week only during the financial year.

**h. Registrar and Transfer Agent:**

M/s. Maheshwari Datamatics Pvt. Ltd.,

6, Mangoe Lane, Kolkata – 700 001.

Phone Nos. 91-33-2243-5029 / 5809, 2248-2248 Fax No. 91-33-2248-4787,

E-Mail – [mdpl@cal.vsnl.net.in](mailto:mdpl@cal.vsnl.net.in).

**i. Shares Transfer System :**

Share Transfer assignment has been given to the Registrars and Share Transfer Agents. The Shares Transfer Committee is empowered to approve the Share transfers. Transfer Committee Meeting is held as and when required.

The Share Transfers, issue of duplicate certificate etc. are endorsed by Directors / Executives / Officers as may be authorised by the Transfer Committee. Grievances received from members and miscellaneous correspondences are processed by the Registrars within 15 days.

**j. Distribution of Share as on 31<sup>st</sup> March, 2015.**

Share Limit Notional Value of (Rs.)		No of Live Accounts	Percentage	Total No. of Shares	Percentage of Total Shares
From	To				
1	5000	165	24.4807	50605	0.2653
5001	10000	172	25.5193	117558	0.6164
10001	20000	239	35.4599	302639	1.5868
20001	30000	19	2.8190	49250	0.2582
30001	40000	4	0.5935	13398	0.0702
40001	50000	13	1.9288	57246	0.3002
50001	100000	15	2.2255	105660	0.5540
100001	Above	47	6.9733	18375696	96.3488
<b>Grand Total</b>		<b>674</b>	<b>100.0000</b>	<b>19072052</b>	<b>100.0000</b>



**k. Share Holding Pattern as on 31<sup>st</sup> March, 2015:**

Category	No. of Shares	Percentage of Holding
Promoters & Associates	13249350	69.47
Mutual Funds & UTI	—	—
Banks, Financial Institutions, Insurance Companies (Central/ State Govt, Institutions, Govt. Institutions)	—	—
FII's	—	—
Private Corporate Bodies	3999276	20.97
Indian Public	1822383	9.56
NRI's / OCB's	—	—
<b>Total</b>	<b>19072052</b>	<b>100.000</b>

**l. Dematerialisation of Shares:** 92.31 % (previous year- 92.31 %) of the total equity share capital are held in dematerialized form with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. as on 31-03-2015. The Company's ISIN No. is INE213D01015.

**m. Outstanding Instruments:**

The Company has not issued any GDRs / ADRs / Warrants or any convertible Instrument. As such, there is no impact on Equity of the Company.

**n. Plant Locations**

Locations	Name & Address of the Manufacturing Units
Jamshedpur( Jharkhand)	<b>Beekay Steel Industries Ltd.</b> Large Scale Sector, Adityapur Industrial Area, Gamharia, Seraikela-Kharsawan, Jharkhand – 832 108
Chengalpet (Tamilnadu)	<b>Beekay Steel Industries Ltd.</b> 10, Kumarawadi Village, Madhuranthagam Taluk, Kancheepuram, Chengalpet: 603 107
Visakhapatnam (Andhra Pradesh)	<b>Radice Ispat India, Vizag</b> Plot No.194, Survey No.272, Vellanki Village, Anandapuram Mandal, Bheemlipatnam, Visakhapatnam: 531 163
	<b>Beekay Structural Steels</b> Plot No. 19-21 & 24-26, Block-E, Autonagar, Visakhapatnam: 530 012
	<b>Venkatesh Steel &amp; Alloys</b> Plot No.28, Block-E, Autonagar, Visakhapatnam: 5300012.
	<b>Beekay Special Steels</b> Survey No.231/3,4,7, Vellanki Village, Anandapuram Mondal, Visakhapatnam: 531153
	<b>Beekay Structural Steels (TMT Division)</b> Plot No. 67B/68B, Industrial Park, APIIC, Bonangi Village, Parwada, Visakhapatnam – 531 021, Andhra Pradesh
Howrah (West Bengal)	<b>Beekay Steel Industries Ltd.</b> 286, 287, G.T. Road, Salkia, Howrah 711 106

**o. Address for Correspondence:**

Beekay Steel Industries Ltd., 'Lansdowne Tower', 2/1A, Sarat Bose Road, Kolkata 700 020. Phone Nos. (033) 3051 4444, Fax No: (033) 2283 3322

**p. Compliance Officer:**

*Mr. Rabindra Kumar Sahoo, Company Secretary,*  
Beekay Steel Industries Ltd.  
'Lansdowne Towers' 4th Floor,  
2/1A, Sarat Bose Road, Kolkata: 700 020,  
Phone Nos. (033) 3051 4444, Fax No: (033) 2283 3322





## ANNEXURE TO THE DIRECTORS' REPORT

### Certification by Managing Director and Chief Financial Officer of the Company

**The Board of Directors,**  
Beekay Steel Industries Ltd.,  
'Lansdowne Tower',  
2/1A, Sarat Bose Road, Kolkata - 700 020.

Dear Sirs,

In terms of Clause 49 of the Standard Listing Agreement, We, Mukesh Chand Bansal, Managing Director and Mr. Manav Bansal, Wholetime Director & CFO, Certify that :

1. We have reviewed financial statements and the cash flow statements for the financial year 2014-15 and to our best of knowledge, belief and information –
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading ;
  - ii) these statement together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of knowledge, belief and information, no transaction entered into by the Company during the financial year 2014-15 are fraudulent, illegal, or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls which we was aware of are aware and we have taken and propose to take requisite steps to rectify the deficiencies, if any.
4. We have indicated to the Auditors and the Audit Committee :
  - i) significant changes in internal control during the financial year ;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and
5. We have not come across any instances of significant fraud committed by the management or an employee having significant role in the Company's internal control system.

We further declare that all the Board members and Senior management personnel have affirmed compliance of Code of Conduct for the year 2014-15.

Place : Kolkata  
Dated : 13<sup>th</sup> August, 2015

Sd/-  
**Mukesh Chand Bansal**  
Managing Director  
(DIN : 00103098)

Sd/-  
**Manav Bansal**  
Wholetime Director & CFO  
(DIN : 00103024)



## **ANNEXURE TO THE DIRECTORS' REPORT**

### **Declaration for Compliance with the Code of Conduct of the Company as per Clause 49(I)(D)(ii) of Listing Agreement**

We, Mukesh Chand Bansal, Managing and Mr. Manav Bansal, Wholetime Director & CFO of Beekay Steel Industries Limited declare that as of 31<sup>st</sup> March, 2015 all the Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company.

Place : Kolkata  
Dated : 13<sup>th</sup> August, 2015

Sd/-  
**Mukesh Chand Bansal**  
Managing Director  
(DIN : 00103098)

Sd/-  
**Manav Bansal**  
Wholetime Director & CFO  
(DIN : 00103024)

## **ANNEXURE TO THE DIRECTORS' REPORT**

### **CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE AS REQUIRED UNDER THE LISTING AGREEMENT WITH STOCK EXCHANGES**

To The Members Beekay Steel Industries Ltd.

I have examined the Compliance of Corporate Governance by M/S. Beekay Steel Industries Limited for the financial year 2014-15, as stipulated in clause 49 of the Listing Agreement entered into by the said Company with Stock Exchanges.

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

In my opinion and to the best of my information and according to the explanation given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

I 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  
Dated : 13<sup>th</sup> August, 2015

sd/-  
**(SANTOSH KUMAR TIBREWALLA)**  
Practising Company Secretary  
Membership No. : 3811  
Certificate of Practice No. : 3982.

## ANNEXURE TO THE DIRECTORS' REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### Operations of the Company

The company is engaged in manufacturing Hot Rolled Steel Sections, Bright Bars and Structural, which have a growing demand from Automotive Component Manufacturers, Forging Industries, Infrastructure Companies, Machinery Manufacturers, Agricultural Implement Manufacturers and various other Engineering Industries. The products have diverse direct industrial and manufacturing applications, including construction of tanks, railway cars, engineering equipment, automobile and truck parts. The customized rolled steel products of different sizes, shapes and grades are intended to meet the requisite requirements of customers. The long established relationships with esteemed buyers from these sectors and the continued emphasis of the Company on meeting the growing market demands has increased and enriched the Company's product mix. The vast experience of the management in dealing with different steel scenarios has kept the Company firm and steady in its industrial journey.

Operational performance of the Company has been summarized in the table below by explanatory remarks for significant changes in 2014-15 compared to previous year.

	2014-15	2013-14	Change	% Change	Remarks
Turnover (In Crores)	554.19	581.13	26.94	(4.63%)	A
Export Sales (In Crores)	36.17	54.38	18.21	(33.48%)	B

- A- Political uncertainty, the restriction of power supply and lower demand in the automobile & engineering sector, natural calamity, i.e. hud-hud cyclone were the main reasons of decline of sales turnover.
- B- Leveraged the export demand, incorporating the newest technologies and rupee depreciation helped to increase its steel exports.

#### Economy, Steel & Auto Sectors

The global economic conditions continued to remain sub-optimal even during financial year 2014-15. The global economic growth in calendar year 2014-15 slipped further.

The Indian economic growth improved to 7.3% in FY 2014-15 as compared to 6.9% in FY 2013-14. While the agriculture sector grew at 0.2%, it is manufacturing that leads the growth at 7.1% during FY 2014-15.

Several policy measures taken by the Reserve Bank of India (RBI) and the Government, supported by lower global crude oil prices, resulted in:

- Decline in inflation during the year; consumer price inflation is expected to be between 5.0- 5.5% range during 2015-16.
- The Current Account Deficit (CAD) narrowed to 1.3% of GDP during FY 2014-15 compared to 1.7% in FY 2013-14.
- The Government had strong focus on fiscal consolidation. As a result, the Gross Fiscal Deficit (GFD) declined to 4.1% in FY 2014-15 and is budgeted to decline further to 3.9% in FY 2015-16.



The Government in order to enhance demand for steel should take several policies measures to attract new investment in the areas of infrastructure and automobile. These includes hiking the foreign direct investment limits in defence, Railways and Insurance, labour reforms, transparent and faster environment clearances, transparent auction-based natural resources allocation policy and rationalisation/ simplification of tax regime. The other important reform measures taken by the new Government such as deregulation of diesel and petrol prices, direct transfer of subsidies and initiatives for employment growth ("Make in India, Skill India and Digital India" campaigns) are the steps taken to create a framework for sustainable growth.

A special emphasis on financial, inclusion through "Pradhan Mantri Jan Dhan Yojana" was a remarkable highlight of the year. In a short span of eight months, a record number of 147 million bank accounts have been opened under this scheme. The opening of a large number of accounts should also facilitate direct benefit transfers to the beneficiaries and improve public expenditure management. This is likely to enhance consumption-led growth.

