




Inspired by Steel

Beekay Steel Industries Limited

annual report 2013-14



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CORPORATE INFORMATION

MENTOR	Mr. Basheshar Lal Bansal
BOARD OF DIRECTORS	Mr. Suresh Chand Bansal - Executive Chairman Mr. Mukesh Chand Bansal - Managing Director Mr. Vikas Bansal - Executive Director Mr. Gautam Bansal - Whole time Director Mr. Manav Bansal - Whole time Director Mr. Vijay Bansal - Non-Executive Director Mr. Bhal Chandra Khaitan - Independent Director Mr. Brijesh Kumar Dalmia - Independent Director Mr. Ravishankar Sridharan - Independent Director Mr. Krishna Chandra Raut - Independent Director Mr. Srikumar Banerjee - Independent Director
BANKERS	Allahabad Bank State Bank of India Punjab National Bank Bank of Baroda
AUDITORS	M/s. Rustagi & Associates Chartered Accountants 59, Bentick Street, Kolkata 700069
REGISTERED OFFICE	"Lansdowne Towers" 4th Floor 2/1A, Sarat Bose Road, Kolkata 700020 Tel: 033 30514444 Fax: 033 22833322 E-mail: contact@beekaysteel.com Website: www.beekaysteel.com
WORKS	<ul style="list-style-type: none">• Jamshedpur (Jharkhand)• Chennai (Tamilnadu),• Visakhapatnam (Andhra Pradesh) – (a. Autonagar b. Bheemlipatnam c. Vellanki d. Parwada)• Howrah (West Bengal)
REGISTRARS & SHARE TRANSFER AGENTS	M/s. Maheshwari Datamatics Pvt Ltd 6, Mangoe Lane, 2nd Floor, Kolkata 700001 Ph: 033 22482248, 22435809, 22435029 Fax: 033 22484787 Email: mdpl@cal.vsnl.net.in



Key Performance Indicators

Highlights 2013-14

Gross Turnover

↓ 4.58 % to Rs. 581.13 crores

EBITDA

↑ 13.68% to Rs. 61.57 crores

PBT

↑ 2.60% to Rs. 28.97 crores

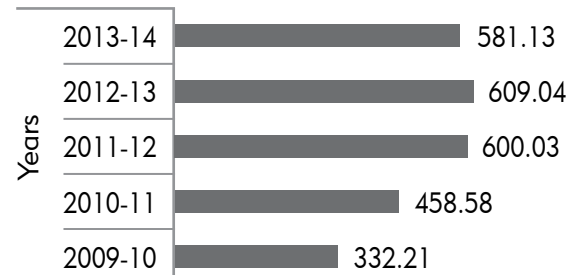
PAT

↓ 3.85 % to Rs. 18.30 crores

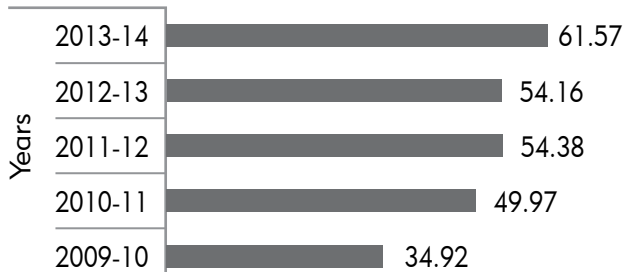
Net worth

↑ 12.26% to Rs. 167.00 crores

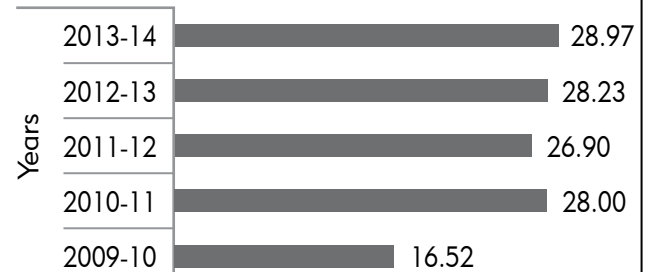
Gross Turnover (Rs. in crores) 5 Years CAGR 11.83 %



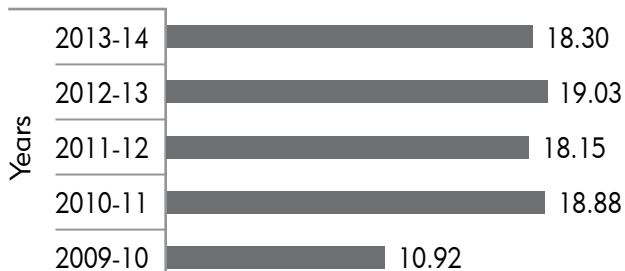
EBITDA (Rs. in Crores) 5 Years CAGR 12.01 %



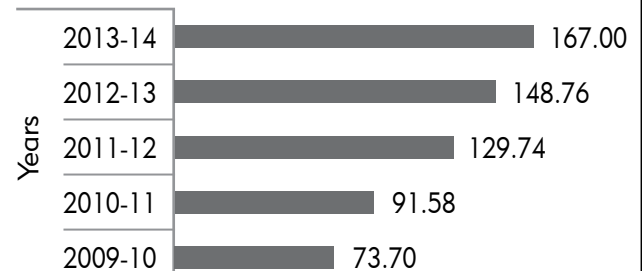
PBT (Rs. in Crores) 5 Years CAGR 11.89 %



PAT (Rs. in Crores) 5 Years CAGR 10.88 %



NET WORTH (Rs. in Crores) 5 Years CAGR 17.77 %





DIRECTORS' REPORT TO THE SHAREHOLDERS

To,
The Members of
Beekay Steel Industries Ltd.

Your Directors take pleasure in presenting the **Thirty Third** Annual Report together with the audited accounts of your Company for the year ended March 31, 2014.

(Rs. in crores)

FINANCIAL RESULTS	As on 31-03-2014	As on 31-03-2013
Sales/Income from Operations	581.13	609.04
Profit before interest, depreciation and tax	61.57	54.16
Interest	20.04	16.65
Depreciation	12.56	9.28
Profit before taxation	28.97	28.23
Provision for tax-Current tax	6.16	5.71
MAT Credit	(4.50)	--
Provision for tax- Deferred tax	9.01	3.50
Profit for the year	18.30	19.02
Add/(Less): Adjustments	(0.06)	---
Balance of profit for previous year	61.43	47.41
Balance available for appropriation	79.67	66.43
APPROPRIATIONS :		
Transfer to General Reserve	5.00	5.00
Transfer to Capital Redemption Reserve	--	--
Balance of Profit carried over	74.67	61.43

RESULTS OF OPERATIONS

Your company has achieved a turnover of Rs. 581.13 crores against of Rs.609.04 crores during the previous year, showing a decline of 4.58%. 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. To boost up the overall sales and to improve the bottom line as well, the company is focusing much more into export business and the export turnover stood at Rs. 54.38 crores in against of Rs. 34.21 crores in the preceding year. The Operating EBIDTA was Rs.61.57 crores and showed a growth of 13.68% comparing with the previous year of Rs. 54.16 crores. The net Profit after tax was Rs.18.30 crores against of Rs. 19.02 crores in the preceding year.

The net worth of your Company increased to Rs. 167.00 crores as on March 31, 2014 from Rs. 148.76 crores as on March 31, 2013. The Company's net debt gearing was at 0.79 compared to 0.77 as on March 31, 2013. The Board of Directors is trying their best to improve overall performance of the company.



Production had been adversely affected in the last year because of political uncertainty in Andhra Pradesh and the imposition of Power-holidays by State Electricity Boards in Andhra Pradesh & Tamil Nadu. It resulted in a decline of 15% in our production volume in both these two states. The combined production by all manufacturing units of the Company declined to 3,00,277 MT (including conversion 2,29,855 MT) in the year 2013-14 from 3,58,213 MT (including conversion 2,82,983 MT) in the previous year.

CREDIT RATING

Your Company's credit rating for the long-term debt/facilities is 'IND BBB'- by India Ratings & Research as per the provisions of BASEL II Guidelines of RBI. India Ratings continues to rate the Company's Short-term debt/facilities at the level of 'IND A3'

DIVIDEND

Considering the substantial investments out of internal accruals being made for the TMT manufacturing unit at Parwada (Andhra Pradesh) and Transmission Line Tower (TLT) Manufacturing project at Pydibhimavaram (Andhra Pradesh), your directors do not envisage any dividend payment for the financial year ended on 31st March, 2014.

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 is due to be transferred to Investor Education & Protection Fund ("IEPF") by 1st December, 2014.

INTERNAL SYSTEM AND PROCESS

Efforts are going on to improve the business processes across all functions. During the year the Jamshedpur unit got the Standard Certification of Environment Management System **ISO 14001:2004** and Operational Health, Safety & Accountability Management Systems **ISO 18001:2007**. The Company continued to maintain Integrated Management System (IMS) of Quality Management System (**ISO: 9001**).

AWARDS

During the year the company's international business division has been awarded with the prestigious national star performer of the year award for 2012-13 by Engineering Export Promotion Council India under its manufacturing category.

LISTING FEES

The Annual Listing Fees for the year 2013-14 had been paid to those Stock Exchanges where the Company's Shares are listed.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013, Mr. Vijay Kumar Bansal, Director of the Company who retire by rotation, being eligible, offer himself for re-appointment.

The Board of Directors at its meeting held on 25th March, 2014 has appointed Mr. Manav Bansal as a Whole time Director of the Company w.e.f. 1.4.2014. The Company has received requisite consent and declarations as required



under various provisions of the Companies Act, 2013 and rules made there under.

Pursuant to the provisions of Clause 49 of the Listing Agreements entered into with Stock Exchanges & the provisions of Sections 149, 152 of the Companies Act, 2013 and the Rules framed there under and read with Schedule IV to the said Act, the Board has proposed to appoint Mr. Brijesh Kumar Dalmia, Mr. Bhal Chandra Khaitan, Mr. Srikumar Banerjee, Mr. Krishna Chandra Raut and Mr. Ravishankar Sridharan as the Independent Directors in the Company for a period of five years till 31st March, 2019. The Company has received declarations from the said Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under the said Clause 49.

Mr. Aditya Sikdar has resigned from the office of the Directors of the Company w.e.f. 28th July, 2014. The Board place on record his valuable services rendered in the growth of the Company during his tenure as a Director of the Company.

