



**BEEKAY STEEL INDUSTRIES LTD.**

An ISO 9001 : 2008 Organisation

Registered Office: Lansdowne Towers, 4th Floor 2/1A, Sarat Bose Road, Kolkata-20  
t: +91 33 3051 4444 (30 Lines), +91 33 2283 0061, f: +91 33 2283 3322  
e: contact@beekaysteel.com, CIN : L27106WB1981PLC033490

Ref: BSIL/RKS/AR/BSE/2016-17/ 451

Dated: 22.09.2016

To  
**The Dy. General Manager**  
**BSE Limited,**  
P.J. Towers,  
Floor No. 25,  
Dalal Street,  
Mumbai – 400 001.

Dear Sir,

**Ref : Scrip Code No.539018**

**Reg : Submission of Annual Report for the financial year 2015-16.**

As per Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are sending herewith Annual Report of the Company for the financial year 2015-16 as approved and adopted by the shareholders in the Annual General Meeting of the Company held on 17<sup>th</sup> September, 2016.

Please acknowledge the receipt.

Thanking You,

Yours faithfully,  
For **Beekay Steel Industries Ltd.**

**(Rabindra Kumar Sahoo)**  
**Company Secretary**  
Encls: as above.



# BEEKAY STEEL INDUSTRIES LIMITED

Regd. Office: 'Lansdowne Towers', 4<sup>th</sup> Floor, 2/1A, Sarat Bose Road, Kolkata -700 020, Phone No. 033-30514444, Fax No. 033-22833322,

Website: www.beekaysteel.com, E Mail: contact@beekaysteel.com,

CIN: L27106WB1981PLC033490

## NOTICE

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting of **BEEKAY STEEL INDUSTRIES LIMITED (CIN: L27106WB1981PLC033490)** will be held at 'EEPC India Conference Room', EEPCINDIA, Vanija Bhavan, ITFC Building, Ground Floor, 1/1, Wood Street, Kolkata: 700 016 on Saturday, **17<sup>th</sup> day of September, 2016 at 10.30 A.M.** to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company including Audited Balance Sheet as at 31<sup>st</sup> March, 2016, Audited Profit & Loss Account and the Cash Flow Statement for the year ended as on that date together with the Report of Directors' and Auditors' thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Manav Bansal, (DIN : 00103024), who retires by rotation and being eligible, offers himself for re- appointment.
4. To appoint a Director in place of Mr. Vijay Kumar Bansal, (DIN : 01979712), who retires by rotation and being eligible, offers himself for re- appointment.
5. To ratify the appointment of the Statutory Auditors of the Company until the conclusion of next AGM and to fix their remuneration and in this respect, to pass, with or without modification (s) the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 if any and the Rules made thereunder, and pursuant to the recommendations of the Audit Committee of the Company, the Company hereby ratifies the appointment of M/s RUSTAGI & ASSOCIATES, Chartered Accountants, (ICAI Firm Registration No.314194E – 051860), as the Statutory Auditors of the Company to hold office of Auditors from the conclusion of this Annual General Meeting (AGM) until the conclusion of next Annual General Meeting and the Board of Directors be and is hereby authorized to fix their remuneration."

### SPECIAL BUSINESS

#### **6. RE - APPOINTMENT OF MR. MUKESH CHAND BANSAL AS A MANAGING DIRECTOR**

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

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the appointment of Mr. Mukesh Chand Bansal (DIN : 00103098) as Managing Director (designated as Key Managerial Personnel- KMP) of the Company, for a period of 5 (five) years with effect from 1<sup>st</sup> January, 2017 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board), with liberty to the Board to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Mukesh Chand Bansal, subject to the same not exceeding the limits specified under Sections 196 and 197 read with Schedule V (Section II of Part I) to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

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

#### **7. APPROVAL FOR PAYMENT OF REMUNERATION TO THE COST AUDITOR FOR THE FINANCIAL YEAR 2016-17**

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Musib & Co., the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.

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

#### **Registered Office:**

"Lansdowne Towers", 4<sup>th</sup> Floor,  
2/1A, Sarat Bose Road, Kolkata- 700 020.

**Dated :** 12<sup>th</sup> August, 2016

**Place :** Kolkata

By Order of the Board  
For Beekay Steel Industries Limited  
Sd/-

**Rabindra Kumar Sahoo**  
Company Secretary

### NOTES:

1. The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act) in respect of the business under Item Nos. 6 to 7 of the Notice, is annexed hereto. The relevant details as required under applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchange and Secretarial Standard 2 as issued by Institute of Company Secretaries of India of persons seeking appointment/re-appointment as Directors under Item Nos. 3 & 4 and Item Nos. 6 of the Notice, are also annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ALSO ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND & VOTE IN THE MEETING INSTEAD OF HIMSELF/ HERSELF & A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**  
A person can act as Proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) per cent of the total share capital of the Company carrying voting rights. However, a Member holding more than 10 (ten) per cent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other Member.
3. The instrument appointing the proxy duly completed, to be valid must be deposited at the Company's registered office not later than forty eight hours before the commencement of meeting. A proxy form is enclosed.
4. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date **i.e. 12.09.2016**. A person who is not a member as on cut-off date should treat this notice for information purpose only.

5. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on **12.08.2016**.
6. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 12.09.2016 are requested to send the duly signed written / email communication to the Company at [contact@beekaysteel.com](mailto:contact@beekaysteel.com) and to the RTA at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
7. The shareholders shall have one vote per equity share held by them as on the cut-off date of 12.09.2016. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
8. Pursuant to the provisions of Section 91 of the Companies Act, 2013, and Regulation 42 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Register of Members and Share Transfer Registers shall remain closed from **13<sup>th</sup> September, 2016 to 17<sup>th</sup> September, 2016** (both days inclusive) for the purposes of AGM & for determining the name of members eligible for dividend on equity share, if declared at the AGM.
9. As a measure of economy, copies of the Annual Report will not be distributed at the Meeting. Members are requested to carry their copies of the Annual Report to the Meeting.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics Private Limited.
11. The Ministry of Corporate Affairs ("Ministry") has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances through electronic mode and has issued Circular No. 17/2011 dtd. 21-04-2011 stating that service of documents by a Company to its Members can be made through electronic mode. In order to support this Green Initiative, the Members are requested to provide their email ID to the Company's Share Transfer Agent: M/S. Maheshwari Datamatics Pvt. Ltd. (E-Mail – [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)) or to the Company (e-mail- [contact@beekaysteel.com](mailto:contact@beekaysteel.com) or [rsahoo@beekaysteel.com](mailto:rsahoo@beekaysteel.com)).
12. Relevant documents referred to in this Notice is open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the AGM.
13. Members whose shareholding is in the electronic mode are requested to update address & bank account details to their respective Depository Participant(s) and the Members whose shareholding is in the physical mode are requested to provide the update in the ECS form and send the same to RTA.
14. Members holding shares in physical form are advised to file nominations in respect of their shareholding in the Company, if not already registered and to submit the same to Registrar and Share Transfer Agent.
15. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
16. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
17. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
18. Notice of the AGM along with Annual Report, attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode. The documents referred to above are also available on the Company's website [www.beekaysteel.com](http://www.beekaysteel.com)
19. Route-map to the venue of the AGM is annexed for the convenience of the members.
20. **Voting through electronic means**
  - I. As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (LODR) Regulations, 2015, the items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting vote through the electronic voting system ("remote e-voting") under an arrangement with The Central Depository Services (India) Limited ("CDSL") as specified more particularly in the instruction hereunder provided that once the vote on a Resolution is casted through e-voting, a Member shall not be allowed to change it subsequently.
  - II. Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.
  - III. **The instructions for shareholders voting electronically are as under:**
    - (i) The voting through electronic means will commence on **Wednesday, the 14<sup>th</sup> September, 2016 at 10.00. a.m and will end on Friday, the 16<sup>th</sup> September, 2016 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of i.e. **12.09.2016**, may cast their vote electronically. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the e-Voting module shall be disabled by CDSL for voting thereafter.
    - (ii) Shareholders who have already voted prior to the meeting date (by remote e-voting) shall not be entitled to vote at the meeting venue.
    - (iii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
    - (iv) Click on "Shareholders" tab.
    - (v) Now Enter your User ID
      - a. For CDSL: 16 digits beneficiary ID,
      - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
      - c. Members holding shares in Physical Form should enter Folio Number registered with the Company excluding the special characters.
    - (vi) Next enter the Image Verification as displayed and Click on Login.
    - (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
    - (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account with the depository or in the company records for the said demat account or folio.</p> <p>• Please enter the DOB or Dividend Bank Details in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in above instruction (iv).</p>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <BEEKAY STEEL INDUSTRIES LTD> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders & Custodians:**
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xx)** In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 200 5533.
- (xxi)** Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xxii)** Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [santibrewalla@gmail.com](mailto:santibrewalla@gmail.com) with a copy mark to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 16.09.2016 upto 5.00 p.m. without which the vote shall not be treated as valid.
- IV.** The Company has appointed Mr. Santosh Kumar Tibrewalla, Practising Company Secretary, Kolkata (FCS No. 3811, CP No. 3982) as Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- The Scrutinizer shall not later than 3(three) days of conclusion of the meeting make a consolidated scrutinizer's Report (which includes remote e-voting and voting as may be permitted at the venue of the AGM by means of ballot paper/poll) of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the results of the voting forthwith.
- The facility for voting either through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting.
- V.** However, in case the members who have casted their votes by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their votes again.
- VI.** Subject to casting of requisite number of votes in favour of the resolution(s), the resolution(s) shall be deemed to be passed on the date of Annual General Meeting of the Company.
- VII.** The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.beekaysteel.com](http://www.beekaysteel.com) and on the website of CDSL immediately after declaration of results of passing of the resolution at the Annual General Meeting of the Company and the same shall also be communicated to The BSE Limited, where the shares of the Company are listed.
- VIII. Important Communication to Members:-**
- As per the provisions of Sections 101 and 136 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and pursuant to SEBI LODR Regulations, 2015, the service of notice/documents including Annual Report can be sent by e-mail to its members. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of dematerialized shares with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the Updation of Shareholders Information & E-Communication Mandate Form and hand over the same along with Attendance Slip at the Registration Counter of venue of Annual General Meeting or e-mail the same at the company's e-mail Id: [contact@beekaysteel.com](mailto:contact@beekaysteel.com) or update the same information from the download section of the Company's website: [www.beekaysteel.com](http://www.beekaysteel.com) for registration of Email address for receiving notice/documents including Annual Report & updation of shareholders information.