In the five years corresponding to the 12th Five Year Plan (2012-2017), domestic demand of total finished steel is considered likely to grow at an annual average growth of over 10% as compared to the average annual growth of 8% achieved between 1991-92 and 2010-11. The proposed steel capacity addition in the country is likely to result in an investment of Rs. 5-10 lakh crore by 2020. The steel sector contributes to nearly 2% of the country's GDP and employs over 6 lakh people. The world economy grew at a lack lustre 3.4% in F.Y. 2014.

Production of crude steel was at 62.392 million tonnes, a growth of 2.5% compared to same period of last year. The Integrated Steel Producers produced 33.677 million tonnes during this period, which was a growth of 2.5% compared to last year. The Mini & Other Producers produced 28.715 million tonnes during this period, which was a growth of 2.4% compared to last year.

- In case of total finished steel (alloy + non-alloy) during April - December 2014-15 (prov.):
  - \_ Production for sale stood at 65.197 million tonnes, a growth of 1.6% compared to last year.
  - \_ Exports stood at 4.066 million tonnes, a decline of 6.6% compared to last year.
  - \_ Imports stood at 6.492 million tonnes, a growth of 57.5% compared to last year.
  - \_ India was a net importer of steel.
  - \_ Real consumption stood at 55.315 million tonnes, a growth of 1.5% compared to last year.

US economic growth outlook improved on the back of a higher domestic consumption supported by lower oil prices, steady job creation and income growth.

### **Global ranking of Indian Steel**

World crude steel production stood at 1661.5 million tonnes during 2014, an increase of 1.2 percent ver 2013 based on provisional data released by the World Steel Association (WSA). During 2014, Chinese crude steel production reached 823 million tonnes, a growth of 0.9 per cent ver 2013. China remained the largest crude steel producer in the world, accounting for 73 per cent of Asian and 50 percent of world crude steel production during 2014. India was the 4th largest producer during this period and recorded a growth of 2.3 per cent over 2013.

India has become the second best in terms of growth amongst the top ten steel producing countries in the world and a net exporter of steel during 2013-14. Steel production in India recorded a growth rate of 4.8% in February 2013. Steel contributes to nearly two percent of the GDP and employs over 500,000 people. The total market value of the Indian Steel Sector stood at US\$ 57.8 billion in 2011 and is expected to touch US\$ 95.3 billion by 2016. The infrastructure sector is India's largest steel consumer, thereby attracting investments from several global players. Owing to this connection with core infrastructures segments of the economy, the steel industry is of high priority right now. Also, steel demand is derived from other sectors like automobiles, consumer durables and infrastructure: therefore, its fortune is dependent on the growth of these user industries.

The liberalization of the industrial policy and other government initiatives has been given a definite impetus for entry, participation and growth of the private sector in the steel industry. Allowing foreign direct investment (FDI) has been a positive step since India is heavily dependent on foreign technologies. The foreign technologies generally add life to the plant and production units, which ultimately lead to the countries growth.



India's real consumption of total finished steel grew by 0.6% year-on-year in April-March 2013-14 to 73.93 million tons (MT), according to Joint Plant Committee (JPC), Ministry of Steel. Construction sectors accounts for around 60% of the country's total steel demand while automobile industry consumes 15%.

The government of India has allowed 100 per cent FDU through the automatic route in the Indian Steel Sector. It has significantly reduced the duty payable on finished steel products and has streamlined the associated approval process. The government is taking steps to increase industrial activity in Uttar Pradesh (UP). Addressing a conference on 'Demand for Steel in India: The End User Perspective,' the Union Minister of Steel of India said, in order to increase supply of steel to rural consumers, companies like SAIL and RINL have set up 521 and more than 100 rural dealers respectively in remote parts of UP. In order to provide thrust on research and development (R & D), the ministry of Steel is encouraging R & D activities both in public and private steel sectors, by providing financial assistance from Steel Development Fund (SDF) and Plan Scheme of the Central Government. Under the SDF Scheme, 82 R & D projects have been approved with total project cost of Rs. 677 crores (US\$ 111.92 million) wherein SDF assistance is Rs. 370 crores (US\$ 61.17 million).

The future of the Indian steel Industry is bright. The Government plans to increase infrastructure spending from the current 5 percent GDP to 10 per cent by 2017, and the country is committed to investing US\$ 1 trillion in infrastructure during the 12<sup>th</sup> Five-Year Plan.

#### **Opportunities & Threats**

India's GDP growth is likely to move higher in the coming years due to compulsive focus by policy makers for development of infrastructures & other sectors. Capacity expansions and new projects are expected to continue for meeting the anticipated demand that is likely to come from various sectors which has not yet got the requisite exposure to multi-faced use of steel. India has enormous scope and untapped potential to increase steel consumption in all most all sectors, especially in automobiles, engineering industries, irrigation and water supply. The resultant higher demand for high quality steel and higher value flat, round rolled steel products will require steelmakers to create a new product mix to get better margins. Your Company follows the path of optimizing productivity, product enrichment and effective cost controls measures to ensure the growth momentum. The company is also all the time acting upon to reduce cost burden and as a one control measure all the units are already been gasified. The Company, deriving the benefits of presence of ports with requisite infrastructure in Andhra Pradesh and Tamilnadu, has also commenced exports for overseas project based requirements and to manufacturers in GCC Countries (Bahrain, UAE, Kuwait, Oman, Qatar and Saudi Arabia), Philippines, Mexico, Canada, Myanmar and Bangladesh. The threats for your company would come from adverse fluctuation of raw material availability and costs, foreign exchange fluctuations, high interest costs and taxes & duties. However the Company's TMT unit at Parawada will boost the top-line performance by supply of own manufactured TMT under Beekay brand to coastal and southern parts of the state of Andhra Pradesh and adjoining areas of Tamilnadu.

#### **Outlook**

The economic activity in the country is expected to accelerate after coming into power in full majority at the Centre and in the states. The GDP growth is likely to inch higher as consequences of various initiatives taken by the Government. Currently, the focus of the Government and Central Bank in India is for monetary and fiscal consolidation likely to attract FDI and foreign capital which is desperately required for flourish the growth in the country.

The aggregations of the above factors of the global and local levels provide a very optimistic projection of the industry's future.

The Indian economy is on a path of gradual recovery. The government has undertaken several steps to unplug the bottlenecks and to revive the business confidence. The Indian economy stands to benefit from the correction in global crude oil prices, will have positive impact on the macro economy in form of lower inflation, reduced current account deficit, healthier fiscal accounts, increased consumption and a stable INR.

Indian economy is among a few economies globally for which economic growth forecast has been raised by the IMF. The IMF has raised its India GDP growth estimates for FY 2015-16 to 7.5%.



### INDIA GDP GROWTH RATE (In %)

2012-13	2013-14	2014-15	2015-16
5.1	6.9	7.3	7.5

Source: IMF

In 2015-16, steel demand is expected to grow by 6% to 7%. However, a much sharper than expected increase in inflation and higher than budgeted fiscal consolidation are the key downside risks to the outlook, highlights World Steel Association.

### Segment-wise Or Product-wise Performance

Your Company is in the secondary steel manufacturing segment and produces HR sections (rounds, squares, flats, hexagons and special profiles) and Bright Bars of different sizes and shapes with different compositions and is also doing conversion jobs. The total production of all manufacturing units of the Company was 3,03,328 MT (including conversion 2,32,429 MT) in the financial year 2014-15, as compared to 3,00,277 MT (including conversion 2,29,855 MT) in the previous year.

### Internal Control Systems And Their Adequacy

Your company operates in multiple locations (Jamshedpur, Visakhapatnam and Chengalpet). The business continues to evolve in the dynamic economic conditions leading to necessity of adequate safeguards and consistent systems and processes on an ongoing basis for managing business operations. Internal Control System of the Company is geared to accommodate changing business scenario and multi-location operations. Jamshedpur unit and all four operational units at Visakhapatnam have been integrated under robust ERP system to ensure transparency in all business operations and transactions. Internal controls are periodically reviewed by Internal Audit and material observations are reported to the Audit Committee of the Board for remedial actions. All tangible assets of the Company are adequately insured against anticipated loss under Industrial All Risks and Fire & allied risks.

### Financial Performance

#### Highlights F.Y 2014-15

(Rs. In crores)

	2014-15	2013-14	Growth (%)
Gross Turnover	554.19	581.13	-4.63
Net Turnover	518.74	549.37	-5.57
Operating EBIDTA	62.14	61.57	0.93
PAT	15.59	18.30	-14.81
Earnings per share (diluted)	8.18	9.56	-14.44
ROCE (%)	11.90%	13.50%	
Net Profit Ratio	0.03	0.03	

During the year under review, your Company has attained a turnover of Rs. 554.19 crores and profit of Rs. 15.59 crores. Despite the lower turnover in this financial year still the company maintained same level of profit because of proper control on budgetary system with continuously evaluation of performance and the corrective measures are taken from time to time.

### Human Resource Management & Industrial Relations

The employees are considered by your Company as its greatest asset and the Company has created a work environment that ensures their well-being. The Company encourages an environment of individual goal setting, continuous improvement, health and safety awareness and corporate sustainability. The work-force of your Company is an assortment of varied qualifications and experiences in the domains of engineering, management and finance. The Company's Human Resource policies are formulated considering overall organizational goals and due weight



age is also assigned to bottom-up approach. These policies are designed to cater to the changing needs of people in a dynamic business environment. The emphasis is always on retention best talent, while nurturing and developing the skill set of each employee. Educational assistance and Medical benefits are inherent part of the Company's HR policies. Owing to fast changes in industry environment, the Company believes in working towards creating an enviable and talented workforce. Industrial relations have remained cordial and the end of the year under review, the Company's own manpower strength was 365.

### **Corporate Social Responsibility**

The Company's social responsibility policy is aimed at serving different social causes with enhanced stress on education, health-care, safety and environment, which are fundamental requirements to attain and lead a quality life. The CSR policy & Expenditure is discussed hereto & forms part of the Board's Report.

### **Education & Health-care**

Your Company's objective is to improve access to quality health and good education for the society at large which are pre-requisite for overall development and prosperity of the underprivileged class of citizens.

Contributions are being made for augmenting the operations of social welfare schemes under mid-day meal scheme, the Company has adopted 5 schools with a mission where, " *No Child in India shall be deprived of education because of hunger*" through *Akshaya Patra Foundation, Kolkata*. Our patronage by adopting Fifty (50) Gram Shiksha Mandir for Functional Literacy programmes, which includes Primary Education, Health-Care Education (Gram Arogya), Development Education (Gram Vikas) and Empowerment Education through Friends of Tribal Society to provide literacy to tribal families on continued basis.