CORPORATE SUSTAINABILITY

Being a responsible corporate citizen the company continues to undertake steps towards welfare of society around it, community initiatives, periphery development, environment protection and improvement in harmony with normal course of business and contributing to exchequer through various taxes/duties etc. The Company also continued focus on employees' health and safety, skill development and other measures.

CORPORATE SOCIAL RESPONSIBILITY

Beekay Group is alive to its Corporate Social Responsibility and understand the critical role it plays in ensuring the practicality of sustainability of resources of the company and acting on high priority. During the year the Board constituted a Corporate Social Responsibility comprising of three executive directors which stood as follows.

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.

NOMINATION AND REMUNERATION COMMITTEE

The Remuneration Committee of the Board was reconstituted and renamed as Nomination and Remuneration Committee complying with the requirements of the provisions of the Companies Act, 2013 and the Rules framed there under.

AUDITORS

M/s. Rustagi & Associates, Chartered Accountants, Statutory Auditors of the Company holds office up to the conclusion of the ensuing Annual General Meeting (AGM). The Company has received a letter pursuant to Section 139 and 141 of the Companies Act, 2013 from the Auditors about their consent and eligibility for appointment as the statutory auditors of the Company, to hold office from the conclusion of this AGM until the conclusion of the 36th AGM, subject to ratification of such appointment by the members at every AGM held hereafter.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:



1. That in the preparation of annual accounts for the period ended 31st March, 2014; the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. That the directors have selected such accounting policies and applied them consistently and made judgments' and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
3. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the final accounts for the year under review have been prepared on going concern basis.

CORPORATE GOVERNANCE

The Company has complied with the requirements of Corporate Governance as stipulated under Clause 49 of the Listing Agreement. A separate report on Corporate Governance and the Auditor's Certificate on its compliance together with a certificate from Mr. S. K. Tibrewalla, Practicing Company Secretary regarding compliance of requisite conditions of Corporate Governance, certification by CEO, Declaration by CEO for Compliance with the Code of Conduct of the Company as per Clause 49(I)(D)(ii) of Listing Agreement and the Management Discussion & Analysis Report are given as Annexure hereto and form part of this Annual Report.

PARTICULARS OF EMPLOYEES

Since the Company has no employee having drawn remuneration as stipulated in Section 217 (2A) of the Companies Act, 1956 or in the rules made pursuant to the same during the Financial Year under review, the relevant particulars of the employees as per the said provisions are not required to be given.

COST AUDITORS

In accordance with the Order dated June 30, 2011 issued by the Ministry of Corporate Affairs pursuant to Section 233B of the Companies Act 1956, your company is required to get its cost accounting records audited by a Cost Auditor and has accordingly appointed M/S. Musib & Co., Cost Accountants for the purpose for FY 2013-14. The Cost Audit for FY 2012-13 was completed within specific time and report was filed with ROC.

The Board at its meeting held on June 30, 2014 has on the recommendation at the Audit Committee re-appointed M/s. Musib & Co, Cost Accountants to conduct the audit of the cost accounting for FY 2014-15.

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.

VIGIL MECHANISM

The Company has established Vigil Mechanism for Directors and employees to report their genuine concerns and provide adequate safeguard against their victimization as provided in Section 177 of the Companies Act, 2013 and rules made there under.



PARTICULARS REGARDING ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

The Company has always been a frontrunner in continually improving its operational performance in all areas, like production, yield, plant utilization and others, while reducing the consumption of fuel, power, stores and others. As a cost-effective substitute for furnace oil (which is costly due to the country's dependence on import of the same) used in heating the re-heating furnace, the Company started using Producer Gas Plants (a) at Jamshedpur unit since 2009-10 (b) at Chengalpet (Tamilnadu) Unit since 2012-13 and (c) this year under review installed Producer Gas Plant at Vishakhapatnam units (Beekay Special Steels, Beekay Structural Steels and Radice Ispat India, Vizag) to economize on operational costs.

The particulars of energy, technology and Foreign Exchange earnings/ outgo in pursuance of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, are being disclosed separately forming the part of this Report.

APPRECIATION

Your Directors would like to appreciate the co-operation and assistance received from the banks, government, statutory authorities, vendors, customers and shareholders during the year. The Directors also place on record their deep sense of appreciation for the committed services rendered by all employees of the Company.

Registered Office:

'Lansdowne Towers', 4th Floor,
2/1A, Sarat Bose Road,
Kolkata - 700 020

Place: Kolkata

Dated: 13th August, 2014

For On Behalf of the Board of Directors

S/d-

Suresh Chand Bansal
Executive Chairman

S/d-

Mukesh Chand Bansal
Managing Director



ANNEXURE TO THE DIRECTORS' REPORT

Form for disclosure of particulars with respect to Conservation of energy:

		Current Year 31-03-2014	Previous Year 31-03-2013
A. Power & Fuel Consumption			
1. Electricity			
(a) Purchased	Kwh	2,52,79,761	2,89,72,187
Total Amounts	Rs.	14,50,39,261	14,04,16,693
Rate/ Unit	Rs.	5.74	4.85
(b) Own Generation			
(i) Through Diesel Generation units		Nil	Nil
Units per litre of Diesel Oil		Nil	Nil
(ii) Through steam Turbine / Generator		Nil	Nil
2. Furnace Oil			
Quantity	Kltrs.	2,686	10,459
Total Amount	Rs.	11,46,35,376	45,13,99,472
Average Rate per K.Ltr.	Rs.	42,679	43,159
3. Coal for Producer Gas Plant			
Quantity	M.T.	44,895	19,100
Total Amount	Rs.	27,40,30,671	12,71,04,190
Average Rate per M.T.	Rs.	6,104	6,655
B. Consumption per Unit of Production			
Productions: Iron & Steel Material			
Steel Bars & Rods	MT	3,00,277	3,58,213
Unit- per M.T.			
Electricity	Kwh	84.19	80.88
Furnace Oil	Kltrs.	0.01	0.03
Coal	M.T.	0.15	0.06
C. Foreign Exchange			
Earnings (Exports)	Rs.	55,08,34,930	34,21,46,795
Outgo (for Import of Raw Materials, Machineries and Components)	Rs.	64,93,605	7,66,24,865



ANNEXURE TO THE DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that the management is the trustee of all investor's capital and is obliged to maximize shareholders value, while preserving the interest of all stakeholders, such as employees, customers, business partners and the society at large. The Company is committed to execute sustainable business practices and create long term value for all its stakeholders. In order to conduct business with these principles, the Company creates simple corporate structures based on business needs and maintains a high degree of transparency through regular disclosures. The belief and core principles of Corporate Governance adopted 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.

As per Clause 49 of the Listing Agreement with the Stock Exchanges, the Company is presenting the report on the areas pertaining to the said clause along with the regular practices being followed the Company in complying with them.

BOARD OF DIRECTORS

The Company's Board has optimum combination of Executive and Non-Executive Directors. The Board presently has 11 Directors out of which 5 are Independent Directors.

a) Composition and category of Directors as on 31st March, 2014 are as follows:

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

* 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.

** Mr. Aditya Kumar Sikdar has resigned from the office of the Board of Directors of the Company w.e.f. 28.7.2014



b) The Directors' attendance at the Board meetings, Annual General Meeting and Number of other Directorship and Chairmanship/ Membership of Committee held by them are given hereunder:

Name of the Director	Attendance Particulars for the year ended 31st March, 2014		No. of other directorships and committee memberships/ chairmanships as on 31st March, 2014		
	Board Meetings	Last AGM held on 28th September, 2013	Other Directorships*	Committee Memberships	Committee Chairmanships
Mr. Suresh Chand Bansal	9	Yes	2	3	1
Mr. Mukesh Chand Bansal	6	No	3	3	2
Mr. Vikas Bansal	6	Yes	2	1	--
Mr. Gautam Bansal	9	No	--	2	--
Mr. Ravishankar Sridharan	4	Yes	--	1	--
Mr. Manav Bansal	8	Yes	3	3	--
Mr. Aditya Sikdar	0	No	--	--	--
Mr. Bhal Chandra Khaitan	6	Yes	3	6	4
Mr. Vijay Bansal	1	No	--	--	--
Mr. Brijesh Kumar Dalmia	5	Yes	1	5	1
Mr. Krishna Chandra Raut	3	No	2	--	--
Mr. Srikumar Banerjee	4	Yes	--	--	--

(*) Excludes Directorships in Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956.

10 (Ten) Board Meetings were held during the year as against the minimum requirement of four Board meetings. The Company has duly held at least one Board meeting in each quarter. The dates of Board meetings and the strength are as follows:

Sl. No.	Date	Board Strength	No. of Directors Present	Sl. No.	Date	Board Strength	No. of Directors Present
1	30-05-2013	12	8	6	06-11-2013	12	5
2	28-06-2013	12	5	7	15-11-2013	12	5
3	14-08-2013	12	7	8	23-12-2013	12	5
4	26-08-2013	12	6	9	14-02-2014	12	7
5	03-09-2013	12	4	10	25-03-2014	12	8



CODE OF CONDUCT:

The Board of Directors of the Company has framed a code for all Board members and senior management of the Company. The Directors and senior management personnel of the Company have affirmed compliance of the said Code of Conduct as on 31st March, 2014. The code of Conduct is displayed under the head 'Investors' on the Website of the Company: - 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.

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 in its meeting held on April 24, 2014 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.

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. All the members of the Committee are financially literate. The constitution of the Audit Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the stock exchanges. Mr. Lalit Chand Sharma, Company Secretary & C.F.O. was acting as Secretary of the Committee.

The Audit Committee provides its assistance to the Board in discharging the responsibilities of ensuring the requisite quality and integrity of auditing, accounting and other reporting practices of the Company and the due compliance with the legal and regulatory requirements. The Committee broadly supervises appointments, accounting and financial statements, audit of the financial statements and accounts, performance of auditors and their remuneration. It also obtains the requisite outside legal/professional advices and investigates the activities within its reference.

Four meetings of the Audit Committee were held during the year 2013-14 on 30-05-2013, 14-08-2013, 15-11-2013 and 14-02-2014.

The composition of the Audit Committee and attendance of its meetings are given below:

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

The Terms of reference of Audit Committee has been revised in the meeting of the Board of Directors of the Company held on 24th April, 2014 to incorporate various additional terms of reference introduced by Section 177 of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement from the financial year 2014-15.



REMUNERATION COMMITTEE:

The Remuneration Committee's responsibilities include framing of specific remuneration package of Executive Directors and approval of remuneration to the managerial personnel as per the Company's policy on the same.