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

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("the Act"), sets out all material facts relating to the business mentioned at Item Nos. 6 to 7 of the accompanying Notice dated 12<sup>th</sup> August, 2016:

##### **Item No. 6**

The term of office of Mr. Mukesh Chand Bansal as a Managing Director will expire on 31.12.2016. Hence, the Board of Directors of the Company at their meeting held on 12<sup>th</sup> August, 2016 has recommended to re-appoint him as Managing Director for a period of 5 (five) years w.e.f 1<sup>st</sup> January, 2017 subject to the approval of shareholders in the ensuing General Meeting. In view of accelerated operating results of the Company in the Financial Year 2015-16 and also due to his extensive involvement in the affairs of the Company, the Board of Directors has recommended to appoint him for a further period of five years to look after day to day affairs of the Company, in accordance with the provisions of Sections 196, 197, 198 & 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and on the terms as recommended by the Nomination and Remuneration Committee of the Company and approved by the Board.

It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Mr. Mukesh Chand Bansal as a Managing Director (designated as Key Managerial Personnel), in terms of the applicable provisions of the Act and the rules made thereunder.

The terms and conditions of his re-appointment & payment of remuneration are as follows:

- 1. Salary:** Rs. 2,33,000/- per month and annual increment up to 20% of the salary last drawn as may be approved by the Board annually.
- 2. House Rent Allowance:** Residential Accommodation including electricity (or reimbursement of House Rent in lieu thereof on actual basis).
- 3. Performance Linked Bonus:** Such percentage of the net profits of the Company or such amount as may be decided by the Board of Directors for each financial year or part thereof, provided however that the aggregate amount of Salary and Performance Linked Bonus shall not exceed the limits as per the provisions of section 197 and Schedule V of the Companies Act, 2013.



4. **Perquisites:** The Managing Director, in addition to Salary and Performance Linked Bonus, shall be entitled to the following perquisites which may be reviewed by the Board from time to time:
- Housing:** Residential accommodation including electricity (or reimbursement of House Rent in lieu thereof on actual basis).
  - Medical Reimbursement:** Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
  - Leave Travel Concession:** For self and family to and from any place in India, once in a year, incurred in accordance with the rules of the Company.
  - Clubs Fees:** Fees of Clubs, shall be subject to a maximum of two clubs, provided that no life membership or admission fee shall be paid by Company.
  - Personal Accident Insurance:** Premium not to exceed Rs. 25,000/- per annum.
  - Provident Fund / Superannuation Fund / Gratuity:**
    - Contribution to provident fund, super-annuation fund or annuity fund in accordance with the rules of the Company, so that these either singly or put together are not taxable under the I.T.Act, 1961.
    - Gratuity payable shall not exceed half of a month's salary for each completed year of service.
  - Car & Telephone:** The Managing Director shall be provided car with driver and telephones at his residence for Company's business as well as for personal use. However long distance calls for personal use will be billed by the Company.
  - Other Benefits:**
    - Leave: On full pay and allowances as per the rules of the Company but not more than one month's leave for every eleven months' of services. However, leave accumulated but not availed of shall be dealt with as per the Income Tax Rules, 1962, Casual and sick leave on full pay and allowance as per rules of the Company.
    - The Managing Director shall be entitled to reimbursement of travelling, entertainment and all other expenses actually and properly incurred for legitimate business need of the Company but subject to rules of the Company framed from time to time.
    - The Managing Director shall be reimbursed actual out of pocket expenses incurred by him in the course of discharging his duties in the capacity of Executive Director.
    - Mr. Mukesh Chand Bansal, as long as he functions as such, shall not be paid any sitting fee for attending meeting of the Board of Directors of any Committee thereof.

**Minimum Remuneration:** In the absence of or inadequacy of profit of the Company in any financial year, Mr. Mukesh Chand Bansal will be entitled to receive such remuneration as is permissible under Section 197 read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Your Board, therefore, recommend the resolution for your approval.

None of the Directors, Key Managerial Personnel's and their relatives except Mr. Mukesh Chand Bansal, Mr. Suresh Chand Bansal, Mr. Manav Bansal, Mr. Gautam Bansal, Mr. Vikas Bansal are in any way financially or otherwise deemed to be concerned or interested in the above resolution.

Pursuant to Section 190 of the Companies Act, 2013, a copy of the letter of appointment issued to Mr. Mukesh Chand Bansal is open for inspection at the Registered office of the Company during business hours till the date of ensuing Annual General Meeting.

#### Item No. 7

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Musib & Co., the Cost Auditors, to conduct the audit of the Cost Records of the Company for the Financial Year 2016-17 at a remuneration of Rs. 30,000/- plus service tax and out-of-pocket expenses, if any as their audit fees.

In accordance with the provisions of Section 148 of the Companies Act, 2014, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs to be ratified by the shareholders of the Company in the general meeting. Accordingly, consent of the members is sought for passing the Ordinary Resolution as set out in Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2017.

The Board of Directors recommends the resolution set out in Item No. 7 of the accompanying notice for the approval of the members.

None of the Directors, Managers, Key Managerial Personnel of your Company and/or their relatives in any way financially or otherwise is concerned or interested in the proposed Resolution

#### Details of the Directors seeking appointment/ re-appointment in forthcoming Annual General Meeting (In pursuance to regulation 36(3) of SEBI (LODR) Regulations, 2015 & Secretarial Standards 2 issued by Institute of Company Secretaries of India)