In Visakhapatnam, contributions have been made towards (a) medical help by providing *Ambulance to "Andhra Vanavasi Kalyan Ashram"*, (b) Artificial Limbs to physically handicapped people by Marwari Yuva Manch (C) providing help to poor needy villagers for purchasing of Blood from "lions Club of Visakhapatnam Blood Bank Trust". The Company is associated with 'Vidya Shree' scheme, propagated by Gajuwaka Municipal Corporation, Visakhapatnam, for sponsoring higher educational expenses of underprivileged but talented students. Vidya Shree scheme is dedicated to bring the socio economic change in the underprivileged families through the means of education of their children. During the year the Company has also made financial contribution for construction of drinking well in Kumaravadi Village (Tamilnadu), benefiting about 110 families.

### **Environment & Safety**

The Company aims to be the most reliable and trustworthy business house by carrying out its business operations with utmost regard for environmental safety. The manufacturing units are operated in accordance with sound environment management practices and utmost care is taken to environment protection. All plants, properties and stocks are comprehensively covered under IAR and fire loss policies. Workers are continuously trained and are kept equipped to follow safety norms for stock handling.

The organization has pursued the Environment Management System (EMS) ISO 14001 and the Occupational Health and Safety Assessment System OHSAS 18001 at its units. This has resulted in improvement in waste management, water and energy conservation, noise reduction, control of stack and fugitive emissions. The company's Environmental Management System (EMS) has been certified by reputed national and international certifying agencies.

### **Cautionary System**

This report contains projections, estimates and expectations etc., which are just 'forward-looking statements'. Actual results could differ from those expressed or implied in this report. Important factors that may have an impact on Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets, changes in the Government regulations/policies, tax laws and other statutes and other incidental factors. The Company assures no responsibility to publicly modify or revise any forward-looking statements on the basis of any future events or new information. Actual results may differ from those mentioned in the report.



## INDEPENDENT AUDITOR'S REPORT

To the Members of Beekay Steel Industries Limited.

### Report on the Financial Statements

We have audited the accompanying financial statement of BEEKAY STEEL INDUSTRIES LIMITED ("the company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its profit and its cash flows for the year ended on that date.





## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 37 to the financial statements;
    - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note \_\_\_ to the financial statements; and
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place : 59, Bentinck Street,  
Kolkata - 700 069.

Dated : 30th day of May, 2015

For **RUSTAGI & ASSOCIATES**  
Chartered Accountants  
Firm Regd. No.314194E

Sd/-  
**(S.K. RUSTAGI)**  
Partner  
Mem. No.051860



## **Annexure to the Auditors' Report**

The Annexure referred to in our Independent Auditors's Report to the members of the company on the financial statements for the year ended 31.03.2015, we report that :

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) a) The Inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) a) There are no firms covered in the register to be maintained under section 189 of the Companies Act, 2013 to which the Company has granted loans and therefore other sub part of this clause is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) The Company has not accepted any deposits from public
- (vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company 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 prescribed accounts and records have been made and maintained.
- (vii) a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, value added tax, wealth-tax, custom duty, excise-duty, service tax cess and other statutory dues applicable to it.
- b) According to the information and explanations given to us, there were undisputed amount payable in respect of Income Tax relating to F.Y. 2008-09 and F.Y. 2010-11 amounting Rs. 11,67,469/- which have remained outstanding as at 31st March, 2015 for a period of more than six months from the date they become payable. However no undisputed dues is payable in respect of wealth-tax, sales-tax, value added tax, service tax value added tax, service tax, customs duty and excise duty which have remained outstanding as at 31.03.2015 for a period of more than six months from the date they became payable.

- c) According to the records of the Company, there are dues of sales tax, income tax, customs tax/wealth tax, value added tax, service tax, excise duty / cess which have not been deposited on account of any dispute.

Particulars	Financial year to which the matter pertains	Forum where matter is pending	Amount Involved (₹)
Excise Duty	1998-1999	Hon'ble High Court, Kolkata	831,204
— Do —	2001-2002	Jt. Comm. Of Central Excise,	144,046
— Do —	2002-2003	Jamshedpur	276,757
— Do —	1994-1995	Comm., Central Excise (Appeal)	94,185
— Do —	2010-2011	Comm., Central Excise (Appeal), Vishakapatnam	590,078
— Do —	2008-2013	Commissioner of Central Excise (Appeals), Chennai	210,156
— Do —	2005-2008	Customs, Excise & Service Tax Appealate Tribunal, Kolkata.	3,150,000
— Do —	2009-13	The Commissioner of Central Excise & Service Tax, Jamshedpur	49,353,416
Income Tax	2004-05	Income Tax Appellate Tribunal, Kolkata	6,063,651
— Do —	2011-12	The Commissioner of Income Tax (Appeal-1), Kolkata	76,142,440

- d) These amounts required to be transferred to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder have been transferred to such fund within time.
- (viii) The accumulated losses of the Company are not more than fifty per cent of its net worth. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (ix) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (x) The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) The term loans have been applied for the purpose for which they were raised.
- (xii) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : 59, Bentinck Street,  
Kolkata - 700 069.

Dated : 30th day of May, 2015

For **RUSTAGI & ASSOCIATES**  
Chartered Accountants  
Firm Regd. No.314194E

Sd/-  
**(S.K. RUSTAGI)**  
Partner  
Mem. No.051860



## BALANCE SHEET AS AT 31st MARCH 2015

	Notes	As at 31.03.2015 Amount(₹)	As at 31.03.2014 Amount(₹)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Fund</b>			
(a) Share Capital	2	190,909,270	190,909,270
(b) Reserve & Surplus	3	1,61,239,4955	1,479,046,834
		<b>1,803,304,225</b>	<b>1,669,956,104</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long Term Borrowings	4	603,730,072	521,751,677
(b) Deferred Tax Liability (net)	5	297,210,540	276,073,885
(c) Other Long Term Liabilities	6	160,900,835	178,708,909
(d) Long Term Provisions	7	289,609,640	217,971,917
		<b>1,351,451,087</b>	<b>1,194,506,388</b>
<b>(3) Current Liabilities</b>			
(a) Short Term Borrowings	8	1,015,964,628	1,110,623,552
(b) Trade Payables	9	831,591,398	469,565,809
(c) Other Current Liabilities	10	189,877,287	158,237,274
(d) Short Term Provisions	11	92,278,411	65,204,784
		<b>2,129,711,724</b>	<b>1,803,631,419</b>
		<b>5,284,467,036</b>	<b>4,668,093,911</b>
<b>II. ASSETS</b>			
<b>(4) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
<b>(i) Tangible Assets</b>	12		
Gross Block		2,985,591,405	2,744,849,433
Less: Depreciation		1,005,744,816	842,773,411
Net Block		<b>1,979,846,589</b>	<b>1,902,076,022</b>
<b>(ii) Capital Work-In-Progress</b>	12	214,351,153	274,794,783
		<b>2,194,197,742</b>	<b>2,176,870,805</b>
(b) Non-Current Investments	13	2,322,040	2,322,040
(c) Long Term Loans and Advances	14	438,298,327	382,966,180
(d) Other Non-Current Assets	15	-	622,534
		<b>2,634,818,109</b>	<b>2,562,781,559</b>
<b>(5) Current Assets</b>			
(a) Inventories	16	1,345,737,419	1,002,565,677
(b) Trade Receivables	17	642,798,313	658,898,517
(c) Cash and Bank Balances	18	46,952,961	28,017,196
(d) Short Term Loans and Advances	19	611,341,919	411,809,872
(e) Other Current Assets	20	2,818,316	4,021,090
		<b>2,649,648,928</b>	<b>2,105,312,352</b>
		<b>5,284,467,036</b>	<b>4,668,093,911</b>
<b>Significant Accounting Policies &amp; Notes on Financial Statements</b>	1 to 39		

As per our attached report of even date

For **RUSTAGI & ASSOCIATES**

Chartered Accountants

S/d-

**(S.K. RUSTAGI)**

Partner

Mem. No.051860

Firm Regd. No.314194E

Place : Kolkata

Dated : 30th day of May, 2015

For and on behalf of the Board

Sd/-

**Suresh Chand Bansal** - Executive Chairman  
(DIN : 00103134)

**Mukesh Chand Bansal**- Managing Director  
(DIN : 00103098)

**Manav Bansal**- Wholtime Director & CFO  
(DIN : 00103024)

**Rabindra Kumar Sahoo**- Company Secretary

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	Notes	For the year ended 31.03.2015 Amount(₹)	For the year ended 31.03.2014 Amount(₹)
<b>I. INCOME</b>			
(a) Revenue from Operations	21	5,541,990,892	5,811,302,774
Less: Excise Duty		354,545,942	317,610,867
		<b>5,187,444,950</b>	<b>5,493,691,907</b>
(b) Other Income	22	19,865,967	20,799,525
		<b>5,207,310,917</b>	<b>5,514,491,432</b>
<b>II. EXPENDITURE</b>			
(a) Cost of Materials Consumed	23	2,544,356,201	2,229,733,108
(b) Purchases of Stock-in-Trade	24	1,073,286,699	1,775,897,630
(c) Changes in Inventories of Finished Goods, Work-In-Process and Stock-in-Trade	25	(92,744,492)	(166,372,507)
(d) Employee Benefits Expense	26	111,868,016	97,969,879
(e) Finance Costs	27	213,639,735	200,418,882
(f) Depreciation	28	164,568,096	125,614,562
(g) Other Expenses	29	948,966,307	961,554,867
		<b>4,963,940,562</b>	<b>5,224,816,421</b>
<b>III. PROFIT BEFORE TAX</b>		<b>243,370,355</b>	<b>289,675,011</b>
<b>IV. Tax Expenses</b>			
(a) Current Taxation		66,300,000	61,600,000
(b) MAT Credit		-	(45,000,292)
(c) Deferred Taxation		21,136,655	90,120,477
<b>V. PROFIT AFTER TAX</b>		<b>155,933,700</b>	<b>182,954,826</b>
(Add)/Less: Tax for earlier Years		(116,041)	596,957
<b>VI. PROFIT FOR THE YEAR</b>		<b>156,049,741</b>	<b>182,357,869</b>
<b>IX. EARNING PER SHARE (BASIC / DILUTED)</b>		<b>8.18</b>	<b>9.56</b>
Significant Accounting Policies & Notes on Financial Statements	1 to 39		

As per our attached report of even date

For **RUSTAGI & ASSOCIATES**

Chartered Accountants

S/d-

**(S.K. RUSTAGI)**

Partner

Mem. No.051860

Firm Regd. No.314194E

Place : Kolkata

Dated : 30th day of May, 2015

For and on behalf of the Board

Sd/-

**Suresh Chand Bansal** - Executive Chairman  
(DIN : 00103134)

**Mukesh Chand Bansal**- Managing Director  
(DIN : 00103098)

**Manav Bansal**- Wholetime Director & CFO  
(DIN : 00103024)

**Rabindra Kumar Sahoo**- Company Secretary



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### NOTE: 1

#### SIGNIFICANT ACCOUNTING POLICIES

##### 1. ACCOUNTING CONVENTION:

The Financial Statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards (AS) as notified under the relevant provision of the Companies Act, 2013.