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.

The Board decided and fixes the powers and roles of the Committee from time to time. **Mr. Lalit Chand Sharma, Company Secretary & C.F.O. was acting as Secretary of the Committee.**

During the year under review one meeting of the Remuneration Committee was held on 25.03.2014.

Remuneration to Directors:

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

Name of Directors	Remuneration Paid/Payable for the year ended 31st March, 2014				Service Terms		
	Salary (Rs.)	Bonus (Rs.)	Benefits (Rs.)	Sitting Fees (Rs.)	Pay Scale per Month (Rs.)	Period	Effective From
Mr. Suresh Chand Bansal	24,00,000	18,00,000	4,80,000	--	2,00,000	5 Years	01-10-2013
Mr. Mukesh Chand Bansal	14,88,000	12,00,000	4,80,000	--	1,24,000	5 years	01-01-2012
Mr. Vikas Bansal	13,68,000	9,50,000	4,80,000	--	1,14,000	5 Years	01-10-2013
Mr. Gautam Bansal	10,20,000	3,60,000	--	--	85,000	5 Years	01-06-2010
Mr. Manav Bansal	--	--	--	16,000	--	--	--
Mr. Aditya Sikdar	--	--	--	--	--	--	--
Mr. Bhal Chandra Khaitan	--	--	--	24,000	--	--	--
Mr. Vijay Kumar Bansal	--	--	--	2,000	--	--	--
Mr. Brijesh Kumar Dalmia	--	--	--	30,000	--	--	--
Mr. Ravishankar Sridharan	--	--	--	12,000	--	--	--
Mr. Krishna Chandra Raut	--	--	--	6,000	--	--	--
Mr. Srikumar Banerjee	--	--	--	8,000	--	--	--

The Terms of reference of Remuneration Committee has been revised in the meeting of the Board of Directors of the Company held on 24th April, 2014 to incorporate various additional terms of reference introduced by Section 178 of the Companies Act, 2013 from the financial year 2014-15.

The Board of Directors at its meeting held on 24th April, 2014 has approved the new Remuneration policy and renamed the Remuneration Committee as Remuneration Nomination & Committee.



SHARE TRANSFER COMMITTEE

The Share Transfer Committee comprises of the following Directors:

- a. Mr. Suresh Chand Bansal - Chairman
- b. Mr. Vikas Bansal - Member
- c. Mr. Gautam Bansal - Member

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, dematerialization/ re-materialization of shares, etc. Mr. Lalit Chand Sharma, Company Secretary & C.F.O. was acting as Secretary of the Committee.

As at 31st March, 2014, 1,76,04,744 nos. of equity shares constitutes 92.31 % (previous year – 92.24 %) of the Company's equity shares are held in dematerialized form.

SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE

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 Committee comprises of the following members:

- Mr. B.K. Dalmia - Chairman
Mr. S. C. Bansal - Member
Mr. Gautam Bansal - Member

During the period under review four Shareholders' Grievances Committee meetings were held on 30-05-2013, 14-08-2013, 15-11-2013 and 14-02-2014.

Mr. Lalit Chand Sharma, Company Secretary & C.F.O. was acting as Secretary of the Committee.

Number of complaints from members received and resolved during the period under review and pending as on 31-03-2014 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 30 days as on 31-03-2014.

The Board of Directors at its meeting held on 24th April, 2014 has renamed the Shareholders/Investors Grievance Committee as 'Stakeholders Relationship Committee'.



SHARES HELD BY NON-EXECUTIVE DIRECTORS

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

Name of Directors	No. of Shares held as on 31-03-2014
Mr. Manav Bansal*	12,58,196
Mr. Aditya Sikdar**	Nil
Mr. Bhal Chandra Khaitan	Nil
Mr. Vijay Kumar Bansal	Nil
Mr. Brijesh Kumar Dalmia	Nil
Mr. Ravishankar Sridaran	Nil
Mr. Krishna Chandra Raut	Nil
Mr. Srikumar Banerjee	Nil

* Appointed as Whole Time Director w.e.f. 01.04.2014

** Resigned from the Directorship with effect from 28.07.2014

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 is given in annexure to the notice which forms part of this Report.

GENERAL BODY MEETINGS

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

Year and Time	Type of Meeting	Date of Meeting	Venue
2012-13 at 11.30 A.M	32nd A.G.M.	28-09-2013	Lansdowne Towers", 4th Floor, 2/1A, Sarat Bose Road, Kolkata - 700 020.
2011-12 at 11.30 A.M	31st A.G.M.	29-09-2012	Lansdowne Towers", 4th Floor, 2/1A, Sarat Bose Road, Kolkata - 700 020.
2010-11 at 10.30 A.M	30th A.G.M.	24-09-2011	Lansdowne Towers", 4th Floor, 2/1A, Sarat Bose Road, Kolkata - 700 020.

All resolutions which were moved at the last Annual General Meeting were passed unanimously by show of hands by the members present at the meeting.

Business transacted at the AGM of last year was not required to be passed by postal Ballot in terms of Company's (Passing of the resolution by Postal Ballot) Rules, 2011.

No business proposed to be transacted at the ensuing Annual General Meeting was required to be passed by postal Ballot in terms of Company's (Passing of the resolution by Postal Ballot) Rules, 2011.

DISCLOSURES

- 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.



- 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.
- 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 CEO 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.

MEANS OF COMMUNICATION

Quarterly Results: The unaudited quarterly financial results together with limited review by the Auditors are approved by the Board of Director at its meeting within the prescribed time-frame of the close of every quarter and the same are furnished to all the stock Exchange where the Company's shares are listed.

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

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

GENERAL INFORMATIONS FOR MEMBERS:

a. **Annual General Meeting :**

(Date, Time & Venue)

Date : 27-09-2014

Time : 11.30 A. M.,

Venue : 'Lansdowne Towers', 4th Floor, 2/1A, Sarat Bose Road, Kolkata: 700 020

b. **Dividend payment**

(i) **Unpaid & Unclaimed Dividend:**

The last date 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 (Rs) As on 31-03-2014
2006-07	27.09.2007	26.09.2014	01.12.2014	241447
2007-08	22.09.2008	21.09.2015	26.11.2015	146115
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

(ii) The list of shareholders of unpaid and unclaimed dividend in respect of the aforesaid years are filed with the Ministry of Corporate Affairs ("MCA") every year as per the Investor Education & Protection Fund (IEPF) Rules, 2012. The same has also been updated in the website of the Company for your reference.



c. Date of Book Closure

24.09.2014 to 27.09.2014 (Both days inclusive) - For AGM

d. Financial year & Calendar:

Financial Year 2014-15	April-March
Unaudited Results for the quarter ending 30th June, 2014	By middle of August, 2014
Unaudited Results for the quarter ending 30th Sept., 2014	By middle of November, 2014
Unaudited Results for the quarter ending 31st Dec., 2014	By middle of February, 2015
Audited Annual Accounts for 2014-15	By end of May, 2015
Annual General Meeting for the year Ending 31st March, 2015	Middle of Sept, 2015

e. Listing:

Shares of your Company are listed on stock exchanges at Kolkata and Kanpur. The names and addresses of the Stock Exchanges and the Company's Stock Code are given below.

- 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:

Monthly High/ Low price during the last Financial Year at the Calcutta Stock Exchange Ltd. depicting liquidity of the Equity Shares is given hereunder:

Month	Share Price		Month	Share Price	
	High	Low		High	Low
April, 2013	No Trading		October, 2013	No Trading	
May, 2013	-----do-----		November, 2013	-----do-----	
June, 2013	-----do-----		December, 2013	-----do-----	
July, 2013	-----do-----		January, 2014	-----do-----	
August, 2013	-----do-----		February, 2014	-----do-----	
September, 2013	-----do-----		March, 2014	-----do-----	

g. Performance in comparison:

No comparison to broad based indices such as BSE Sensex etc. could be drawn since there is no frequent trading 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.



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 authorized 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 31st March, 2014.

Share Limit Notional Value of (Rs.)		No of Live Accounts	Percentage	Total No. of Shares	Percentage of Total Shares
From	To				
1	5000	162	23.72	50448	0.26
5001	10000	172	25.18	117558	0.62
10001	20000	239	34.99	302796	1.59
20001	30000	19	2.78	49250	0.26
30001	40000	4	0.59	13398	0.07
40001	50000	13	1.90	57246	0.30
50001	100000	15	2.19	105660	0.55
100001	Above	59	8.64	18375696	96.35
Grand Total		683	100.0000	19072052	100.0000

k. Share Holding Pattern as on 31st March, 2014:

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	4799276	25.16
Indian Public	1023426	5.37
NRI's / OCB's	--	--
Total	19072052	100.000

l. Dematerialisation of Shares: 92.31 % (previous year- 92.24 %) 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 31-03-2014. 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)	Beekay Steel Industries Ltd. Large Scale Sector, Adityapur Industrial Area, Gamharia, Seraikela-Kharsawan, Jharkhand – 832108
Chengalpet (Tamilnadu)	Beekay Steel Industries Ltd. 10, Kumarawadi Village, Madhuranthagam Taluk, Kancheepuram, Chengalpet: 603107
Visakhapatnam (Andhra Pradesh)	Radice Ispat India, Vizag Plot No.194, Survey No.272, Vellanki Village, Anandapuram Mandal, Bheemlipatnam, Visakhapatnam: 531163
	Beekay Structural Steels, Plot No. 19-21 & 24-26, Block-E, Autonagar, Visakhapatnam: 530012
	Venkatesh Steel & Alloys, Plot No.28, Block-E, Autonagar, Visakhapatnam: 530012.
	Beekay Special Steels Survey No.231/3,4,7, Vellanki Village, Anandapuram Mondal, Visakhapatnam: 531153
	Beekay Structural Steels (TMT Div) Plot No: 68B & 69B, APIIC-1 Industrial Park, Parwada, Visakhapatnam- 531021
Howrah (West Bengal)	Beekay Steel Industries Ltd. 286, 287, G.T. Road, Salkia, Howrah 711106

o. Address for Correspondence:

Beekay Steel Industries Ltd., 'Lansdowne Tower', 2/1A, Sarat Bose Road, Kolkata 700 020. Phone Nos. (033) 30514444, Fax No: (033) 2283 3322

p. Compliance Officer:

Mr. Lalit Chand Sharma, Company Secretary & CFO,
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

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 2013-14 compared to previous year.