Sl No.	Name of The Director	DIN	Date of Birth	Nationality	Date of appointment	Expertise in Specific Function Areas	Qualification	No. Shares held	No. of Board Meeting attended	List of other Companies in which Directorships held as on 31 <sup>st</sup> March, 2016	Chairman/ Member of the Committee of the Board of other Companies in which he/she is a Director as on 31 <sup>st</sup> March, 2016
1	Mr. Manav Bansal	00103024	6/12/1974	Indian	29/11/2006	15 years of rich experience in corporate planning, financial management, taxation, general administration etc.	Commerce Graduate and MBA from University of Wales, UK	1258196	Refer Corporate Governance Report	Refer Corporate Governance Report	Refer Corporate Governance Report
2	Mr. Vijay Kumar Bansal	01979712	4/9/1958	Indian	05/08/2001	25 years of rich experience in the areas of Administration & Project Works.	Commerce Graduate	NIL	Refer Corporate Governance Report	Refer Corporate Governance Report	Refer Corporate Governance Report
3	Mr. Mukesh Chand Bansal	00103098	27/6/1956	Indian	28/03/1981	experience of more than 34 years in production and marketing. Besides he takes active participation in deciding various business plans of the group	Commerce Graduate	1193374	Refer Corporate Governance Report	Refer Corporate Governance Report	Refer Corporate Governance Report

#### Registered Office:

"Lansdowne Towers", 4<sup>th</sup> Floor,  
2/1A, Sarat Bose Road, Kolkata- 700 020.

**Dated :** 12<sup>th</sup> August, 2016

**Place :** Kolkata

By Order of the Board  
**For Beekay Steel Industries Limited**  
Sd/-

Rabindra Kumar Sahoo  
Company Secretary



# BEEKAY STEEL INDUSTRIES LIMITED

Regd. Office: 'Lansdowne Towers', 4<sup>th</sup> Floor, 2/1A, Sarat Bose Road, Kolkata -700 020, Phone No. 033-30514444, Fax No. 033-22833322,

Website: www.beekaysteel.com, E Mail: contact@beekaysteel.com,

CIN: L27106WB1981PLC033490

## PROXY FORM

(35<sup>th</sup> Annual General Meeting – 17<sup>th</sup> September, 2016)

FORM NO: MGT – 11

[Pursuant to section 105(6) of the Companies Act, 2013 read with rule of the Companies (Management and Administration) Rules, 2014]

CIN : L27106WB1981PLC033490  
 Name of the company : BEEKAY STEEL INDUSTRIES LTD  
 Registered office : Lansdowne Towers, 4<sup>th</sup> Floor, 2/1A, Sarat Bose Road, Kolkata – 700 020  
 Name of the member (s) :  
 Registered Address :  
 E-mail Id :  
 Folio No/ DP ID : Client Id :  
 I/We, being the member (s) of \_\_\_\_\_ shares of the above company, hereby appoint;

- Name: \_\_\_\_\_, Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_, Signature: \_\_\_\_\_, or failing him/her
- Name: \_\_\_\_\_, Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_, Signature: \_\_\_\_\_, or failing him/her
- Name: \_\_\_\_\_, Address : \_\_\_\_\_  
 E-mail Id : \_\_\_\_\_, Signature: \_\_\_\_\_.

As my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the AGM of the Company, to be held on Saturday, 17<sup>th</sup> day of September, 2016 at 10.30 A.M. at 'EEPC India Conference Room', EEPCINDIA, Vaniya Bhavan, ITFC Building, Ground Floor, 1/1, Wood Street, Kolkata: 700 016 and at any adjournment thereof in respect of such resolution(s) as are indicated below.

Resolution No.	Resolution	Optional	
Ordinary Business		For	Against
1	Adoption of Audited Financial Statement of the Company including Audited Balance Sheet as at 31 <sup>st</sup> March, 2016, Audited Profit & Loss Account and the Cash Flow Statement for the year ended on that date, together with the Report of Board of Directors' and Auditors' thereon.		
2	Approval for Declaration of dividend		
3	Approval for the re-appointment of Mr. Manav Bansal, Director who retires by rotation.		
4	Approval for the re-appointment of Mr. Vijay Kumar Bansal, Director who retires by rotation		
5	Approval for Ratification of the appointment of M/s RUSTAGI & ASSOCIATES, Chartered Accountants as the Statutory Auditors of the Company and authorize the Board to fix their remuneration		
Special Business:			
6	Approval for Re-appointment of Mr. Mukesh Chand Bansal as Managing Director & KMP of the company for a period of 5 yrs. w.e.f. 01.01.2017.		
7	Approval for payment of remuneration to the Cost Auditor of the Company for the financial Year 2016-17.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2016

Signature of shareholder(s) : Signature of Proxy holder(s) :

Affix a  
Revenue  
Stamp of  
Re.1/-

- Notes:**
- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the company not less than 48 hours before the commencement of the meeting.
  - For the full text of the aforesaid resolutions, statements and notes, please refer to the Notice including the explanatory statement, convening this Annual General Meeting of the Company

----- ✂ ----- (cut here) ----- ✂ -----

## ATTENDANCE SLIP

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

(Annual General Meeting – 17<sup>th</sup> September, 2016)

I/We hereby record my/our presence at the Annual General Meeting of "Beekay Steel Industries Limited" held on Saturday, 17th day of September, 2016 at 10.30 A.M. at 'EEPC India Conference Room', EEPCINDIA, Vaniya Bhavan, ITFC Building, Ground Floor, 1/1, Wood Street, Kolkata: 700 016.