The Company has reclassified and regrouped the previous year figures in accordance with the requirements for the current year.

##### 2. USE OF ESTIMATES:

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosures of contingent liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Difference between actual results and estimates are recognised in the period in which the results are known/materialised.

##### 3. REVENUE RECOGNITION:

- All incomes and expenditures having a material bearing on the financial statements are recognised on accrual and prudent basis.
- Sale of Goods is recognised on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods
- "Export incentives under the " Duty Entitlement Pass Book Scheme". "Duty Draw back Scheme", etc is accounted in the year of export".

##### 4. PURCHASES:

Purchases are shown net of Cenvat Credit on Purchases of Materials, Stores and other inputs.

##### 5. SALES:

- Sales are recognised net of returns and trade discount on despatch of goods to customers and are reflected in the accounts of gross realisable value i.e. inclusive of Excise Duty but exclusive of VAT.
- Materials returned / rejected are recorded in the year of return / rejection.

##### 6. EXCISE DUTY:

- Excise Duty recovered are included in Sale of goods & merchandise.
- Excise Duty on Closing Stock of finished products lying at factory premises is provided for and also included in the valuation of Inventories.

##### 7. FIXED ASSETS:

Fixed Assets are stated at cost less accumulated depreciation, and impairment, if any, and includes inward freight, taxes and other incidental expenses incurred to bring the assets to their working condition for intended use but exclusive of Cenvat wherever claimed. Fixed Assets includes internal transfers.

##### 8. DEPRECIATION:

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

- In respect of Fixed Assets acquired upto 31st March, 1991, depreciation was provided to the extent of depreciable amount on Written Down Value (WDV) Method.
- In respect of Fixed Assets acquired on or after 1st April, 1991, depreciation is provided to the extent of depreciable amount on the Straight Line Method (SLM).

##### 9. CAPITAL WORK-IN-PROGRESS:

Investments made on procurement and fabrication of various Fixed Assets are shown as Capital Work in Progress and are valued at cost. The cost includes all pre-operative expenses relating to construction period for erection of the factory. Freight, Taxes and other incidental expenses but exclusive of "CENVAT" availed.

##### 10. BORROWING COST:

Interest and other borrowing cost attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to revenue.



#### **11. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

- a) Provision are recognised when there is a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of obligation. Provision are measured at the best estimate of expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value.
- b) Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation arises from past events where there is not probable that outflow of resources will be required to settle or a reliable estimate of amount cannot be made.
- c) Contingent Assets are neither recognised nor disclosed in the financial statements.

#### **12. INVENTORIES:**

- a) Materials and Stores are valued at lower of cost exclusive of excise duty or net realizable value.
- b) Finished Goods and Scraps are valued at lower of Cost of Production or net realizable value after providing for obsolescence and other losses where considered necessary by the management and are inclusive of Excise Duty.
- c) Stores & Spares, loose tools, considered as an item of Current Assets are valued at lower of cost or net realisable value.

#### **13. INVESTMENTS:**

Investments made by the Company are of a Long Term nature and hence such Investment are stated at cost. The diminution in the value of Investments, are considered when the same is to be of permanent nature.

#### **14. EMPLOYEE BENEFITS:**

- a) Liability for Gratuity is ascertained by the management on actuarial basis as on the year end and provided in accounts accordingly.
- b) Contribution to provident fund and superannuation fund are accounted for on accrual basis.
- c) Provision for Leave encashment is charged to Profit & Loss Account on the basis of Liability determined on actuarial valuation as on the year end.
- d) Liability for bonus is provided for on accrual basis subject to final payments.

#### **15. TAXATION:**

Income-tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax assets and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Minimum Alternate Tax credit (MAT Credit) is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of MAT Credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

#### **16. FOREIGN EXCHANGE FLUCTUATION:**

Any Income and expenses on account of exchange difference on settlement is recognised in the profit and loss account. However the recognition is done only on realisation basis.

#### **17. IMPAIRMENT OF ASSETS:**

Impairment is ascertained at each balance sheet date in respect of cash generating units. An impairment loss is recognised wherever the carrying amount of an assets exceeds its recoverable value.

#### **18. EARNING PER SHARE:**

Earning 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 share outstanding during the period. Earnings considered in ascertaining the Company's earning per share is the net profit for the period.



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	As at 31.03.2015 Amount(₹)	As at 31.03.2014 Amount(₹)
<b>Note.2 SHARE CAPITAL</b>		
<b>Authorised Share Capital:</b>		
2,00,00,000 Equity Shares of ₹ 10/- each	200,000,000	200,000,000
3,00,000 15% Non Convertible Redeemable Preference Shares of ₹ 100/- each	30,000,000	30,000,000
	<b>230,000,000</b>	<b>230,000,000</b>
<b>Issued, Subscribed &amp; Paid up Capital :</b>		
1,90,72,052 Equity Shares of ₹10/- each fully Paid up	190,720,520	190,720,520
Add : Forfeited Shares	188,750	188,750
	<b>190,909,270</b>	<b>190,909,270</b>

### 2.1 Shareholders holding more than 5 percent shares in the Company.

\_\_\_\_\_ As per Annexure - I \_\_\_\_\_

### 2.2 Terms & Rights attached to Equity Shares

- The Company has one class of equity shares having a par value of ₹10/- each. Each holder of equity shares is entitled to one vote per share and in the event of liquidation, the shareholders of Equity shares of the company are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.
- The Company has one class of Preference Share which are non convertible reedemable of ₹100/- each. Such Shareholders have right to receive fixed preferential dividend. However no preferential shares are outstanding on the date of Balance Sheet.

### 2.3 The Reconciliation of the number of shares outstanding is set out below:

Particulars	No of Shares	No of Shares
Balance at the beginning of the year	19,072,052	19,072,052
Issued during the year	-	-
Balance at the end of the year	19,072,052	19,072,052



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	As at 31.03.2015 Amount(₹)	As at 31.03.2014 Amount(₹)
<b>Note.3 RESERVE &amp; SURPLUS</b>		
<b>a) Capital Reserve</b>		
Balance as per last account	441,106	441,106
	<b>441,106</b>	<b>441,106</b>
<b>b) Share Premium</b>		
As per last account	328,846,550	328,846,550
	<b>328,846,550</b>	<b>328,846,550</b>
<b>c) General Reserve</b>		
As per last account	333,433,938	283,433,938
Addition During the year	50,000,000	50,000,000
	<b>383,433,938</b>	<b>333,433,938</b>
<b>d) Capital Redemption Reserve</b>		
As per last account	30,000,000	30,000,000
	<b>30,000,000</b>	<b>30,000,000</b>
<b>e) Amalgamation Reserve</b>		
As per last account	12,510,424	12,510,424
	<b>12,510,424</b>	<b>12,510,424</b>
<b>f) Revaluation Reserve</b>		
As per last account	27,147,543	27,193,624
Less: Adjusted During the year	46,081	46,081
	<b>27,101,462</b>	<b>27,147,543</b>
<b>g) Profit &amp; Loss Account</b>		
As per last account	746,667,273	614,309,404
Add: Profit for the year	156,049,741	182,357,869
Add: Transferred to General Reserve	(50,000,000)	(50,000,000)
Add: Adjustment on account of depreciation (Note- 12.1 )	229,788	-
Less: Proposed Dividend on Equity Shares	19,072,052	-
Less: Corporate tax on proposed dividend	3,813,275	-
	<b>830,061,475</b>	<b>746,667,273</b>
<b>Total (a + b + c + d + e + f + g)</b>	<b>1,612,394,955</b>	<b>1,479,046,834</b>
<b>Note.4 LONG TERM BORROWINGS</b>		
<b>1. SECURED</b>		
<b>TERM LOAN</b>		
Allahabad Bank	4,625,206	27,359,482
Punjab National Bank	94,180,412	123,638,646
ICICI Bank Ltd.	-	-
HDFC Bank Ltd.	1,374,454	1,488,236
Tata Capital Ltd.	-	210,850
<b>2. UNSECURED</b>		
Directors	-	10,617,855
Bodies Corporate	503,550,000	358,436,608
	<b>603,730,072</b>	<b>521,751,677</b>



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### 4.1.A(i) Details of Securities

Term Loan From Allahabad Bank are secured by charge on exclusive mortgage of lease hold land at Adityapur, Jamshedpur and fixed assets and Current assets of the Company's unit at Jamshedpur both Present and Future and Personal guarantee of Directors.

Term Loan From Punjab National Bank are secured by equitable mortgage of Land and other Fixed Assets of the Company's unit named " Beekay Structural Steels-TMT" at Industrial Park, Parwada, Andhra Pradesh.

Car loan from HDFC Bank are secured on Vehicles.

	As at 31.03.2015 Amount(₹)	As at 31.03.2014 Amount(₹)
<b>Note.5 DEFERRED TAX LIABILITY (Net)</b>		
Deferred Tax Liability	305,139,108	281,834,981
Less : Deferred Tax Assets	7,928,568	5,761,096
	<b>297,210,540</b>	<b>276,073,885</b>
<b>Note.6 OTHER LONG TERM LIABILITIES</b>		
Sales Tax Deferral	8,032,035	25,876,109
Security and Other Deposits	152,868,800	152,832,800
	<b>160,900,835</b>	<b>178,708,909</b>
<b>Note.7 LONG TERM PROVISIONS</b>		
Provision for Leave Encashment	3,114,261	2,575,583
Provision for Income Tax	266,700,000	200,400,000
Provision for Gratuity	19,795,379	14,996,334
	<b>289,609,640</b>	<b>217,971,917</b>
<b>Note.8 SHORT TERM BORROWINGS</b>		
<b>SECURED</b>		
<b>WORKING CAPITAL &amp; TERM LOAN</b>		
Allahabad Bank	404,740,903	410,643,404
State Bank of India	437,454,664	336,758,137
Bank of Baroda	138,271,672	145,660,888
Punjab National Bank	27,106,052	196,316,518
State Bank of India(IBD)	8,391,337	5,203,137
Punjab National Bank(FBD)	-	16,041,468
	<b>1,015,964,628</b>	<b>1,110,623,552</b>

### Details of Securities

Working Capital Loan are secured by first hypothecation on entire current assets of the Company including stocks, book debts and other Current Assets of all the units both present & future ranking pari-passu basis with working capital lending Banks under consortium and Personal guarantee of some Directors and Second Charge on Fixed Assets (movable and immovable) of the Companies.