	2013-14	2012-13	Change	% Change	Remarks
Turnover (In Crores)	581.13	609.04	27.91	(4.58%)	A
Export Sales (In Crores)	54.38	34.21	20.17	58.96%	B

A - Political uncertainty, the restriction of power supply and lower demand in the automobile & engineering sector 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.

A review of 2013-14

TMT Rolling Mill at Parwada (Andhra Pradesh)

The Company has successfully completed 2,00,000 MTPA TMT manufacturing unit at Parwada, Vishakhapatnam and started trial rolling of TMT Bars from 8 mm to 40 mm in Sep, 2013. The total investment of the unit amounted to Rs. 67.90 crores up to 31st March 2014 (Rs.52.45 crores from internal accruals and Rs. 15.45 crores in the form of Term Loan).

The benefits on commissioning of the project during FY: 2013-14 are expected to accrue during FY: 2014-15.

Producer Gas Plants (PGP)

During the FY: 2013-14, the Company has successfully commissioned Producer Gas Plants (PGP) an indigenous energy source at its Visakhapatnam and Jamshedpur units to control production cost by saving on solid fuel cost.



Ongoing Projects

TLT (Transmission Line Tower) Manufacturing at Pydibhimavaram, (Andhra Pradesh)

As a major step towards forward integration, 24,000 MTPA Transmission Line Tower unit at Pydibhimavaram is being set up for manufacturing and supply of Transmission Line Towers (TLT) to Power & Telecom sectors. Against the estimated project cost of Rs.26.00 crores (being funded solely from internal accruals), the Company has already made project investment of Rs.21.85 crores till 31st March, 2014. At the moment the power sectors are not performing well and the unit will start production once the said sector will be considered economically viable.

Economy, Steel & Auto Sectors

The global economic conditions continued to remain sub-optimal even during financial year 2013-14. The global economic growth in calendar year 2013 slipped further down to 3.0% from 3.2% in 2012 and 4.0% in 2011. While the advanced economics achieved a lower growth of 1.3% in 2013 compared to 1.4% in 2012 and 1.7% in 2011, the emerging and developing economics also slowed down to 4.7% during 2013 from 5.1% in 2012 & 6.3% in 2011. There has been a reduction in the fiscal cliff in the US recently, coupled with encouraging economic data about the regions housing and employment scenario. It is likely that structural policies across emerging nations like China and India will bolster the investment climate.

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. The cumulative growth during April-February, 2013-14 stood at 4.2% over the corresponding period of previous year. 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 FDI 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 12th 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

A decisive mandate on the General Elections has re-kindled hopes of an economic revival. The new government has promised to focus on infrastructural development while de-bottlenecking the administrative and clearance procedures. This is expected to boost the investment climate in the country.

However overcoming two years of policy paralysis as well as correcting the deep structural imbalances in the economy is likely to take time. As a result overall, the global economic climate, through mixed, remain positive with the IMF projecting global GDP growth to strengthen from 3% in 2013 to 3.6% in 2014 and increase further to 3.9% in 2015.

Your company continues to benefit from the emerging opportunities from various sectors like automobile, infrastructure, railways and capital goods manufacturing because of combination of technology, dynamic product mix, production efficiency and maximum capacity utilization of all units.

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 3,00,277 MT (including conversion 2,29,855 MT) in the financial year 2013-14, as compared to 3,58,213 MT (including conversion 2,82,983 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 FY 2013-14

(Rs. In crores)

	2013-14	2012-13	Growth (%)
Gross Turnover	581.13	609.04	(4.58)
Net Turnover	549.37	570.86	(3.76)
Operating EBIDTA	61.57	54.16	13.68
PAT	18.30	19.02	(3.78)
Earnings per share (diluted)	9.56	9.98	(4.21)
ROCE (%)	13.50%	14.57%	
Net Profit Ratio	0.03	0.03	

During the year under review, your Company has attained a turnover of Rs. 581.13 crores and profit of Rs.28.97 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.

The Operating EBIDTA for the year was 61.57 crores and the EBIDTA margin for the year was 11.20%. The Company posted Profit after Tax of Rs. 18.30 crores.

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.

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 Jamshedpur units.

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.



ANNEXURE TO THE DIRECTORS' REPORT

Certification by Executive Chairman of the Company

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

Dear Sirs,

In terms of Clause 49 of the Standard Listing Agreement, I, Suresh Chand Bansal, Executive Chairman - CEO certify that:

1. I have reviewed financial statements and the cash flow statements for the financial year 2013-14 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 2013-14 are fraudulent, illegal, or violative of the Company's Code of Conduct.
3. I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls which I was aware and I have taken and propose to take requisite steps to rectify the deficiencies, if any.
4. I 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. I 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.

I further declare that all the Board members and senior management personnel have affirmed compliance of Code of Conduct for the year 2013-14.

Place : Kolkata
Dated : 13th August, 2014

S/d-
(Suresh Chand Bansal)
Executive Chairman



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

I, Suresh Chand Bansal, Executive Chairman – CEO of Beekay Steel Industries Limited declare that as of 31st March, 2014 all the Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company.

Place : Kolkata

Dated: 13th August, 2014

Sd/-

(Suresh Chand Bansal)

Executive Chairman



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 2013-14, 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.

Sd/-

(SANTOSH KUMAR TIBREWALLA)

Practising Company Secretary

Membership No. : 3811

Certificate of Practice No. : 3982.

Place : Kolkata

Dated : 13th August, 2014



AUDITORS' REPORT

To,
The Members of **BEEKAY STEEL INDUSTRIES LIMITED**

1. Report on the Financial Statements

We have audited the accompanying Financial Statements of **BEEKAY STEEL INDUSTRIES LIMITED**, which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation 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 Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by The Institute of Chartered Accountants of India. 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 procedure to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014; and
- b) In the case of the Profit and Loss Account, of the **Profit** for the year ended on that date.
- c) In case of Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.

- a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company as far as appears from our examination of those books.
- c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
- d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
- e) On the basis of written representations received from the Directors as on March 31, 2014 and taken on record by the Board of Directors, none of the Directors are disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

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

59, Bentinck Street, Kolkata - 700 069.

Dated : 30th day of May, 2014



ANNEXURE TO THE AUDIT REPORT

With reference to the Annexure referred to in Paragraph 4 of the report of the Auditors to the Members of **BEEKAY STEEL INDUSTRIES LIMITED** for the year ended 31st March, 2014 on the basis of the records produced to us for verification / perusal such checks as we considered appropriate, and in terms of information and explanations given to us on our enquiries, We state that:

1) In respect of its Fixed Assets:

- (a) The Company has maintained proper records showing full particulars, including, quantitative details and situation of Fixed Assets on the basis of available information.
- (b) As explained to us, considering the nature of the Fixed Assets, the same have been physically verified by the management at reasonable intervals during the year in a phased manner. According to the information's and explanations given to us and the records produced to us for our verification, discrepancies noticed on such physical verification were not material and the same have been properly dealt in the books of accounts.
- (c) Fixed Assets disposed off during the year were not significant and would neither have an impact on the operation of the Company nor affected.

2) In respect of its Inventories:

- (a) As explained to us, the inventories were physically verified during the year by the Management the frequency of verification is reasonable.
 - (b) The procedures of physical verification of inventory followed by management were found reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company has maintained proper records of inventory. In our opinion and according to the information and explanations given to us, the maintenance of records for inventory is adequate and discrepancies noticed on physical verification of inventories have been properly dealt with in the books of account.
- 3) a)** The Company has taken Unsecured Loan from Companies which are covered by the Act. The terms and condition of such loan are prima facie not prejudicial to the interest of the Company. The Maximum amount outstanding during the year including accrued interest was Rs.1,42,54,986/- and the year end balance is Rs. 88,03,718/-
- b)** The Company has taken unsecured loan from directors during the year and the year end balance is Rs.10,617,855/- inclusive of accrued interest which falls under the category of the Companies, Firms or other parties under the Act.
- 4)** In our opinion and according to the 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 purchase of inventory including components, equipment, other assets and for the sale of goods. In our opinion there is no major weaknesses in internal control.
- 5)** In respect of contracts or arrangements entered in the Register maintained in pursuance of Act, to the best of our knowledge and according to the information and explanations given to us:
- (a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under said Section have been so entered.



- (b) where each of such transaction is in excess of Rs. 5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having to the prevailing market prices at the relevant time.
- 6) The Company has not accepted any public, deposits during the year. Therefore, the provisions of clause (vi) of paragraph 4 of the Order are not applicable to the Company.
- 7) In the basis of the internal audit reports broadly reviewed by us, we are of the opinion that the Company has an adequate internal audit system commensurate with the size of the Company and the nature of its business.
- 8) The Company has maintained cost records as prescribed by the central government under section 209(1)(a) of the Act. We have not made a detailed examination of such records with a view to determine whether they are accurate or complete.
- 9) (a) There were undisputed amounts payable in respect of Income Tax relating to Financial Year's from 2006 -2007 to 2010-2011 amounting Rs. 16,64,604 which have remained outstanding as at 31st March, 2014 for a period of more than six months from the date they become payable. But no undisputed dues is payable in respect of Wealth Tax, Custom Duty, Excise Duty, Cess, Service Tax, Investor Education and Protection Fund, Employee State Insurance and Other materials statutory dues applicable to it which have remained outstanding as at 31st March, 2014 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, the details of Statutory dues of Sales tax, Excise Duty & Service Tax which have not deposited on account of dispute are given below :

Particulars	Financial year to which the matter pertains	Forum where matter is pending	Amount Involved (₹)
Excise Duty	1998-1999	Hon'ble High Court, Kolkata	8,31,204
-- Do --	2001-2002	Jt. Comm. Of Central Excise, Jamshedpur	1,44,046
-- Do --	2002-2003		2,76,757
-- Do --	1994-1995	Comm., Central Excise (Appeal)	94,185
-- Do --	2011-2012	Comm., Central Excise (Appeal),Vishakapatanum	11,66,247
-- Do --	2010-2011	Comm., Central Excise (Appeal),Vishakapatanum	5,90,078
-- Do --	2008-2012	Comm., Central Excise (Appeal),Vishakapatanum	54,94,510
-- Do --	2004-2008	Customs,Excise & Service Tax Appeallate Tribunal, Bangalore.	13,47,300
-- Do --	2008-2013	Commissioner of Central Excise(Appeals), Chennai	2,10,156
-- Do --	2005-2008	Customs,Excise & Service Tax Appeallate Tribunal, Kolkata.	31,50,000
Sales Tax	2008-09	CIT(Appeal), Jamshedpur	40,13,333
-- Do --	2007-08	The Appellate Deputy Commissioner(CT), Visakhapatnam	14,40,730
Sales Tax	2009-10	The Appellate Deputy Commissioner(CT), Visakhapatnam	2,95,46,895