Full Name of the member (in BLOCK LETTERS): \_\_\_\_\_

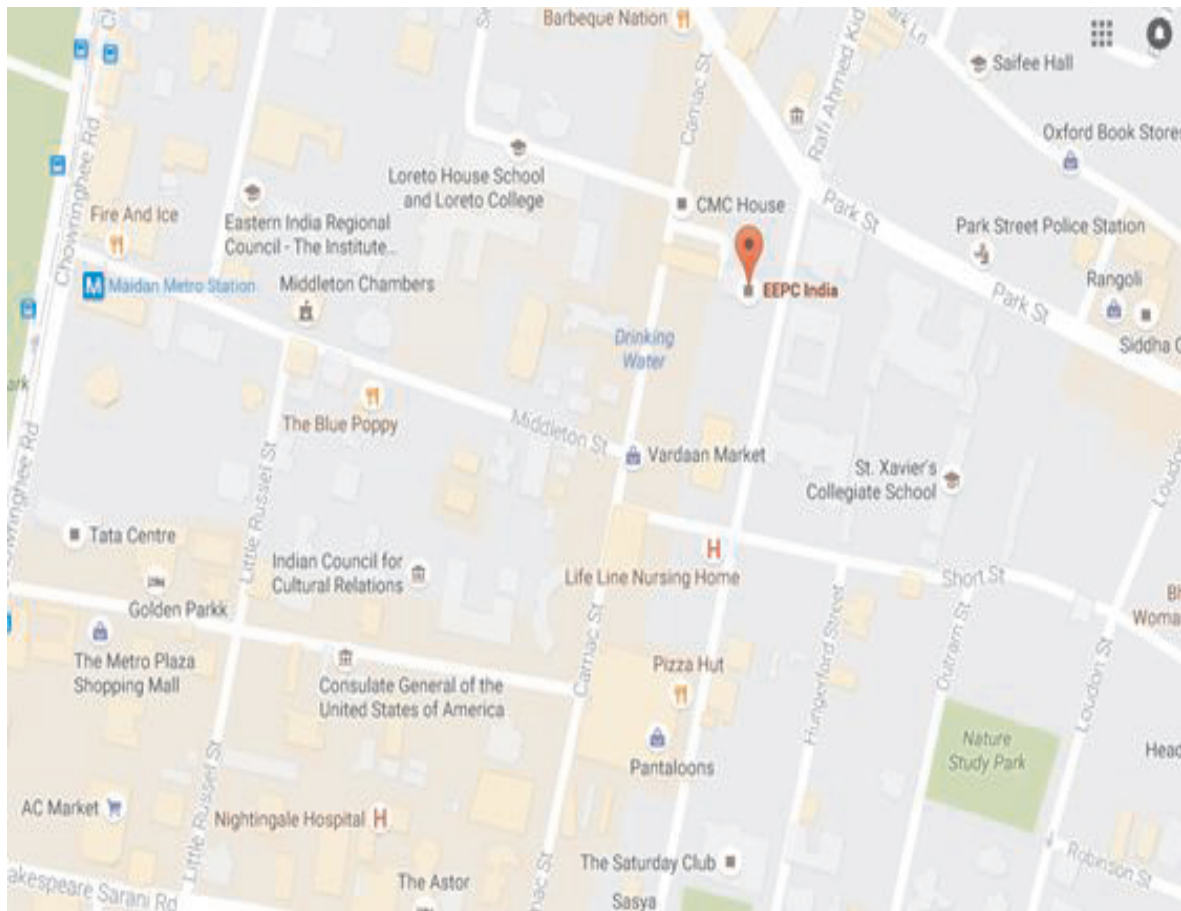
Folio No. \_\_\_\_\_, DP ID No. \_\_\_\_\_, Client ID No. \_\_\_\_\_

Full Name of Proxy (in BLOCK LETTERS): \_\_\_\_\_

Member/ Proxy(s) Signature:

- Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of Annual Report for reference at the meeting.
- Please read the instructions carefully before exercising your vote.

## Route Map & Venue of AGM





Driven by a Progressive Vision

Beekay Steel Industries Limited

**Annual**  
REPORT  
2015-16





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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Suresh Chand Bansal-Executive Chairman  
 Mr. Mukesh Chand Bansal- Managing Director  
 Mr. Vikas Bansal- Executive Director  
 Mr. Manav Bansal- Wholetime Director & CFO  
 Mr. Gautam Bansal- Wholetime Director  
 Mr. Vijay Bansal- Non Executive Director  
 Mr. Bhal Chandra Khaitan-Independent Director  
 Mr. Brijesh Kumar Dalmia- Independent Director  
 Mr. Ravishankar Sridharan- Independent Director  
 Mr. Srikumar Banerjee- Independent Director  
 Mr. Tapan Kumar Banerjee- Independent Director  
 Ms. Shyanthi Sengupta- Independent Director

### BANKERS

State Bank of India  
 Allahabad Bank  
 Punjab National Bank  
 Bank of Baroda

### AUDITORS

M/s. Rustagi & Associates  
 Chartered Accountants  
 59, Bentick Street, Kolkata-69

### COMPANY SECRETARY

Mr. Rabindra Kumar Sahoo

### REGISTERED OFFICE

'Lansdowne Towers'  
 2/1A, Sarat Bose Road,  
 4<sup>th</sup> Floor, Kolkata: 700 020  
 Tel: (033) 3051 4444  
 Fax: (033) 2283 3322  
 Email: [contact@beekaysteel.com](mailto:contact@beekaysteel.com)  
 Web: [www.beekaysteel.com](http://www.beekaysteel.com)

### REGISTRAR & SHARE TRANSFER AGENT

M/s. Maheshwari Datamatics Pvt. Ltd.  
 6, Mangoe Lane, Kolkata-700 001  
 Phone: (033) 2243-5029/5809  
 Fax : (033) 22484787  
 Email: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

### WORKS

Jamshedpur (Jharkhand)  
 Chennai (Tamil Nadu)  
 Visakhapatnam Andhra Pradesh  
 (a. Autonagar b. Bheemlipatnam c. Vellanki d. Parwada)  
 Howrah (West Bengal)