Security on Term Loan is disclosed under para 4.1.A(i).

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	As at 31.03.2015 Amount(₹)	As at 31.03.2014 Amount(₹)
<b>Note.9 TRADE PAYABLES</b>		
- For Goods	638,891,240	323,018,115
- For Capital Goods & Stores	95,945,795	48,861,588
- For Expenses	96,754,363	97,686,106
	<b>831,591,398</b>	<b>469,565,809</b>

<b>Note.10 OTHER CURRENT LIABILITIES</b>		
Current Maturities of Term Loan Borrowings*	48,909,664	48,909,664
Current Maturities of Finance Lease Obligations	2,011,613	2,887,539
Unpaid Dividend	678,163	919,610
Cheques Overdrawn	3,639,748	42,099,707
Other Payables**	15,472,849	10,047,497
Creditors for Capital Expenditure	15,078,572	22,235,434
Interest Accrued and Due on Borrowings	70,112,342	-
Other Liabilities	6,589,589	6,894,491
Advance from Customer	27,384,747	24,243,332
	<b>189,877,287</b>	<b>158,237,274</b>
<b>* Term Loan repayable within one year.</b>		
Punjab National Bank	30,909,664	30,909,664
Allahabad Bank	18,000,000	18,000,000
<b>** Includes Statutory Dues</b>	<b>48,909,664</b>	<b>48,909,664</b>

<b>Note.11 SHORT TERM PROVISIONS</b>		
Proposed Dividend	19,072,052	-
Tax on Dividend	3,813,275	-
Provision for Bonus	3,060,267	2,989,576
Provision for Excise Duty on Finished Goods	66,332,817	62,215,208
	<b>92,278,411</b>	<b>65,204,784</b>



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### NOTE: 12 FIXED ASSETS

DEPRECIATION OF FIXED ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As on 01.04.2014	Additions during the Year	Sold/ Discarded or Adjustments	As on 31.03.2015	Upto 01.04.2014	For the Year	Adjustment/ Sold/ Discarded	As on 31.03.2015	As on 31.03.2014
<b>TANGIBLE ASSETS:</b>									
Land	116,371,662	16,353,419	-	132,725,081	-	-	-	132,725,081	116,371,662
Leasehold Land	7,337,847	-	-	7,337,847	-	-	-	7,337,847	7,337,847
Shed & Building	520,909,916	49,350,437	-	570,260,353	92,181,279	17,156,114	(45,865)	460,877,094	428,728,637
Flats	9,588,702	-	-	9,588,702	1,773,087	172,363	-	7,643,252	7,815,615
Leasehold Flats	554,810	-	-	554,810	132,210	-	-	422,600	422,600
Office Premises	30,502,147	-	-	30,502,147	3,520,710	471,629	-	26,509,808	26,981,437
Plant & Machineries	1,536,981,006	125,104,852	-	1,662,085,858	380,980,868	84,911,850	(378,268)	1,195,814,872	1,156,000,138
Electrical Installation	112,736,730	6,346,066	-	119,082,796	17,804,155	10,133,438	90,296	27,847,297	94,932,575
Laboratory Equipments	5,394,180	265,992	-	5,660,172	1,107,802	954,254	(23,522)	3,574,594	4,286,378
Rolls	322,018,865	38,566,118	-	360,584,983	299,035,576	40,811,122	-	339,846,698	22,983,289
Furniture & Fixtures	23,595,976	2,053,047	-	25,649,023	13,885,309	2,510,510	(44,459)	16,440,278	9,710,667
Computer	16,145,047	1,115,607	-	17,260,654	14,116,178	2,852,321	2,292,777	14,675,722	2,028,869
Office Equipments	4,624,594	89,447	-	4,714,041	2,168,620	536,948	(1,047,643)	3,753,211	2,455,974
Air Conditioner & Others	7,322,224	1,540,682	-	8,862,906	2,273,879	521,104	(718,671)	3,513,654	5,048,345
Motor Vehicles	30,765,731	2,673,594	2,717,289	30,722,036	13,793,735	3,502,447	1,438,050	15,858,132	16,971,996
<b>Total - Fixed Assets</b>	<b>2,744,849,433</b>	<b>243,459,261</b>	<b>2,717,289</b>	<b>2,985,591,405</b>	<b>842,773,411</b>	<b>164,534,100</b>	<b>1,562,695</b>	<b>1,005,744,816</b>	<b>1,902,076,022</b>
Capital Work in Progress	274,794,783	57,985,072	118,428,702	214,351,153	-	-	-	214,351,153	274,794,783
<b>Total - Current Year</b>	<b>3,019,644,215</b>	<b>301,444,333</b>	<b>121,145,991</b>	<b>3,199,942,557</b>	<b>842,773,411</b>	<b>164,534,100</b>	<b>1,562,695</b>	<b>1,005,744,816</b>	<b>2,176,870,805</b>
<b>Previous Year</b>									
Fixed Assets	1,985,069,769	760,787,243	2,013,424	2,744,849,433	716,988,697	126,115,938	331,227	1,902,076,022	-
Capital Work In Progress	610,800,808	86,213,287	422,219,312	274,794,783	-	-	-	274,794,783	-
<b>Total - Previous Year</b>	<b>2,595,869,577</b>	<b>847,000,530</b>	<b>424,232,736</b>	<b>3,019,644,215</b>	<b>716,988,697</b>	<b>126,115,938</b>	<b>331,227</b>	<b>842,773,411</b>	<b>2,176,870,805</b>

### Note No: 12.1

Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, accordingly the unamortised carrying value is being depreciated / amortised over the revised/ remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted net of tax, in the opening balance of Profit and Loss Account amounting to Rs.2,29,788/-

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	As at 31.03.2015 Amount(₹)	As at 31.03.2014 Amount(₹)
<b>Note.13 NON - CURRENT INVESTMENTS</b>		
<b>(Long Term Investments Trade)</b>		
<b>In Equity Shares (Quoted)</b>		
800 Equity Shares of ₹10/- each fully paid up in Super Forging & Steels Limited (Market Value ₹2,040/-)	2,040	2,040
Company under same management :	2,320,000	2,320,000
11,60,000 Equity Shares ₹10/- each fully paid up in AKC Steel Industries Ltd ( Market Value ₹23,20,000/-)		
	<b>2,322,040</b>	<b>2,322,040</b>
<b>Note.14 LONG-TERM LOANS AND ADVANCES</b>		
<b>(Unsecured and Considered Good)</b>		
Advance Against Capital Expenditure	78,079,717	78,083,717
Advance with Sales Tax, Excise Departments	8,345,455	7,980,142
Security & Other Deposit	50,746,781	50,854,245
MAT Credit Entitlement	29,720,092	45,000,292
Advance Income Tax	271,406,282	201,047,784
	<b>438,298,327</b>	<b>382,966,180</b>
<b>Note.15 OTHER NON CURRENT ASSETS</b>		
<b>Unamortised Expenses</b>		
Deferred Revenue	-	589,200
Preliminary Expenses	-	33,334
	-	<b>622,534</b>
<b>Note.16 INVENTORIES</b>		
Raw Materials Including Materials in Transit	664,278,631	365,155,762
Finished Goods	520,272,535	526,245,196
Stock In Trade	20,270,140	21,857,903
Scrap and Cuttings	76,214,961	39,356,991
Stores and Spares	64,701,152	49,949,825
	<b>1,345,737,419</b>	<b>1,002,565,677</b>
<b>Note.17 TRADE RECEIVABLES</b>		
<b>(Unsecured and Considered Good)</b>		
Outstanding for a period exceeding Six Months from the due date	31,476,260	29,617,063
Others	611,322,053	629,281,454
	<b>642,798,313</b>	<b>658,898,517</b>
<b>Note.18 CASH AND CASH EQUIVALENT</b>		
Cash on Hand	3,171,769	2,101,979
Balances with Banks:		
In Current Account	8,027,171	9,785,005
In Fixed Deposit Account	35,075,858	15,210,602
In Dividend Accounts	678,163	919,610
	<b>46,952,961</b>	<b>28,017,196</b>
<b>Note.19 SHORT-TERM LOANS AND ADVANCES</b>		
<b>(Unsecured and Considered Good)</b>		
Balance with Central Excise Authorities	151,221,892	105,546,652
Balance with Sales Tax Authorities	85,875,661	79,089,073
Other Advances*	374,244,366	227,174,147
* Includes Interest Receivable on Fixed Deposits with Banks	<b>611,341,919</b>	<b>411,809,872</b>