- 10) The Company has no accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year and in the financial year immediately preceding financial year.
- 11) The Company has not defaulted in repayment of dues to the financial institution, banks and the company has not issued any debentures.
- 12) The Company has not granted any loans and advances on the basis of Security by way of pledge shares, debentures and other securities.
- 13) The Company is not a Chitfund/Nidhi/Mutual Benefit Fund/Society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) (Amendment) Order 2004 are not applicable to the Company.
- 14) In our opinion and according to information and explanation given to us, the Company has not made any investments in any shares & security or in any mutual fund during the year. The investments made by Company are held in its own name.
- 15) According to the information and explanations given to us, the Company has not given any guarantee for loan taken by any others from a bank or financial institution.
- 16) In our opinion and according to the information explanations given to us, the term loans have been applied for the purpose for which they were raised.
- 17) According to the records examined by us and information and explanation given to us, on an overall basis, funds raised on short term basis have prima facie not been used during the year for Long Term Investments
- 18) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties or Companies covered under section 301 of Companies Act, 1956 at a price which is prejudicial to the interest of the Company.
- 19) According to the information and explanations given to us, the Company has not issued any secured debentures.
- 20) The Company has not raised any money by way of a Public Issue.
- 21) Based upon the audit procedures performed and information and explanation 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.

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

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

59, Bentinck Street, Kolkata - 700 069.
Dated : 30th day of May, 2014



Balance Sheet as at 31st March, 2014

	Notes	As at 31.03.2014 Amount (₹)	As at 31.03.2013 Amount (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Fund			
(a) Share Capital	2	19,09,09,270	19,09,09,270
(b) Reserve & Surplus	3	1,47,90,46,834	1,29,67,35,046
		1,66,99,56,104	1,48,76,44,316
(2) Non-Current Liabilities			
(a) Long Term Borrowings	4	52,17,51,677	40,58,96,005
(b) Deferred Tax Liability (net)	5	27,60,73,885	18,59,53,408
(c) Other Long Term Liabilities	6	17,87,08,909	20,35,64,117
(d) Long Term Provisions	7	21,79,71,917	21,28,16,573
		1,19,45,06,388	1,00,82,30,103
(3) Current Liabilities			
(a) Short Term Borrowings	8	1,11,06,23,552	97,08,64,417
(b) Trade Payables	9	46,95,65,809	79,00,86,274
(c) Other Current Liabilities	10	15,82,37,274	13,03,55,211
(d) Short Term Provisions	11	6,52,04,784	5,17,39,686
		1,80,36,31,419	1,94,30,45,588
		4,66,80,93,911	4,43,89,20,007
II. ASSETS			
(4) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets			
Gross Block	12	2,74,48,49,433	1,98,50,68,769
Less: Depreciation		84,27,73,411	71,69,88,728
Net Block		1,90,20,76,022	1,26,80,80,041
(ii) Capital Work-In-Progress	12	27,47,94,783	61,08,00,808
		2,17,68,70,805	1,87,88,80,849
(b) Non-Current Investments	13	23,22,040	23,22,040
(c) Long Term Loans and Advances	14	38,29,66,180	33,82,94,179
(d) Other Non-Current Assets	15	6,22,534	12,45,067
		2,56,27,81,559	2,22,07,42,135
(5) Current Assets			
(a) Inventories	16	1,00,25,65,677	1,01,04,32,641
(b) Trade Receivables	17	65,88,98,517	75,10,48,755
(c) Cash and Bank Balances	18	2,80,17,196	3,41,89,477
(d) Short Term Loans and Advances	19	41,18,09,872	42,01,04,519
(e) Other Current Assets	20	40,21,090	24,02,480
		2,10,53,12,352	2,21,81,77,872
		4,66,80,93,911	4,43,89,20,007
Significant Accounting Policies & Notes on Financial Statements	1 to 38	-	-

As per our attached report of even date

For RUSTAGI & ASSOCIATES

Chartered Accountants

S/d-

S.K. RUSTAGI

(Partner)

Mem. No.: 051860

Firm Reg. No.: 314194E

Place: Kolkata

Dated: 30th day of May, 2014

On behalf of the Board

S/d-

Suresh Chand Bansal - Executive Chairman

Vikas Bansal - Executive Director

Lalit Chand Sharma - Comp. Secretary & CFO



Statement of Profit & Loss for the year ended 31st March, 2014

	Notes	Year Ended 31.03.2014 Amount (₹)	Year Ended 31.03.2013 Amount (₹)
I. INCOME			
(a) Revenue from Operations	21	5,81,13,02,774	6,09,04,03,549
Less: Excise Duty		31,76,10,867	38,18,00,210
		5,49,36,91,907	5,70,86,03,339
(b) Other Income	22	2,07,99,525	1,78,87,055
		5,51,44,91,432	5,72,64,90,394
II. EXPENDITURE			
(a) Cost of Materials Consumed	23	2,22,97,33,108	2,42,40,53,804
(b) Purchases of Stock-in-Trade	24	1,77,58,97,630	1,50,53,59,679
(c) Changes in Inventories of Finished Goods, Work-In-Process and Stock-in-Trade	25	(16,63,72,507)	97,12,683
(d) Employee Benefits Expense	26	9,79,69,879	8,37,40,433
(e) Finance Costs	27	20,04,18,882	16,64,85,380
(f) Depreciation	28	12,56,14,562	9,27,83,604
(g) Other Expenses	29	96,15,54,867	1,16,20,18,015
		5,22,48,16,421	5,44,41,53,598
III. PROFIT BEFORE TAX		28,96,75,011	28,23,36,796
IV. Tax Expenses			
(a) Current Taxation		6,16,00,000	5,70,50,000
(b) MAT Credit		(4,50,00,292)	-
(b) Deferred Taxation		9,01,20,477	3,49,98,498
V. PROFIT AFTER TAX		18,29,54,826	19,02,88,298
(Add)/Less: Tax for earlier Years		5,96,957	43,070
VI. PROFIT FOR THE YEAR		18,23,57,869	19,02,45,228
IX. EARNING PER SHARE (BASIC / DILUTED)		9.56	9.98
Significant Accounting Policies & Notes on Financial Statements	1 to 38		

As per our attached report of even date

For RUSTAGI & ASSOCIATES
Chartered Accountants

S/d-
S.K. RUSTAGI
(Partner)
Mem. No.: 051860
Firm Reg. No.: 314194E

Place: Kolkata
Dated: 30th day of May, 2014

On behalf of the Board
S/d-

Suresh Chand Bansal - Executive Chairman
Vikas Bansal - Executive Director
Lalit Chand Sharma - Comp. Secretary & CFO



Notes on Financial Statements for the year ended 31st March, 2014

NOTE: 1

SIGNIFICANT ACCOUNTING POLICIES

1. ACCOUNTING CONVENTION:

The Financial Statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India and the Accounting Standards (AS) as notified under Companies (Accounting Standard) Rules, 2006.

The Company has reclassified the previous year figures in accordance with the requirements applicable in the current year.

2. REVENUE RECOGNITION:

All incomes and expenditures having a material bearing on the financial statements are recognised on accrual and prudent basis.

3. PURCHASES:

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

4. SALES:

- a) 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.
- b) Materials returned / rejected are recorded in the year of return / rejection.

5. EXCISE DUTY

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

6. 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.

7. DEPRECIATION:

Depreciation is provided at the rate and in the same manner prescribed in Schedule XIV of the Companies Act, 1956.

- a) In respect of assets acquired upto 31st March, 1991, on written down value method.
- b) In respect of assets acquired on or after 1st April, 1991, on straight line method.
- c) Rolls are fully depreciated on pro-rata basis on time proportion as per rate prescribed in Schedule - of this Act to such class of assets.



8. 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. Cost includes freight, taxes and other incidental expenses but exclusive of "CENVAT" availed.

9. 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.

10. 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.

11. RETIREMENT 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.

12. PROVISION FOR INCOME TAX:

Income tax provision comprises of current tax and deferred tax. Current tax provision has been determined after considering deductions available under Income-tax Act, 1961. Deferred tax is recognised for all timing differences subject to the consideration of prudence applying the tax rates that have been substantively enacted by the balance sheet date.

13. 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.

14. 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.



Notes on Financial Statements for the year ended 31st March, 2014

		As at 31.03.2014 Amount (₹)	As at 31.03.2013 Amount (₹)
Note: 2	SHARE CAPITAL		
	Authorised Share Capital:		
	2,00,00,000 Equity Shares of ₹ 10/- each	20,00,00,000	20,00,00,000
	3,00,000 15% Non Convertible Redeemable Preference Shares of ₹ 100/- each	3,00,00,000	3,00,00,000
		23,00,00,000	23,00,00,000
	Issued, Subscribed & Paid up Capital :		
	1,90,72,052 Equity Shares of ₹10/- each fully Paid up	19,07,20,520	19,07,20,520
	Add : Forfeited Shares	1,88,750	1,88,750
		19,09,09,270	19,09,09,270

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 only 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 redeemable 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	1,90,72,052	1,90,72,052
Issued during the year	-	-
Balance at the end of the year	1,90,72,052	1,90,72,052



Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

	As at 31.03.2014 Amount (₹)	As at 31.03.2013 Amount (₹)
Note: 3 RESERVE & SURPLUS		
a) Capital Reserve		
Balance as per last account	4,41,106	4,41,106
	4,41,106	4,41,106
b) Share Premium		
As per last account	32,88,46,550	32,88,46,550
c) General Reserve		
As per last account	28,34,33,938	23,34,33,938
Addition During the year	5,00,00,000	5,00,00,000
	33,34,33,938	28,34,33,938
d) Capital Redemption Reserve		
As per last account	3,00,00,000	3,00,00,000
	3,00,00,000	3,00,00,000
e) Amalgamation Reserve		
As per last account	1,25,10,424	1,25,10,424
	1,25,10,424	1,25,10,424
f) Revaluation Reserve		
As per last account	2,71,93,624	2,72,39,705
Less: Adjusted During the year	46,081	46,081
	2,71,47,543	2,71,93,624
g) Profit & Loss Account		
As per last account	61,43,09,404	47,40,64,176
Add : Profit for the year	18,23,57,869	19,02,45,228
Less : Transferred to General Reserve	5,00,00,000	5,00,00,000
	74,66,67,273	61,43,09,404
Total (a + b + c + d + e + f + g)	1,47,90,46,834	1,29,67,35,046



Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

		As at 31.03.2014 Amount (₹)	As at 31.03.2013 Amount (₹)
Note: 4	LONG TERM BORROWINGS		
	1. SECURED		
	TERM LOAN		
	Allahabad Bank	2,73,59,482	4,47,64,601
	Punjab National Bank	12,36,38,646	9,39,35,711
	ICICI Bank	-	4,71,837
	HDFC Bank	14,88,236	21,04,100
	Tata Capital Ltd.	2,10,850	4,85,070
	2. UNSECURED		
	Directors	1,06,17,855	76,07,715
	Bodies Corporate	35,84,36,608	25,65,26,971
		52,17,51,677	40,58,96,005

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, Jharkhand 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.