## DIRECTORS' REPORT TO THE SHAREHOLDERS

To,  
The Members of  
Beekay Steel Industries Limited

Your Directors take pleasure in presenting the 35<sup>th</sup> annual report on the business and operations of your Company together with the audited accounts of your Company for the year ended 31<sup>st</sup> March, 2016:

### FINANCIAL RESULTS

(₹ in crores)

Particulars	Financial Year 2015-16	Financial Year 2014-15
<b>Sales/Income from Operations</b>	<b>559.52</b>	<b>554.20</b>
Profit for the Year before Interest, Depreciation & Tax	66.80	62.16
Finance Cost	21.24	21.36
Depreciation	15.92	16.46
<b>Profit Before Taxation</b>	<b>29.64</b>	<b>24.34</b>
Provision for Tax-Current Tax	9.56	6.63
MAT Credit	—	—
Provision for Tax-Deferred Tax	0.76	2.11
<b>Profit for the Year</b>	<b>19.32</b>	<b>15.59</b>
Add/(Less): Adjustments	0.0045	0.01
Balance of Profit for the Previous Year	83.01	74.67
Balance available for appropriation	102.32	90.26
<b>APPROPRIATIONS:</b>		
Dividend-Equity Shares	1.91	1.91
Dividend Tax	0.38	0.38
Transfer to general Reserve	5.00	5.00
Transfer to Capital Redemption Reserve	—	—
<b>Balance of Profit carried over</b>	<b>95.03</b>	<b>83.01</b>

### FINANCIAL HIGHLIGHTS

During the year under review, the Company achieved a gross turnover of Rs.559.52 Crores as against Rs.554.20 Crores for the corresponding period of the previous year. There is an increase in operating EBITDA by 7.5 % to 66.80 Crores against Rs. 62.16 Crores. The net profit after tax during the year has increased significantly to Rs. 19.31 Crores as against Rs.15.60 Crores for the previous year registering a healthy growth of 23.78%.

The increase in EBITDA Margin, Net Profit and Profit after Tax has been achieved mainly due to change in the product mix supported by improvements in operational efficiencies and benefits derived from cost reduction measures.

### DIVIDEND

Your Directors are pleased to recommend a dividend of 10% for the Financial Year 2015-16 for the Equity Shares of the company subject to approval of the shareholders at the ensuing Annual General Meeting. The total outgo on account of dividend will be aggregating to Rs. 228.85 Lakhs (In-taxes).

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

The unpaid and unclaimed Dividend for the year 2007-08 has already been transferred to the Central Government, to Investor Education & Protection Fund ("IEPF") on 1<sup>st</sup> December, 2015. The unpaid and unclaimed Dividend for the year 2008-09 is due to be transferred to Investor Education & Protection Fund ("IEPF") by 2<sup>nd</sup> December, 2016.

### **SHARE CAPITAL**

The paid up equity capital as on March 31, 2016 remained at Rs 19,09,09,270 comprising of 19072052 shares of Rs 10/-each. The Company has not issued any shares during the year under review. The company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

### **FINANCE**

Cash and cash equivalents as at March 31, 2016 was Rs.366.73 Lakhs. The company continues to focus on judicious management of its working capital, Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

### **DEPOSITS**

Your Company has not accepted any deposits during the year, no deposits remained unpaid or unclaimed as at the end of the year and there was no default in repayment of deposits or payment of interest thereon during the year within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014

### **AMOUNT TRANSFERRED TO RESERVES**

The Company has transferred an amount of Rs.5.00 Crores to the General Reserves out of the profit for the financial year ended 31<sup>st</sup> March, 2016.

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

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

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

### **INTERNAL FINANCIAL CONTROLS**

The Company has in place an adequate and robust system for internal financial controls commensurate with the size and nature of its business. Internal control systems are integral to the Company's corporate governance policy and no reportable material weakness were observed in operations.

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

### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has a Corporate Social Responsibility Committee comprising of three directors, the details of which are mentioned in the corporate governance Report which form part of this Annual Report:

In compliance with section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the company has established Corporate Social Responsibility (CSR) Committee and statutory disclosures with respect to CSR Committee forms part of this Report as 'Annexure A'. The Committee met four times during the year to discharge its responsibilities. The CSR Policy may be accessed on the Company's website at the web link: <https://www.beekaysteel.com>.



### EXTRACT OF ANNUAL RETURN

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

### NUMBER OF MEETINGS OF THE BOARD

The details of the number of meetings of the Board held during the financial year 2015-16 forms part of the Corporate Governance Report.

### DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual accounts for the year ended 31st March, 2016, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- (b) the accounting policies adopted in the preparation of the annual accounts have been applied consistently except as otherwise stated in the Notes to Financial Statements and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2015-16 and of the profit for the year ended 31st March, 2016;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts for the year ended 31st March, 2016, have been prepared on a going concern basis.
- (e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- (f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### DECLARATION BY INDEPENDENT DIRECTORS

Mr. Brijesh Kumar Dalmia, Mr. Bhal Chandra Khaitan, Mr. Ravishankar Sridharan, Mr. Srikumar Banerjee, Mr. Tapan Kumar Banerjee, and Ms. Shyanthi Sengupta are Independent Directors on the Board of the Company. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ( hereinafter ' SEBI LODR Regulations).

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

Pursuant to provisions of Section 178 of the Companies Act, 2013 and SEBI LODR Regulations, the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Remuneration Policy.