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	As at 31.03.2015 Amount(₹)	As at 31.03.2014 Amount(₹)
<b>Note.20 OTHER CURRENT ASSETS</b>		
(Unsecured and Considered Good)		
Prepaid Expenses	1,959,474	3,466,562
Prepaid Insurance	858,842	554,528
	<b>2,818,316</b>	<b>4,021,090</b>
	For the year ended 31.03.2015 Amount(₹)	For the year ended 31.03.2014 Amount(₹)
<b>Note.21 REVENUE FROM OPERATIONS</b>		
<b>Sale of Products</b>		
Manufacturing	3,512,688,414	3,049,001,118
Trading	1,039,660,298	1,760,406,057
	<b>4,552,348,712</b>	<b>4,809,407,175</b>
<b>Income from Services</b>		
Conversion Charges	709,100,398	705,402,290
<b>Other Operating Revenues</b>		
Scrap & Coal Fines Sales	273,964,111	285,502,741
Export Incentives	6,577,671	10,990,568
	<b>5,541,990,892</b>	<b>5,811,302,774</b>
<b>Note.22 OTHER INCOME</b>		
Interest	5,080,050	5,645,912
Maintenance & Service Charges	964,830	1,316,000
Rent	4,206,660	3,353,310
Sundry Balance W/Back	935,281	636,997
Miscellaneous Receipt	8,650,146	9,672,306
Profit on Sale of Fixed Assets	29,000	175,000
	<b>19,865,967</b>	<b>20,799,525</b>
<b>Note.23 COST OF MATERIALS CONSUMED</b>		
Opening Stock	347,875,682	488,765,402
Add : Purchases	2,856,515,523	2,088,843,388
	<b>3,204,391,205</b>	<b>2,577,608,790</b>
Less : Closing Stock	660,035,004	347,875,682
	<b>2,544,356,201</b>	<b>2,229,733,108</b>
<b>Note.24 PURCHASE OF STOCK-IN-TRADE</b>		
For Resale - Materials & Other Goods	1,073,286,699	1,775,897,630
	<b>1,073,286,699</b>	<b>1,775,897,630</b>
<b>Note.25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE</b>		
<b>Inventories (at close)</b>		
Finished Goods	520,272,535	526,245,196
Stock In Trade	20,270,140	21,857,903
Scrap,Cuttings & Coal Fines	77,854,392	39,764,684
	<b>618,397,067</b>	<b>587,867,783</b>
<b>Inventories (at commencement)</b>		
Finished Goods	526,245,196	427,078,842
Stock In Trade	21,857,903	23,140,275
Scrap,Cuttings & Coal Fines	39,764,684	20,495,385
	<b>587,867,783</b>	<b>470,714,502</b>
Less : Provision for Excise Duty	62,215,208	49,219,226
	<b>525,652,575</b>	<b>421,495,276</b>
	<b>(92,744,492)</b>	<b>(166,372,507)</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	For the year ended 31.03.2015 Amount(₹)	For the year ended 31.03.2014 Amount(₹)
<b>Note.26 EMPLOYEE BENEFITS EXPENSE</b>		
Salary, Wages & Bonus	70,120,802	67,554,636
Contribution to Provident and Other Funds	8,568,030	7,550,727
Workmen and Staff Welfare Expenses	9,914,488	5,428,922
Gratuity	5,101,413	3,681,758
Leave Encashment	1,590,083	1,777,836
Managerial Personnel	16,573,200	11,976,000
	<b>111,868,016</b>	<b>97,969,879</b>
<b>Note.27 FINANCE COST</b>		
Interest Expenses	204,290,389	191,668,396
Other Borrowing Costs	9,349,346	8,750,486
	<b>213,639,735</b>	<b>200,418,882</b>
<b>Note.28 DEPRECIATION AND AMORTISATION</b>		
Depreciation on Tangible Assets	<b>164,568,096</b>	<b>125,614,562</b>
<b>Note.29 OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Rolling Charges & Material Cutting Charges	88,772,244	83,198,919
Stores & Spares Parts Consumed	75,980,726	58,921,962
Furnace Oil Consumed	23,337,397	111,952,291
Oxygen & Gas Consumed	2,675,376	4,458,970
Coal Consumed	325,741,700	267,432,827
Electricity Charges	156,603,097	147,173,696
PGP Operation Charges	18,249,627	15,714,834
Processing Charges	2,320,916	1,583,399
<b>Repair &amp; Maintenance:</b>		
- Plant & Machinery	5,464,602	9,361,308
- Shed & Building	2,430,365	1,762,719
Freight, Carriage and Octroi Charges	46,665,133	39,021,680
Machinery Hire Charges	7,627,674	7,758,693
Excise Duty on Finished Goods	66,332,817	62,215,208
Testing, Effluent & Inspection Charges	1,333,837	1,607,874
	<b>823,535,511</b>	<b>812,164,380</b>
<b>Selling &amp; Distribution Expenses</b>		
Advertisement Expenses	314,455	403,986
Commission On Sales	2,329,067	2,838,248
Sales Promotion Expenses	3,216,642	3,247,323
Freight, Carriage & Octroi Charges	43,339,336	72,365,251
Other Selling & Distribution Expenses	6,483,658	5,889,084
	<b>55,683,158</b>	<b>84,743,892</b>



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	For the year ended 31.03.2015 Amount(₹)	For the year ended 31.03.2014 Amount(₹)
<b>Establishment Expenses</b>		
Computer Maintenance Expenses	610,508	606,822
Donation	2,453,126	2,736,731
Electricity Expenses	1,145,174	1,027,655
Insurance Charges	2,109,052	1,380,440
Legal and Professional Charges	5,795,443	5,844,053
License, Rates and Taxes	6,795,185	4,217,013
Printing & Stationery	1,653,421	1,471,981
Repairs and Maintenance - Others	8,915,410	8,613,420
Rent Charges Paid	1,638,257	1,651,314
Security Service Charges	6,449,947	6,016,051
Loss on Sale of Fixed Assets	629,294	-
Miscellaneous Expenses	16,053,522	16,204,254
Telephone and Mobile Expenses	2,565,755	2,430,931
Travelling & Coveyance Expenses	7,072,284	6,674,065
Deferred Expenses Written Off	589,200	589,200
Vehicle Maintenance	4,482,732	4,409,136
Payment to Auditors:		
- Audit Fees	518,300	518,300
- Tax Audit	52,000	52,000
- Reimbursement of Expenses	219,028	203,229
	<b>69,747,638</b>	<b>64,646,595</b>
	<b>948,966,307</b>	<b>961,554,867</b>

### Annexure - I

#### Details of Shareholders holding more than 5% shares in the Company

Sr. No.	Name of the Shareholder	As at 31st March, 2015		As at 31st March, 2014	
		No of Shares	%	No of Shares	%
1	Jyotirmoy Trading Pvt Ltd	2,457,678	12.89	2,457,678	12.89
2	Concast Steels & Alloys Ltd	2,129,754	11.17	2,129,754	11.17
3	Suresh Chand Bansal	2,013,854	10.56	2,013,854	10.56
4	B.L.Bansal	1,516,710	7.95	1,516,710	7.95
5	Manav Bansal	1,258,196	6.60	1,258,196	6.60
6	Mukesh Chand Bansal	1,193,374	6.26	1,193,374	6.26
7	Century Vision Pvt Ltd	1,060,938	5.56	1,060,938	5.56



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### 30) Values of Imports calculated on CIF Basis in Respect of:

Particulars	Currency	Period	Amount in Foreign Currency	Amount in Indian Currency
a) Import of Raw Material and Stock-in-Trade	USD	Current Previous	6,142,212 NIL	384,670,878 NIL
b) Import of Machineries and Components	USD	Current Previous	NIL 51,945	NIL 2,907,607

31) Expenditure in Foreign Currency	2014-15	2013-14
Commission on Sales	850,114	1,448,485
Travelling Expenses	1,560,593	2,137,513

### 32) Value of Raw Materials, Stores & Spare Parts Consumed

	Year ended 31.03.2015		Year ended 31.03.2014	
	Amount(₹)	(%)	Amount(₹)	(%)
(a) Raw Material				
i) Imported	45,953,599	1.90	72,938,718	3.27
ii) Indigenous	2,498,402,602	98.10	2,156,794,390	96.73
	<b>2,544,356,201</b>		<b>2,229,733,108</b>	
(b) Stores & Spare Parts				
Imported	NIL		NIL	
Indigenous	75,980,726	100	58,921,962	100

### 33) Earning per Share (EPS)

	Year Ended 31.03.2015	Year Ended 31.03.2014
Profit attributable to the Equity Shareholders (A)	156,049,741	182,357,869
Weighted Average No. of Equity Shares (B)	19,072,052	19,072,052
Face value of Equity Shares	10/-	10/-
Basic Earnings per Share (₹) [(A)/(B)] After Preferential Share Issue	8.18	9.56

34) Earnings in Foreign Exchange	2014-15	2013-14
FOB Value of Exports	361,720,429	543,799,085
Others (Export Incentive)	6,577,671	10,990,568

### 35) Deferred Taxation :

The movement for Deferred Tax is given below :

Particulars	Opening as on 01.04.2014	During the Year	Closing as on 31.03.2015
<b>Deferred Tax Liability</b>			
Timing difference of Depreciation	281,834,981	23,304,127	305,139,108
<b>Deferred Tax Assets</b>			
Disallowance allowable on payments	5,761,096	2,167,472	7,928,568
<b>Net Deferred Tax Liability</b>	<b>276,073,885</b>	<b>21,136,655</b>	<b>297,210,540</b>



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### 36) Disclosures pursuant to Accounting Standard - 15 "Employee Benefits"

#### (I) Details of Defined Benefit Plan - Gratuity Scheme

(Amount in ₹)

1. Component of Employer Expense	31.03.2015	31.03.2014
(a) Current Service Cost (including risk premiums for fully insured benefits)	838,477	887,544
(b) Interest Cost	856,814	677,186
(c) Expected Return on Plan Assets	-	-
(d) Curtailment Cost/ (Credit)	-	-
(e) Settlement Cost/ (Credit)	-	-
(f) Past Service Cost	-	-
(g) Actuarial Losses / (Gains)	3,021,323	(511,509)
<b>2. Net Asset/(Liability) recognised in Balance Sheet</b>		
(a) Present value of Defined Benefit Obligation	13,899,592	9,342,729
(b) Fair Value of Plan Assets	-	-
(c) Funded Status (Surplus/Deficit)	(13,899,592)	(9,342,729)
(d) Unrecognised Past Service Cost	-	-
(e) Net Asset/ (Liability) recognised in Balance Sheet	(13,899,592)	(9,342,729)
<b>3. Change in Defined Benefit Obligation</b>		
(a) DBO at the beginning of the period	9,342,729	8,431,142
(b) Service Cost	838,477	887,544
(c) Interest Cost	856,814	677,186
(d) Curtailment Cost / (Credit)	-	-
(e) Settlement Cost / (Credit)	-	-
(f) Plan Amendment Cost/ (Credit)	-	-
(g) Acquisition Cost / (Credit)	-	-
(h) Actuarial Losses / (Gains)	3,021,323	(511,509)
(i) Benefit Payments	(159,751)	(141,634)
(j) DBO at the end of the period	13,899,592	9,342,729
<b>4. Change in the Fair Value of Assets</b>		
(a) Fair Value of Plan Asset at the beginning of the period	-	-
(b) Acquisition Adjustment	-	-
(c) Expected Return on Plan Assets	-	-
(d) Actual Company Contributions	159,751	141,634
(e) Actuarial Gain/(Loss)	-	-
(f) Benefit Payments	(159,751)	(141,634)
(g) Fair Value of Plan assets at the end of period	-	-
<b>5. Reconciliation of Net Asset/Liability recognised in B.Sheet</b>		
(a) Net Asset / (Liability) at the beginning of period	(9,342,729)	(8,431,142)
(b) Employer (Expense)/Credit	(4,716,614)	(1,053,221)
(c) Employer Contributions	159,751	141,634
(d) Acquisition / Business Combinations	-	-
(e) Net Asset / (Liability) at the end of the period	(13,899,592)	(9,342,729)
<b>6. Actuarial Assumptions</b>	<b>31.03.2015</b>	<b>31.03.2014</b>
(a) Discount Rate Used	7.80%	9.25%
(b) Salary Escalation Rate	7.00%	5.00%
(c) Expected Return on Assets	NA	NA

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

7. Experience History of Last 5 Years	31.03.2011	31.03.2012	31.03.2013	31.03.2014	31.03.2015
(a) DBO at the end of the period	(6,695,327)	(7,107,987)	(8,431,142)	(9,342,729)	(13,899,592)
(b) Plan assets at the end of period	-	-	-	-	-
(c) Funded Status	(6,695,327)	(7,107,987)	(8,431,142)	(9,342,729)	(13,899,592)
(d) Experience Gain/ (Loss) adjustment on plan liabilities	N/A	207,406	119,586	(312,398)	315,728
(e) Experience Gain/ (Loss) adjustment on plan assets	N/A	-	-	-	-
(f) Actuarial Gain/(Loss) due to change in assumption	N/A	302,931	(309,971)	823,907	(3,337,051)

- (II) The obligation of gratuity as on 31st March, 2015 ascertained by the management is Rs. 19,795,379/- (Previous year Rs. 14,996,334/-) and accordingly current year provision to be recognised in the Statement of Profit & Loss is Rs. 51,01,413/- (Previous year Rs. 3,681,758/-).