All other loan from various Banks are Car Loan and are secured on Vehicles.

		As at 31.03.2014 Amount (₹)	As at 31.03.2013 Amount (₹)
Note: 5	DEFERRED TAX LIABILITY (Net)		
	Deferred Tax Liability	28,18,34,981	18,99,85,324
	Less : Deferred Tax Assets	57,61,096	40,31,916
		27,60,73,885	18,59,53,408
Note: 6	OTHER LONG TERM LIABILITIES		
	Sales Tax Deferral	2,58,76,109	4,45,55,317
	Security and Other Deposits	15,28,32,800	15,90,08,800
		17,87,08,909	20,35,64,117



Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

	As at 31.03.2014 Amount (₹)	As at 31.03.2013 Amount (₹)
Note: 7 LONG TERM PROVISIONS		
Provision for Leave Encashment	25,75,583	21,49,117
Provision for Income Tax	20,04,00,000	19,92,11,246
Provision for Gratuity	1,49,96,334	1,14,56,210
	21,79,71,917	21,28,16,573

Note: 8 SHORT TERM BORROWINGS SECURED WORKING CAPITAL & TERM LOAN		
Allahabad Bank	41,06,43,404	39,53,52,088
State Bank of India	33,67,58,137	32,82,66,900
Bank of Baroda	14,56,60,888	4,69,93,256
Punjab National Bank	19,63,16,518	17,68,01,881
State Bank of India (IBD)	52,03,137	-
Bank of Baroda (IBD)	-	54,33,107
Punjab National Bank (FBD)	1,60,41,468	1,80,17,185
	1,11,06,23,552	97,08,64,417

Details of Securities

Working Capital Loan are secured by 1st hypothecation on entire current assets of the Company including stocks, book debts and other Current Assets of all units both present & future ranking pari-passu basis with working capital lending Banks under consortium and Personal guarantee of some Directors and 2nd Charge on Companies Fixed Assets (movable and immovable).

	As at 31.03.2014 Amount (₹)	As at 31.03.2013 Amount (₹)
Note: 9 TRADE PAYABLES		
- For Goods	32,30,18,115	55,48,08,742
- For Capital Goods & Stores	4,88,61,588	8,11,80,511
- For Expenses	9,76,86,106	15,40,97,021
	46,95,65,809	79,00,86,274



Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

	As at 31.03.2014 Amount (₹)	As at 31.03.2013 Amount (₹)
Note: 10 OTHER CURRENT LIABILITIES		
Current Maturities of Term Loan Borrowings*	4,89,09,664	2,80,00,000
Current Maturities of Finance Lease Obligations	28,87,539	32,81,388
Unpaid Dividend	9,19,610	9,19,610
Cheques Overdrawn	4,20,99,707	28,97,623
Other Payables**	1,00,47,497	76,38,649
Creditors for Capital Expenditure	2,22,35,434	4,17,78,927
Other Liabilities	68,94,491	1,05,79,497
Advance from Customer	2,42,43,332	3,52,59,517
	15,82,37,274	13,03,55,211
* Term Loan repayable within one year.		
Punjab National Bank	3,09,09,664	1,00,00,000
Allahabad Bank	1,80,00,000	1,80,00,000
** Includes Statutory Dues	4,89,09,664	2,80,00,000

Note: 11 SHORT TERM PROVISIONS		
Provision for Bonus	29,89,576	25,20,460
Provision for Excise Duty on Finished Goods	6,22,15,208	4,92,19,226
	6,52,04,784	5,17,39,686

Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

NOTE: 12 – FIXED ASSETS

DEPRECIATION OF FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2013	Additions during the Year	Sold/ Discarded or Adjustments	As on 31.03.2014	Upto 01.04.2013	For the Year	Adjust- ment /Sold/ Discarded	As on 31.03.2014	As on 31.03.2014	As on 31.03.2013
TANGIBLE ASSETS:										
Land	11,36,52,206	27,19,456	-	11,63,71,662	-	-	-	11,63,71,662	-	11,36,52,206
Leasehold Land	73,37,847	-	-	73,37,847	-	-	-	73,37,847	-	73,37,847
Shed & Building	34,67,16,299	17,41,93,617	-	52,09,09,916	7,81,95,678	1,39,39,736	(45,865)	42,87,28,637	9,21,81,279	26,85,20,621
Flats	95,56,037	32,665	-	95,88,702	15,33,620	2,39,467	-	78,15,615	17,73,087	80,22,417
Leasehold Flats	5,54,810	-	-	5,54,810	1,32,210	-	-	4,22,600	1,32,210	4,22,600
Office Premises	3,05,02,147	-	-	3,05,02,147	30,33,174	4,87,536	-	2,69,81,437	35,20,710	2,74,68,973
Plant & Machineries	1,07,53,18,766	46,31,72,240	15,10,000	1,53,69,81,006	32,12,24,722	5,97,55,930	(216)	1,15,60,00,138	38,09,80,868	75,40,94,044
Electrical Installation	4,28,86,170	6,98,50,560	-	11,27,36,730	1,49,76,372	28,27,783	-	9,49,32,575	1,78,04,155	2,79,09,798
Laboratory Equipments	34,66,712	19,27,468	-	53,94,180	9,04,848	2,02,954	-	42,86,378	11,07,802	25,61,864
Rolls	27,87,99,053	4,32,19,812	-	32,20,18,865	25,75,07,652	4,15,27,924	-	2,29,83,289	29,90,35,576	2,12,91,401
Furniture & Fixtures	2,28,41,614	7,54,362	-	2,35,95,976	1,24,76,443	14,08,866	-	97,10,667	1,38,85,309	1,03,65,171
Computer	1,53,84,510	6,34,421	1,26,116	1,61,45,047	1,16,78,960	24,37,218	-	20,28,869	1,41,16,178	37,05,550
Office Equipments	45,86,651	37,943	-	46,24,594	20,78,530	90,090	-	24,55,974	21,68,620	25,08,090
Air Conditioner & Others	48,25,940	24,96,284	-	73,22,224	18,34,528	4,39,351	-	50,48,345	22,73,879	29,91,412
Motor Vehicles	2,86,40,007	17,48,416	3,77,308	3,07,65,731	1,14,11,960	27,59,083	3,77,308	1,69,71,996	1,37,93,735	1,72,28,047
Total - Fixed Assets	1,98,50,68,769	76,07,87,243	20,13,424	2,74,48,49,433	71,69,88,697	12,61,15,938	3,31,227	1,90,20,76,022	84,27,73,411	1,26,80,80,041
Capital Work in Progress	61,08,00,808	8,62,13,287	42,22,19,312	27,47,94,783	-	-	-	27,47,94,783	-	-
Total - Current Year	2,59,58,69,577	84,70,00,530	42,42,32,736	3,01,86,37,370	71,69,88,697	12,61,15,938	3,31,227	2,17,68,70,805	84,27,73,411	1,26,80,80,041
Previous Year										
Fixed Assets	1,72,22,79,369	27,85,79,451	1,57,90,051	1,98,50,68,769	62,64,95,044	9,29,94,521	25,00,837	1,26,80,80,041	71,69,88,728	-
Capital Work in Progress	37,95,91,476	25,58,62,597	2,46,53,265	61,08,00,808	-	-	-	61,08,00,808	-	-
Total - Previous Year	2,10,18,70,845	53,44,42,048	4,04,43,316	2,59,58,69,577	62,64,95,044	9,29,94,521	25,00,837	1,87,88,80,849	71,69,88,728	1,26,80,80,041



Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

	As at 31.03.2014 Amount (₹)	As at 31.03.2013 Amount (₹)
Note: 13 NON - CURRENT INVESTMENTS		
(Long Term Investments Trade)		
In Equity Shares (Quoted)		
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 :	23,20,000	23,20,000
11,60,000 Equity Shares ₹ 10/- each fully paid up in AKC Steel Industries Ltd (Market Value ₹ 23,20,000/-)		
	23,22,040	23,22,040
Note: 14 LONG-TERM LOANS AND ADVANCES		
(Unsecured and Considered Good)		
Capital Advances	7,80,83,717	7,80,84,717
Advance with Sales Tax, Excise Departments	79,80,142	74,69,332
Security & Other Deposit	5,08,54,245	5,25,56,421
MAT Credit Entitlement	4,50,00,292	-
Advance Income Tax	20,10,47,784	20,01,83,709
	38,29,66,180	33,82,94,179
Note: 15 OTHER NON CURRENT ASSETS		
Unamortised Expenses		
Deferred Revenue	5,89,200	11,78,400
Preliminary Expenses	33,334	66,667
	6,22,534	12,45,067
Note: 16 INVENTORIES		
Raw Materials	34,78,75,682	48,87,65,402
Raw Materials in Transit	1,72,80,080	1,45,64,160
Finished Goods	52,62,45,196	42,70,78,842
Stock In Trade	2,18,57,903	2,31,40,275
Scrap and Cuttings	3,93,56,991	1,95,84,079
Stores and Spares	3,34,56,989	2,36,26,893
Furnace Oil	1,01,16,689	78,94,716
Coal & Coal Fines	63,76,147	57,78,274
	1,00,25,65,677	1,01,04,32,641



Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

	As at 31.03.2014 Amount (₹)	As at 31.03.2013 Amount (₹)
Note: 17		
TRADE RECEIVABLES		
(Unsecured and Considered Good)		
Outstanding for a period exceeding Six Months from the due date	2,96,17,063	3,59,13,162
Others	62,92,81,454	71,51,35,593
	65,88,98,517	75,10,48,755
Note: 18		
CASH AND CASH EQUIVALENT		
Cash on Hand	21,01,979	13,67,116
Balances with Banks:		
In Current A/c.	97,85,005	1,25,54,635
In Fixed Deposit A/c.	1,52,10,602	1,93,48,116
In Dividend Accounts	9,19,610	9,19,610
	2,80,17,196	3,41,89,477
Note: 19		
SHORT-TERM LOANS AND ADVANCES		
(Unsecured and Considered Good)		
Balance with Central Excise Authorities	10,55,46,652	12,07,20,261
Balance with Sales Tax Authorities	7,90,89,073	7,49,36,273
Other Advances*	22,71,74,147	22,44,47,985
	41,18,09,872	42,01,04,519
* Includes Interest Receivable on Fixed Deposits with Banks		
Note: 20		
OTHER CURRENT ASSETS		
(Unsecured and Considered Good)		
Prepaid Expenses	34,66,562	20,13,650
Prepaid Insurance	5,54,528	3,88,830
	40,21,090	24,02,480



Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

	Year Ended 31.03.2014 Amount (₹)	Year Ended 31.03.2013 Amount (₹)
Note: 21 REVENUE FROM OPERATIONS		
Sale of Products		
Manufacturing Sales	3,04,90,01,118	3,42,88,65,230
Trading Sales	1,76,04,06,057	1,49,23,88,200
	4,80,94,07,175	4,92,12,53,430
Income from Services		
Conversion Charges	70,54,02,290	89,45,20,558
Other Operating Revenues	28,55,02,741	26,68,84,679
Scrap & Coal Fines Sales	1,09,90,568	77,44,882
Export Incentives	5,81,13,02,774	6,09,04,03,549
Note: 22 OTHER INCOME		
Interest	56,45,912	45,25,469
Maintenance & Service Charges	13,16,000	15,04,500
Rent	33,53,310	30,31,885
Sundry Balance W/Back	6,36,997	3,45,250
Miscellaneous Receipt	96,72,306	71,15,480
Profit on Sale of Fixed Assets	1,75,000	13,64,471
	2,07,99,525	1,78,87,055
Note: 23 COST OF MATERIALS CONSUMED		
Opening Stock	48,87,65,402	43,37,68,316
Add : Purchases	2,08,88,43,388	2,47,90,50,889
	2,57,76,08,790	2,91,28,19,205
Less : Closing Stock	34,78,75,682	48,87,65,401
	2,22,97,33,108	2,42,40,53,804
Note: 24 PURCHASE OF STOCK-IN-TRADE		
For Resale - Materials & Other Goods	1,77,58,97,630	1,50,53,59,679
	1,77,58,97,630	1,50,53,59,679



Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

	Year Ended 31.03.2014 Amount (₹)	Year Ended 31.03.2013 Amount (₹)
Note: 25		
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE		
Inventories (at close)		
Finished Goods	52,62,45,196	42,70,78,842
Stock In Trade	2,18,57,903	2,31,40,275
Scrap,Cuttings & Coal Fines	3,97,64,684	2,04,95,385
	58,78,67,783	47,07,14,502
Inventories (at commencement)		
Finished Goods	42,70,78,842	50,10,78,990
Stock In Trade	2,31,40,275	1,52,99,798
Scrap,Cuttings & Coal Fines	2,04,95,385	2,14,70,321
	47,07,14,502	53,78,49,109
Less : Provision for Excise Duty	4,92,19,226	5,74,21,924
	42,14,95,276	48,04,27,185
	(16,63,72,507)	97,12,683
Note: 26		
EMPLOYEE BENEFITS EXPENSE		
Salary and Wages & Bonus	6,75,54,636	5,92,18,802
Contribution to Provident and Other Funds	75,50,727	63,86,981
Workmen and Staff Welfare Expenses	54,28,922	51,82,485
Gratuity	36,81,758	21,41,364
Leave Encashment	17,77,836	13,42,401
Managerial Personal	1,19,76,000	94,68,400
	9,79,69,879	8,37,40,433
Note: 27		
FINANCE COST		
Interest Expenses	19,16,68,396	16,10,34,915
Other Borrowing Costs	87,50,486	54,50,465
	20,04,18,882	16,64,85,380



Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

	Year Ended 31.03.2014 Amount (₹)	Year Ended 31.03.2013 Amount (₹)
Note: 28 DEPRECIATION AND AMORTISATION		
Depreciation on Tangible Assets	12,56,14,562	9,27,83,604
Note: 29 OTHER EXPENSES		
Manufacturing Expenses		
Rolling Charges & Material Cutting Charges	8,31,98,919	8,77,20,939
Stores & Spares Parts Consumed	5,89,21,962	8,02,05,667
Furnace Oil Consumed	11,19,52,291	43,62,25,881
Oxygen & Gas Consumed	44,58,970	44,46,968
Coal Consumed	26,74,32,827	12,71,04,190
Electricity Charges	14,71,73,696	15,26,89,881
PGP Operation Charges	1,57,14,834	59,86,098
Processing Charges	15,83,399	26,28,895
Commission on Purchase	-	1,14,11,523
Repair & Maintenance:		
- Plant & Machinery	93,61,308	1,07,70,570
- Shed & Building	17,62,719	67,18,111
Freight, Carriage and Octroi Charges	3,90,21,680	4,43,16,355
Machinery Hire Charges	77,58,693	72,66,690
Excise Duty on Finished Goods	6,22,15,208	4,92,19,226
Testing, Effluent & Inspection Charges	16,07,874	13,83,365
	81,21,64,380	1,02,80,94,359
Selling & Distribution Expenses		
Advertisement Expenses	4,03,986	6,37,566
Commission On Sales	28,38,248	19,13,508
Sales Promotion Expenses	32,47,323	29,84,121
Freight, Carriage & Octroi Charges	7,23,65,251	6,34,74,108
Other Selling & Distribution Expenses	58,89,084	81,89,776
	8,47,43,892	7,71,99,079



Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

	Year Ended 31.03.2014 Amount (₹)	Year Ended 31.03.2013 Amount (₹)
Establishment Expenses		
Computer Maintenance Expenses	6,06,822	17,19,287
Donation	27,36,731	9,94,601
Electricity Expenses	10,27,655	10,59,167
Insurance Charges	13,80,440	10,88,774
Legal and Professional Charges	58,44,053	45,60,812
License, Rates and Taxes	42,17,013	45,42,377
Printing & Stationery	14,71,981	15,55,613
Repairs and Maintenance - Others	86,13,420	55,64,569
Rent Charges Paid	16,51,314	17,33,100
Security Service Charges	60,16,051	56,77,660
Miscellaneous Expenses	1,62,04,254	1,50,45,119
Telephone and Mobile Expenses	24,30,931	22,33,292
Travelling & Conveyance Expenses	66,74,065	52,12,488
Deferred Expenses Written Off	5,89,200	5,89,200
Vehicle Maintenance	44,09,136	44,54,720
Payment to Auditors:		
- Audit Fees	5,18,300	4,80,000
- Tax Audit	52,000	53,400
- Reimbursement of Expenses	2,03,229	1,60,398
	6,46,46,595	5,67,24,577
	96,15,54,867	1,16,20,18,015



Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

Annexure - I

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

Sr. No.	Name of the Shareholder	As at 31st March, 2014		As at 31st March, 2013	
		No of Shares	%	No of Shares	%
1.	Jyotirmoy Trading Pvt Ltd	24,57,678	12.89	24,57,678	12.89
2.	Concast Steels & Alloys Ltd	21,29,754	11.17	21,29,754	11.17
3.	Suresh Chand Bansal	20,13,854	10.56	20,13,854	10.56
4.	B.L.Bansal	15,16,710	7.95	15,16,710	7.95
5.	Manav Bansal	12,58,196	6.60	12,58,196	6.60
6.	Mukesh Chand Bansal	11,93,374	6.26	11,93,374	6.26
7.	Century Vision Pvt Ltd	10,60,938	5.56	10,60,938	5.56

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	NIL	NIL
		Previous	13,51,733	7,47,50,849
b) Import of Machineries and Components	GBP	Current	NIL	NIL
		Previous	21,600	18,74,016
c) Import of Machineries and Components	USD	Current	51,945	29,07,607
		Previous	55,900	30,98,956

31) Expenditure in Foreign Currency

	2013-14	2012-13
Commission on Sales	14,48,485	8,38,048
Travelling Expenses	21,37,513	2,17,728

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

	Year ended 31.03.2014		Year ended 31.03.2013	
	Amount (₹)	(%)	Amount (₹)	(%)
(a) Raw Material				
i) Imported	7,29,38,718	3.27	NIL	–
ii) Indigenous	2,15,67,94,390	96.73	2,42,40,53,804	100
(b) Stores & Spare Parts				
Imported	NIL		NIL	
Indigenous	5,89,21,962	100	8,02,05,667	100



Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

33) Earning per Share (EPS)

	Year ended 31.03.2014	Year ended 31.03.2013
Profit attributable to the Equity Shareholders (A)	18,23,57,869	19,02,45,228
Weighted Average No. of Equity Shares (B)	1,90,72,052	1,90,72,052
Face value of Equity Shares	10/-	10/-
Basic Earnings per Share (₹) [(A)/(B)] After Preferential Share Issue	9.56	9.98

34) Earnings in Foreign Exchange

FOB Value of Exports	54,37,99,085	34,21,26,453
Others (Export Incentive)	70,35,845	28,08,782

35) Deferred Taxation:

The movement for Deferred Tax is given below :

Particulars	Opening as on 01.04.2013 Amt. (₹)	During the Year Amt. (₹)	Closing as on 31.03.2014 Amt. (₹)
Deferred Tax Liability			
Timing difference of Depreciation	18,99,85,324	9,18,49,657	28,18,34,981
Deferred Tax Assets			
Disallowance allowable on payments	40,31,916	17,29,180	57,61,096
Net Deferred Tax Liability	18,59,53,408	9,01,20,477	27,60,73,885

36) Transactions with related parties :

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



Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

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. Beekay Infracon Private Limited
5. Manvik Estate Private Limited
6. Emerald Suppliers Private Limited
7. 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