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



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

- The Board Member shall possess appropriate skills, qualification, characteristics and experience. The objective is to have a Board with diverse background and experience in business, government, academics, technology, human resources, social responsibilities, finance, law etc. and in such other areas as may be considered relevant or desirable to conduct the Company's business in a holistic manner.
- Independent director shall be person of integrity and possess expertise and experience and/or someone who the Committee/Board believes could contribute to the growth/philosophy/strategy of the Company.
- In evaluating the suitability of individual Board Members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business, social perspective, educational and professional background and personal achievements.
- Director should possess high level of personal and professional ethics, integrity and values. He should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular section.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. He must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.
- The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business and achieves its objectives.

#### **CREDIT RATING**

India Rating and Research Private Limited (Ind-Ra), a wing of international rating agency FITCH Group, has re-affirmed your company Long-Term Issuer Rating at 'IND BBB' with stable outlook.

#### **RELATED PARTY TRANSACTIONS**

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

#### **RISK MANAGEMENT**

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

#### **BOARD EVALUATION & CRITERIA FOR EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR Regulations, 2015 (erstwhile Clause 49 of the Listing Agreement), the Board carried out an annual performance evaluation of its own performance, the individual Directors as well as the working of the Committees of the Board. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by Independent Directors. Details of the same are given in the Report on Corporate Governance annexed hereto.



### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company during its Meeting held on 12.08.2016 has recommended re-appointment Mr. Mukesh Chand Bansal as Managing Director of the Company for another term of 5 years w.e.f. 01.01.2017. The requirement under the provisions of the Companies Act, 2013 and the provisions of the SEBI LODR Regulations, 2015 also stands complied with such appointments

Mr. Manav Bansal, Whole time Director & CFO & Mr. Vijay Kumar Bansal, Non-Promoter Non-Executive Director retires from the Board by rotation and being eligible, offers themselves for re-appointment.

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

In view of the provisions of Section 203 of the Companies Act, 2013 Shri Mukesh Chand Bansal, Managing Director, Shri Manav Bansal, Whole time Director & CFO, and Shri Rabindra Kumar Sahoo, Company Secretary were identified as Key Managerial Personnel of the Company.

### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

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

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

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

### **PARTICULARS OF EMPLOYEES**

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

### **COMPANY'S WEBSITE**

The website of your Company, [www.beekaysteel.com](http://www.beekaysteel.com), has been designed to present the Company's businesses up-front on the home page. The site carries a comprehensive database of information including the Financial Results of your Company, Shareholding pattern, Director's & Corporate profile, details of Board Committees, Corporate Policies and business activities of your Company. All the mandatory information and disclosures as per the requirements of the Companies Act, 2013 and Companies Rules 2014 and as per the SEBI LODR Regulations, 2015 (erstwhile Listing agreement) has been uploaded.

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

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as 'Annexure- C' which is annexed hereto and forms part of the Directors' Report.

## AUDITORS & AUDITORS' REPORT

### Statutory Auditors:

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

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

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

### Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary to conduct Secretarial Audit of the Company for the Financial Year 2015-16. The Secretarial Audit Report for the Financial Year ended 31st March, 2016 is annexed herewith and marked as 'Annexure -D'. The Report is self-explanatory and do not call for any further comments.

### Cost Auditors:

Pursuant to Section 148 of the Companies Act, 2013, in terms of the Central Government's approval, the Board of Directors on the recommendation of the Audit Committee appointed M/s. Musib & Co., Cost Accountants, as the Cost Auditor of the Company for the year 2016-17. The remuneration proposed to be paid to the Cost Auditor requires ratification of the shareholders of the Company. In view of this, your ratification for payment of remuneration to the Cost Auditor is being sought at the ensuing Annual General Meeting.

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

The Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period and the Cost Audit Report for the financial year 2014-15 has already been filed with MCA.

## CORPORATE GOVERNANCE

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

The Company continues to comply with the requirements of SEBI LODR Regulations, 2015 (erstwhile Clause 49 of the Listing Agreement) regarding Corporate Governance. The Report on Corporate Governance together with a certificate from Mr. S.K. Tibrewalla, Practicing Company Secretary regarding Compliance of Conditions of Corporate Governance, certification by M.D. /CEO and the Management Discussion & Analysis Report are attached herewith which form part of this Annual Report.



### STOCK EXCHANGE LISTING

The Equity Shares of your Company are listed on BSE Limited (nation-wide trading terminal) under direct listing route, the trading of shares have started w.e.f. 25<sup>th</sup> March, 2015. The Company's Equity Shares have already been voluntarily delisted from the Calcutta Stock Exchange Ltd. w.e.f. 1<sup>st</sup> April, 2016 under SEBI Delisting Regulation. Vide SEBI exit notice to Kanpur Stock Exchange on June, 2015; the Kanpur Stock Exchange has stopped its operation as a Stock Exchange. The applicable annual listing fees have been paid to the Stock Exchange till financial year 2016-17.

### CODE OF CONDUCT

The Code of Conduct for Directors, KMPs and Senior Executive of the Company is already in force and the same has been placed on the Company's website: [www.beekaysteel.com](http://www.beekaysteel.com).

### CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

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

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

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

### CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of your Company for the Financial Year 2015-16, is prepared in compliance with the applicable provisions of the Companies Act, 2013, Accounting Standards and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forms part of this Annual Report. Form AOC-1 is annexed hereto and marked as 'Annexure F'.