**NOTE:-** As disclosed above, the obligation of gratuity ascertained as per actuarial valuation is lower than the obligation ascertained by the management, therefore according to principle of conservatism, higher of the above has been recognised as Provision for Gratuity in the Balance Sheet and have been charged accordingly from the Statement of Profit & Loss.

### 37) Transactions With Related Parties :

As per Accounting Standard 18, the disclosures of the transactions with the related parties are given below.

List of Related Parties with whom Transactions have taken place and their relationships.

#### Name of Related Parties

##### a) Key Management Personnel

1. Suresh Chand Bansal
2. Mukesh Chand Bansal
3. Vikas Bansal
4. Manav Bansal
5. Gautam Bansal

##### b) Enterprises over which Key Management Persons to its Relative have its Interest:

###### i) Associated Companies:

1. AKC Steel Industries Limited
2. B.P. Spring & Engineering Co. (Pvt) Limited
3. Century Vision Private Limited
4. Manvik Estate Private Limited
5. Emerald Suppliers Private Limited
6. Tirumala Holdings Private Limited

###### ii) Associated Enterprises:

1. B. L. Bansal & Sons (HUF)
2. Mukesh Chand Bansal & Others
3. Beekay International
4. Thirupathy Bright Industries



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amounts in ₹)

Sl. No.	Nature of Transactions	Associate Companies	Associate Enterprises	Key Managerial Personnel	Total
1.	Purchases of Goods	245,803,307 (246,700,419)	11,180,274 (9,051,643)	- -	256,983,581 (255,752,062)
2.	Fixed Assets	7,228,819 (-)	- -	- -	7,228,819 -
3.	Sales of Goods	294,174,605 (288,545,580)	263,430 (14,823,781)	- -	294,438,035 (303,369,361)
4.	Expenses	-	-	-	-
	Rent, Electricity & Maintenance	191,172 (140,692)	36,000 (36,000)	609,868 (609,868)	837,040 (786,560)
	Machining Charges	2,289,388 (5,691,200)	- -	- -	2,289,388 (5,691,200)
5.	Other Income	-	-	-	-
	Rent, Electricity & Maintenance	8,332,205 (9,137,853)	- -	- -	8,332,205 (9,137,853)
6.	Unsecured Loans	1,020,000 (1,038,521)	- -	5,165,480 (686,506)	6,185,480 (1,725,027)
7.	Payment to Managerial Persons	- -	- -	16,573,200 (12,098,710)	16,573,200 (12,098,710)
8.	Purchases of Goods	-	-	-	-
	Dr. Balance	45,229,127 (41,913,513)	- -	- -	45,229,127 (41,913,513)
	Cr. Balance	-	1,324,031	-	1,324,031
9.	Fixed Assets	- -	- -	- -	- -
10.	Sales of Goods	-	-	-	-
	Dr. Balance	6,061,501 (9,120,624)	673,430 (3,439,980)	- -	6,734,931 (12,560,604)
11.	Expenses	-	-	-	-
	Rent, Electricity & Maintenance	1,044,843 (817,671)	725,585 (689,585)	257,068 (197,210)	2,027,496 (1,704,466)
	Machining Charges	6,167,826 (3,959,506)	- -	- -	6,167,826 (3,959,506)
12.	Other Income	-	-	-	-
	Rent, Electricity & Maintenance	7,009,170 (1,820,704)	- -	- -	7,009,170 (1,820,704)
13.	Unsecured Loans	-	-	-	-
	Cr. Balance	8,758,500 (8,803,718)	- -	1,666,787 (10,617,855)	10,425,287 (19,421,573)
14.	Payment to Managerial Persons	-	-	-	-
	Cr. Balance	-	-	4,982,478 (3,654,817)	4,982,478 (3,654,817)



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Disclosure in respect of major related party's transaction during the year:

(Amounts in ₹)

Relationship		2014-15	2013-14
<b>1. Purchases of Goods</b>			
AKC Steel Industries Limited	Associate Companies	245,803,307	246,700,419
Thirupathy Bright Industries	Associate Enterprises	11,180,724	9,051,643
<b>2. Fixed Assets</b>			
B P Spring & Engineering Co. Pvt. Ltd.	Associate Companies	7,228,819	-
<b>3. Sale of Goods</b>			
AKC Steel Industries Limited	Associate Companies	294,174,605	286,968,288
B P Spring & Engineering Co. Pvt. Ltd.	Associate Companies	-	1,577,292
Beekay International	Associate Enterprises	-	907,680
Thirupathy Bright Industries	Associate Enterprises	263,430	13,916,101
<b>4. Expenses</b>			
Rent, Electricity & Maintenance			
AKC Steel Industries Limited	Associate Companies	36,000	-
Emerald Suppliers Pvt Ltd	Associate Companies	155,172	140,692
B.L. Bansal & Sons (HUF)	Associate Enterprises	36,000	36,000
Gautam Bansal	Key Managerial Person	281,068	281,068
Aruna Bansal	Key Managerial Person	164,400	164,400
Indu Bansal	Key Managerial Person	132,000	132,000
Vikas Bansal	Key Managerial Person	32,400	32,400
Machining Charges			
AKC Steel Industries Limited	Associate Companies	2,289,388	5,691,200
<b>5. Other Income</b>			
Rent, Electricity & Maintenance			
B P Spring & Engineering Co. Pvt. Ltd.	Associate Companies	8,332,205	9,137,853
<b>6. Unsecured Loan</b>			
Tirumala Holdings Pvt Ltd	Associate Companies	45,000	45,000
Century Vision Pvt Ltd	Associate Companies	975,000	993,521
Suresh Chand Bansal	Key Managerial Person	5,165,480	521,095
Vikas Bansal	Key Managerial Person	-	165,411
<b>7. Payment to Managerial Person</b>			
Suresh Chand Bansal	Key Managerial Person	5,520,000	4,786,710
Mukesh Chand Bansal	Key Managerial Person	3,705,600	3,168,000
Vikas Bansal	Key Managerial Person	3,201,600	2,748,000
Manav Bansal	Key Managerial Person	2,490,000	16,000
Gautam Bansal	Key Managerial Person	1,656,000	1,380,000

(Figures under bracket are of previous year)



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### 38) Contingent Liabilities and Commitments

1. The Company is contingently liable in respect of the following which are not provided for in the accounts but are separately disclosed here :
  - i) Guarantees of ₹7,15,00,000/- (Previous year ₹6,65,00,000/-) issued by Banks in favour of certain parties against which Bank Fixed Deposit Receipts of ₹2,70,58,100/- (Previous year ₹67,50,000/-) are pledged with the Banks.
  - ii) **Claims against the Company disputed and not acknowledged as debts in respect of :**
    - a) Central Excise Duty for ₹8,31,204/- (Previous Year ₹8,31,204/-) is in appeal before Hon'ble High Court, Kolkata and the matter is pending in appeal.
    - b) Central Excise Duty for ₹4,20,803/- (Previous Year ₹4,20,803/-) is in remand before Jt. Commissioner of Central Excise, Jamshedpur and the matters pending in appeal.
    - c) Central Excise Duty for ₹94,185/- (Previous Year ₹94,185/-) is in remand before Customs, Excise & Service Tax Appellate Tribunal, EZB, Kolkata and the matters pending in appeal.
    - d) Central Excise Duty including Service Tax for ₹Nil/- (Previous Year ₹ 13,47,300/-) is in appeal before Customs, Excise & Service Tax Appellate Tribunal, Bangalore and the matters pending in appeal.
    - e) Central Excise Duty for ₹ 5,90,078/- (Previous Year ₹ 72,50,835/-) is in appeal before Commissioner of Central Excise (Appeals-Visakhapatnam) and the matters is pending in appeal.
    - f) Central Excise Duty including Service Tax for ₹31,50,000/- (Previous Year ₹31,50,000/-) is in appeal before Customs, Excise & Service Tax Appellate Tribunal, Kolkata and the matters pending in appeal.
    - g) Sales Tax for ₹ Nil/- (Previous Year ₹40,13,333/-) including penalty is pending with the CIT(Appeal), Jamshedpur for escapement of sales turnover as per objection by Audit Team for the Year 2008-09.
    - h) Sales Tax for ₹ Nil/- (Previous Year ₹14,40,730/-) is pending with the Appellate Deputy Commissioner(CT), Visakhapatnam for export sales not covered by proper documents and disallow of submission of "H" Forms for the year 2007-08
    - i) Sales Tax for ₹ Nil/- (Previous Year 2,95,46,895/-) is pending with the Appellate Deputy Commissioner(CT), Visakhapatnam for interstate sales of Iron & Steel not covered by "C" Forms for the year 2009-10
    - j) Central Excise Duty for ₹2,10,156/- (Previous Year 2,10,156/-) including penalty is pending in appeal with Commissioner of Central Excise(Appeals), Chennai for disallow of cenvat on capital goods .
    - k) Income Tax for ₹ 7,61,42,440/- (Previous Year ₹Nil) is pending with Commissioner of Income Tax (Appeals), Kolkata for the year 2011-12
    - l) Income Tax for ₹ 60,63,651/- (Previous Year ₹Nil) is pending with Income Tax Appellate Tribunal, Kolkata for the Year 2004-05
    - m) Central Excise Duty for ₹4,93,53,416/- (Previous Year Nil/-) is pending in with Commissioner of Central Excise & Service Tax, Jamshedpur for Excise Duty availment on Supplementary invoices raised by Tata Steel for the period Jan' 2009 to Dec' 2013.
  - iii) Estimated amount of capital contract (net of advances) ₹ 87,95,000/- (Previous Year ₹2,57,54,000/-) remaining to be executed.



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### 39) Other Notes.