Sl. No.	Nature of Transactions	Associate Companies	Associate Enterprises	Key Managerial Personnel	Amount Outstanding
<i>(Amounts in Rupees)</i>					
1.	Purchases of Goods	24,67,00,419 (45,38,44,506)	90,51,643 (36,97,665)	- -	(1,68,28,331) (11,16,42,826)
2.	Sales of Goods	28,85,41,704 (26,79,10,785)	1,48,23,781 (26,72,09,909)	- -	1,19,89,617 (4,02,60,392)
3.	Expenses (Rent, Maintenance & Electricity, Brokerage)	4,79,812 (41,90,965)	36,000 (36,000)	5,45,068 (4,60,241)	56,99,972 (39,00,768)
4.	Amounts Received (Rent, Maintenance & Electricity)	91,37,853 (1,08,63,240)	- -	- -	18,20,704 (22,57,998)
5.	Unsecured Loans	10,38,521 (11,40,891)	- -	6,86,506 (10,97,220)	1,94,21,573 (1,78,62,701)
6.	Payment to Managerial Persons	- -	- -	1,20,98,710 (95,76,699)	36,54,817 (31,69,265)

(Figures under bracket are of previous year)



Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

37) 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 ₹ 6,65,00,000/- (Previous year ₹ 3,91,92,015/-) issued by Banks in favour of certain parties against which Bank Fixed Deposit Receipts of ₹ 67,50,000/- (Previous year ₹ 41,29,228/-) 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 ₹ 18,20,803/-) 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 ₹ 13,47,300/- (Previous Year ₹ 20,05,899/-) is in appeal before Customs, Excise & Service Tax Appellate Tribunal, Bangalore and the matters pending in appeal.
 - e) Central Excise Duty for ₹ 72,50,835/- (Previous Year ₹ 69,75,737/-) is in appeal before Commissioner of Central Excise (Appeals-Visakhapatnam) and the matters pending in appeal.
 - f) Sales Tax for ₹ Nil/- (Previous Year 17,88,603/-) is pending with the Appellate Deputy Commissioner, Commercial Taxes, Kanchipuram, Tamil Nadu for Input Tax Credit Amount lapsed to government for Export.
 - g) 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.
 - h) Sales Tax for ₹ 40,13,333/- (Previous Year Nil) 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.
 - i) Sales Tax for ₹ 14,40,730/- (Previous Year Nil) 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.
 - j) Sales Tax for ₹ 2,95,46,895/- (Previous Year Nil) 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.
 - k) Central Excise Duty for ₹ 2,10,156/- (Previous Year Nil) including penalty is pending in appeal with Commissioner of Central Excise (Appeals), Chennai for disallow of cenvat on capital goods.
 - iii) Estimated amount of capital contract (net of advances) ₹ 2,57,54,000/- (Previous Year ₹ 8,19,83,911/-) remaining to be executed.



Notes on Financial Statements for the year ended 31st March, 2014 (contd.)

38) 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 ₹ 258.76 Lacs and makes a payment of ₹ 1,86,79,208/- relating to 2003-04 & 2004-05. The Net Sales tax deferred as on 31.03.2014 is ₹ 2,58,76,109/- (Previous year ₹ 4,45,55,317/-).
- (b) Pending Final Settlement, liability of Bonus ₹ 29,89,576/- (Previous year ₹ 25,20,460/-) 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, 2014 has been ascertained by the management as ₹ 14,996,334/- (Previous year ₹ 11,456,210/-) 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 Miscellaneous/ 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, 2014. 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, 2014 to the members of the Company.

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

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

59, Bentinck Street, Kolkata - 700 069.
Dated: 30th day of May, 2014



Cash Flow Statement for the year ended 31st March, 2014

	Amount in Lacs Current Year	Amount in Lacs Previous Year
A. NET PROFIT BEFORE TAX AND EXTRA-ORDINARY ITEMS	2,896.75	2,823.37
Adjustment for :		
Depreciation	1,256.15	927.84
Gratuity & Leave Encashment	54.60	34.84
(Profit) / Loss on Sale of Fixed Assets	(1.75)	(13.64)
Interest Received	(56.46)	(45.25)
Interest Paid	2,004.19	1,664.85
Sundry Balances Written back	(6.37)	(3.51)
Bad Debts & Sundry Balances Written Off	16.02	5.89
	6,163.12	5,394.39
Operating Profit before Working Capital Changes		
Trade and other Receivables	921.50	(103.61)
Inventories	78.67	89.44
Loans & Advances	78.68	1,991.85
Trade and other Liabilities	(2,983.45)	(281.16)
	(1,904.60)	1,696.50
Cash Generated from Operations	4,258.53	7,090.89
Direct Taxes - Refund / Paid	495.81	747.84
Cash Flow Before Extra Ordinary Items	3,762.72	6,343.05
Extra Ordinary Items	-	-
	3,762.72	6,343.05
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sold/Discard of Fixed Assets	1.75	34.31
Purchase of Fixed assets	(4,247.81)	(5,097.89)
Interest Received	56.46	45.25
Cash used in Investing Activities	(4,189.60)	(5,018.33)



	Amount in Lacs Current Year	Amount in Lacs Previous Year
C. CASH FLOW FROM FINANCING ACTIVITIES		
Long Term & Short Term Borrowing	2,369.36	266.89
Interest Paid	(2,004.19)	(1,664.85)
Net Cash used in Financing Activities	365.17	(1,397.96)
Net Cash Flow During the Year (A+B+C)	(61.72)	(73.24)
Opening Cash & Cash Equivalents	341.89	415.13
Closing Cash and Cash Equivalents	280.17	341.89

For RUSTAGI & ASSOCIATES

Chartered Accountants

S/d-

S.K. RUSTAGI

(Partner)

Mem. No.: 051860

Firm Reg. No.: 314194E

59, Bentick Street, Kolkata - 700 069

Dated: 30th day of May, 2014

On behalf of the Board

S/d-

Suresh Chand Bansal - Executive Chairman

Vikas Bansal - Executive Director

Lalit Chand Sharma - Comp. Secretary & CFO

PERFORMANCE AT A GLANCE (TEN YEARS' REVIEW)

FINANCIAL HIGHLIGHTS

(Rs. in crores)

PARTICULARS	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Sales	581.13	609.04	600.03	458.58	332.21	314.00	304.43	322.64	328.89	153.65
Other Income	2.08	1.79	1.64	2.29	0.96	1.31	1.41	1.03	1.42	1.70
Total Income (A)	583.21	610.83	601.67	460.87	333.17	315.31	305.84	323.67	330.30	155.35
Manufacturing & Other Expenses (B)	521.64	556.67	547.29	410.91	298.25	283.74	276.28	302.26	313.38	143.49
EBIDTA (C) [A-B]	61.57	54.16	54.38	49.97	34.92	31.57	29.56	21.41	16.92	11.86
Finance Costs	20.04	16.65	18.23	14.46	11.24	14.91	11.43	5.24	3.49	1.42
Depreciation	12.56	9.28	9.25	7.51	7.16	8.63	9.74	3.85	3.62	1.77
Profit Before Tax	28.97	28.23	26.90	28.00	16.52	8.03	8.39	12.32	9.80	8.66
Less:-Taxation / Deferred Tax	10.67	9.20	8.75	9.12	5.60	2.72	3.20	4.02	3.03	1.82
Profit / (Loss) After Tax	18.30	19.03	18.15	18.88	10.92	5.30	5.19	8.29	6.78	6.84
Adjustment in the respect of the earlier years	(0.06)	(0.01)	0.02	(0.01)	0.17	0.11	0.18	(0.09)	0.06	(0.02)
Profit Available For Appropriation	18.24	19.02	18.17	18.87	11.09	5.41	5.37	8.20	6.83	6.82
Appropriation										
(a) Dividend Amount & Dividend Tax	–	–	–	1.00	0.54	0.48	0.59	0.86	–	–
(b) Transfer to / from Reserves	5.00	5.00	5.00	4.20	3.60	3.60	3.60	4.00	4.00	4.00
Surplus	13.24	14.02	13.17	13.67	6.94	1.33	1.18	3.34	2.83	2.82
What The Company Owned										
Fixed Assets										
Gross Block	274.49	198.51	172.23	162.47	128.71	122.10	109.17	100.25	68.65	48.18
Less : Depreciation	84.28	71.70	62.65	53.56	46.08	39.08	30.86	21.27	17.48	18.17
Net Block	190.21	126.81	109.58	108.91	82.62	83.02	78.31	78.98	51.17	30.01
Capital Work-in-Progress	27.48	61.08	37.96	8.09	13.12	6.00	11.68	6.23	10.58	0.14
Investment	0.23	0.23	0.23	0.66	0.66	0.66	0.66	0.67	0.67	2.10
Current Assets & Advances	248.82	255.65	274.93	238.57	172.88	136.31	168.11	103.35	106.83	34.59
Non Current Assets	0.06	0.12	0.01	0.21	0.74	0.68	0.02	0.01	0.01	0.01
466.80	443.89	422.71	356.44	270.03	226.66	258.78	189.24	169.26	66.86	
What The Company Owed										
Secured Loans	131.51	114.38	101.14	98.20	82.49	74.44	92.83	45.78	17.42	6.42
Redeemable Preference Shares	–	–	–	–	1.20	1.80	2.40	3.00	–	–
Unsecured Loans	36.91	26.40	36.08	32.98	34.47	25.89	34.94	35.67	34.03	9.05
Deferred Tax Liability	27.61	18.59	15.10	14.52	11.44	10.69	9.48	9.33	7.88	5.26
Current/Long Term Liabilities & Provisions	103.78	135.76	140.65	119.16	66.73	50.66	60.88	41.99	60.80	22.51
299.81	295.13	292.97	264.86	196.33	163.49	200.53	135.77	120.13	43.25	
Net Worth of the Company										
Equity Share Capital	19.09	19.09	19.09	17.09	2.86	2.86	2.86	2.86	1.75	2.01
Share Suspense	–	–	–	–	–	–	–	–	4.11	–
Reserve & Surplus	147.90	129.67	110.65	74.49	70.84	60.30	55.38	50.61	43.26	21.60
166.99	148.76	129.74	91.58	73.70	58.25	63.17	53.47	49.12	23.61	
Financial Indicators										
Earning per Share (EPS)	10.00	10.00	10.00	11.00	39.00	19.00	18.00	31.00	39.15	34.35
Book Value per Equity Share (Rs.)	87.56	78.00	68.03	53.58	263.21	225.61	208.03	190.96	171.52	117.42



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