- a) The Company's Chengalpet Unit has availed for deferral of interest free sales tax w.e.f. 01.12.2000, not exceeding ₹651.10 Lacs. The unit has availed ₹80.32 Lacs and made a payment of ₹1,78,44,074/- relating to 2001-2002 & 2002-03. The Net Sales tax deferred as on 31.03.2015 is ₹80,32,035/- (Previous year ₹2,58,76,109/-).
- b) Pending Final Settlement, liability of Bonus ₹30,60,267/- (Previous year ₹29,89,576/-) has been provided in the accounts.
- c) In the opinion of the Directors, all the Assets other than Fixed Assets and Non-Current Investments have a value on realisation in the ordinary course of Business, atleast equal to the amount at which they are stated in the Balance Sheet. Provision for depreciation and all known liabilities is adequate and not in excess of what is required.
- d) In the opinion of the Directors the Current Assets, Loans & Advances, have the value at which they are stated to the Balance Sheet, if realised in the ordinary course of business. Further the confirmation of Balances from several parties having transactions with the Company have yet to be obtained.
- e) The liability for Gratuity as on 31st March, 2015 has been ascertained by the management as ₹19,795,379/- (Previous year ₹14,996,334/-) and provided accordingly. Payments made during the year has been charged to Accounts.
- f) Depreciation on Fixed Assets of the Units/Branches of the company which are under construction/progress is capitalised as an cwip - indirect expense & have not been charged to statement of profit & loss of the company, however WDV of the respective assets have been shown after charging such depreciation.
- g) Unamortised part of Miscallaneous/ Preliminary and other deferred revenue expenditure have been presented under the head Other Non-Current Assets.
- h) Company has acquired land at Bobbili, Vizianagram and entered into an agreement for Sales with Andhra Pradesh Industrial Infrastructure Corporation Ltd. and shown the amount as advance against land as the conveyance of title is contingent on commencement of commercial production on the said plot of Land. Necessary Capitalisation will be made on commencement of production.
- i) Under the Micro, Small and Medium Enterprise Development Act, 2006 certain disclosures are required to be made relating to Micro, Small and Medium Enterprise. The Company have not reclassified the creditors hence disclosure of overdue payment and interest payable under aforesaid Act, is not ascertained.
- j) Previous year's figures have been regrouped/reclassified wherever found necessary to confirm to current year's presentation



## AUDITOR'S CERTIFICATE

To  
The Board of Directors,  
**BEEKAY STEEL INDUSTRIES LIMITED,**  
"Lansdowne Towers"  
2/1A, Sarat Bose Road, 4th Floor,  
Kolkata - 700 020

We have examined the attached Cash Flow Statement of **BEEKAY STEEL INDUSTRIES LIMITED** for the year ended 31st March, 2015. The Statement has been prepared by the Company in accordance with the requirements of Listing Agreement Clause 32 with the Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 30th day of May, 2015 to the members of the Company.

**For RUSTAGI & ASSOCIATES**  
**Firm Regd. No.314194E**  
*Chartered Accountants*

Sd/-  
**(S.K. RUSTAGI)**  
**Partner**  
**Membership No. 51860**

59, Bentick Street, Kolkata - 700 069.  
Dated 30th day of May, 2015



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

	Amount in Lacs Current Year	Amount in Lacs Previous Year
<b>A. NET PROFIT BEFORE TAX AND EXTRA-ORDINARY ITEMS</b>	<b>2,433.70</b>	<b>2,896.75</b>
<b>Adjustment for :</b>		
Depreciation	1,645.68	1,256.15
Gratuity & Leave Encashment	66.91	54.60
(Profit) / Loss on Sale of Fixed Assets	6.00	(1.75)
Interest Received	(50.80)	(56.46)
Interest Paid	2,136.40	2,004.19
Sundry Balances Written back	(9.35)	(6.37)
Bad Debts & Sundry Balances Written Off	5.75	16.02
	<b>6,234.29</b>	<b>6,163.13</b>
<b>Operating Profit before Working Capital Changes</b>		
Trade and Other Receivables	161.00	921.50
Inventories	(3,431.71)	78.67
Loans & Advances	(1,985.83)	78.68
Trade and other Liabilities	3,212.68	(2,983.45)
	<b>(2,043.86)</b>	<b>(1,904.60)</b>
<b>Cash Generated from Operations</b>	<b>4,190.43</b>	<b>4,258.53</b>
Direct Taxes - Refund / Paid	499.11	495.81
<b>Cash Flow Before Extra Ordinary Items</b>	<b>3,691.32</b>	<b>3,762.72</b>
Extra Ordinary Items	-	-
	<b>3,691.32</b>	<b>3,762.72</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sold/Discard of Fixed Assets	(6.00)	1.75
Purchase of Fixed assets	(1,830.16)	(4,247.81)
Interest Received	50.80	56.46
<b>Cash used in Investing Activities</b>	<b>(1,785.36)</b>	<b>(4,189.60)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term & Short Term Borrowing	419.79	2,369.36
Interest Paid	(2,136.40)	(2,004.19)
<b>Net Cash used in Financing Activities</b>	<b>(1,716.61)</b>	<b>365.17</b>
<b>Net Cash Flow During the Year (A+B+C)</b>	<b>189.35</b>	<b>(61.71)</b>
Opening Cash & Cash Equivalents	280.17	341.89
Closing Cash and Cash Equivalents	469.53	280.17

**For RUSTAGI & ASSOCIATES**  
Chartered Accountants

Sd/-  
**(S. K. RUSTAGI)**  
Partner  
Mem.No.051860  
Firm Regd. No.314194E

59, Bentick Street, Kolkata - 700 069.  
Dated 30th day of May, 2015

**For and on behalf of the Board**

Sd/-  
**Suresh Chand Bansal** - Executive Chairman  
(DIN : 00103134)  
**Mukesh Chand Bansal**- Managing Director  
(DIN : 00103098)  
**Manav Bansal**- Wholetime Director & CFO  
(DIN : 00103024)  
**Rabindra Kumar Sahoo**- Company Secretary



## PERFORMANCE AT A GLANCE (TEN YEARS' REVIEW)

### FINANCIAL HIGHLIGHTS

PARTICULARS	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
Sales	554.20	581.13	609.04	600.03	458.58	332.21	314.00	304.43	322.64	328.89
Other Income	1.99	2.08	1.79	1.64	2.29	0.96	1.31	1.41	1.03	1.42
<b>Total Income (A)</b>	556.19	583.21	610.83	601.67	460.87	333.17	315.31	305.84	323.67	330.30
Manufacturing & Other Expenses (B)	494.03	521.64	556.67	547.29	410.91	298.25	283.74	276.28	302.26	313.38
<b>EBIDTA (C) [A-B]</b>	62.16	61.57	54.16	54.38	49.97	34.92	31.57	29.56	21.41	16.92
Finance Costs	21.36	20.04	16.65	18.23	14.46	11.24	14.91	11.43	5.24	3.49
Depreciation	16.46	12.56	9.28	9.25	7.51	7.16	8.63	9.74	3.85	3.62
<b>Profit Before Tax</b>	24.34	28.97	28.23	26.90	28.00	16.52	8.03	8.39	12.32	9.80
Less:-Taxation / Deferred Tax	8.75	10.67	9.20	8.75	9.12	5.60	2.72	3.20	4.02	3.03
Profit / (Loss) After Tax	15.59	18.30	19.03	18.15	18.88	10.92	5.30	5.19	8.29	6.78
Adjustment in the respect of the earlier years	0.01	(0.06)	(0.01)	0.02	(0.01)	0.17	0.11	0.18	(0.09)	0.06
<b>Profit Available For Appropriation</b>	15.60	18.24	19.02	18.17	18.87	11.09	5.41	5.37	8.20	6.83
Appropriation										
(a) Dividend Amount & Dividend Tax	2.29	-	-	-	1.00	0.54	0.48	0.59	0.86	-
(b) Transfer to / from Reserves	5.00	5.00	5.00	5.00	4.20	3.60	3.60	3.60	4.00	4.00
<b>Surplus</b>	8.31	13.24	14.02	13.17	13.67	6.94	1.33	1.18	3.34	2.83
<b>What The Company Owned</b>										
<b>Fixed Assets</b>										
Gross Block	298.56	274.49	198.51	172.23	162.47	128.71	122.10	109.17	100.25	68.65
Less : Depreciation	100.57	84.28	71.70	62.65	53.56	46.08	39.08	30.86	21.27	17.48
Net Block	197.99	190.21	126.81	109.58	108.91	82.62	83.02	78.31	78.98	51.17
Capital Work-in-Progress	21.43	27.48	61.08	37.96	8.09	13.12	6.00	11.68	6.23	10.58
Investment	0.23	0.23	0.23	0.23	0.66	0.66	0.66	0.66	0.67	0.67
Current Assets & Advances	308.79	248.82	255.65	274.93	238.57	172.88	136.31	168.11	103.35	106.83
Non Current Assets	-	0.06	0.12	0.01	0.21	0.74	0.68	0.02	0.01	0.01
	528.44	466.80	443.89	422.71	356.44	270.03	226.66	258.78	189.24	169.26
<b>What The Company Owed</b>										
Secured Loans	116.70	131.51	114.38	101.14	98.20	82.49	74.44	92.83	45.78	17.42
Redeemable Preference Shares	-	-	-	-	-	1.20	1.80	2.40	3.00	-
Unsecured Loans	57.37	36.91	26.40	36.08	32.98	34.47	25.89	34.94	35.67	34.03
Deferred Tax Liability	29.72	27.61	18.59	15.10	14.52	11.44	10.69	9.48	9.33	7.88
Current/Long Term Liabilities & Provisions	144.32	103.78	135.76	140.65	119.16	66.73	50.66	60.88	41.99	60.80
	348.11	299.81	295.13	292.97	264.86	196.33	163.49	200.53	135.77	120.13
<b>Net Worth of the Company</b>										
Equity Share Capital	19.09	19.09	19.09	19.09	17.09	2.86	2.86	2.86	2.86	1.75
Share Suspense	-	-	-	-	-	-	-	-	-	4.11
Reserve & Surplus	161.24	147.90	129.67	110.65	74.49	70.84	60.30	55.38	50.61	43.26
	180.33	166.99	148.76	129.74	91.58	73.70	63.17	58.25	53.47	49.12
<b>Financial Indicators</b>										
Earning per Share (EPS)	8.18	10.00	10.00	10.00	11.00	39.00	19.00	18.00	31.00	39.15
Book Value per Equity Share (Rs.)	94.55	87.56	78.00	68.03	53.58	263.21	225.61	208.03	190.96	171.52



**BEEKAY**

**BEEKAY STEEL INDUSTRIES LTD**

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