### DISCLOSURES AS PER APPLICABLE ACT AND SEBI LODR REGULATION:

- i) Composition of Audit Committee:  
The Board has constituted the Audit Committee under the Chairmanship of Mr. Bhal Chandra Khaitan. Complete details of the Committee are given in the Corporate Governance Report, attached as Annexure to this Board's Report.
- ii) Post Balance Sheet events:  
The Company has received contract from SAIL for Job Work of TMT Bars at Company's New Unit/Work at Parwada, Visakhapatnam. There is no other material changes in commitments affecting the financial position of the Company occurred since the end of the financial year 2015-16.
- iii) Subsidiaries, Associates or Joint Ventures:  
Your Company has only one Associate Company, i.e. M/s. AKC Steel Industries Ltd. and does not have any subsidiaries or joint ventures, during the year under review.
- iv) Nomination, Remuneration and Evaluation Policy:  
The Company on recommendation of its Nomination & Remuneration Committee has laid down a Nomination, Remuneration and Evaluation Policy, in compliance with the provisions of the Companies Act, 2013 read with the Rules made therein and SEBI (LODR), Regulations, 2015. This Policy is formulated to provide a framework and set standards in relation to the followings:



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

#### APPRECIATION

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

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

Place : Kolkata  
Date: 12<sup>th</sup> August, 2016

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

Sd/-

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

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





## ANNEXURE – A TO DIRECTOR'S REPORT

### THE ANNUAL REPORT ON CSR ACTIVITIES

**1. Brief outline of the Company's CSR Policy:**

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

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

**2. The composition of the CSR Committee is as under :**

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

3. Average net profit of the Company for last three financial years: Rs.27.18 Crores.

4. Required CSR Expenditure: Rs. 54.36 Lakhs

5. Details of CSR spend for the financial year:

a) Amount spent for the financial year: Rs. 26.23 Lakhs; (P. Year we spent Rs. 28.01 Lakhs)

b) Amount unspent: Rs. 28.13 Lakhs;

c) Manner in which the amount spent during the financial year 2015-16 is detailed below

Sl. No	CSR Project activity identified	Sector in which the project is covered	Projects programmes 1. Local area others 2. State district (Name of the District, State where project programme was undertaken	Amount Outlay(budget) project programme wise (Rs. In Lakhs)	Amount spent on the projects programmes Sub- heads : 1. Direct expenditure on project programme 2. Overheads (Rs. In Lakhs)	Cumulative spend upto to the reporting period i.e. F.Y. 2015-16 (Rs. In Lakhs)	Amount spent: Direct through implementing agency
1	2	3	4	5	6	7	8
1	Provision of Financial Assistance of Food & Providing Education	Eradication of Poverty and Promoting Education	Local Area (Kolkata Suburban Areas).	2.00	2.00	2.00	Through Implementing Agency (Purvanchal Kalyan Ashram)
2	Provision of Help to Society for preventive Health Care etc	Social Awareness and Preventive of Health Care	Local Area (Kolkata Suburban Areas)	0.50	0.51	0.51	Through Implementing Agency (Kolkata Senior Citizens Forum)

3	Provision of Literacy, Health Care and Supply of Drinking Water etc	Livelihood Enhancement	All States of India	10.00	10.00	10.00	Through Implementing Agency (Friends of Tribals Society)
4	Provision of Health Care & Medical Treatment of Patient	Promoting Health Care	Local Area (Kolkata)	5.00	5.00	5.00	Direct to Tata Medical Center
5	Provision of Health and Uplifting of Society life	Livelihood Enhancement	Local Area (Kolkata)	1.00	1.00	1.00	Through Implementing Agency (Rotary Club of calcutta Yuvis Trust)
6	Provision of Health and Uplifting of Society life	Livelihood Enhancement	Local Area (Visakhapatnam, AP)	0.50	0.50	0.50	Implementing Agency
7	Provision of Social Business Project	Socio-Economic Projects	Local Area (Visakhapatnam, AP)	0.20	0.11	0.11	Implementing Agency
8	Provision of School Infrastructures and Enhancement of Quality Education	Promoting Social Development	Local Area (Visakhapatnam, AP)	3.50	3.37	3.37	Implementing Agencies
9	Provision of Help to Society for preventive Health Care etc	Social Awareness and Preventive of Health Care	Local Area (Jamshedpur Areas)	0.20	0.14	0.14	Direct
10	Provision of Boring of Tube Wells and Supply of Drinking Water	Safe Drinking water	Local Area (Chengalpet, Tamilnadu)	2.50	2.35	2.35	Direct
				25.40	24.98	24.98	
	Overhead @5% of Project Costs				1.25		
	Total Amount Spent on Program & Overhead During FY'16				26.23		

6. **Reasons for not spending the prescribed CSR expenditures:** The concept of CSR has gained prominence from all avenues. Organizations have realized that Government alone would not been able to get success in its endeavor to uplift the downtrodden society. Even much before the issue of CSR became global concern, Beekay Steel Industries Limited (BSIL) was aware of its responsibility towards the society. The CSR committee of the Company had planned various programs/initiatives to be undertaken in line with the CSR objectives in the last quarter of FY: 2015-16 as committed. Some projects have been identified near Company's Jamshedpur plant for which a few meetings with district authorities were held for overall development of education in the district of Seraikella & kharsawan. The Company is ready to spend a projected amount, in the present financial year, in the said project identified as CSR expenditure. The Company is already undergoing its CSR activities in the areas of Visakhapatnam where its other plants are situated. Discussion with GVMC (Greater Visakhapatnam Municipal Corporation) authorities are going on & some CSR activities are yet to be finalized with GVMC. The Company will meet its CSR expenditure & any shortfalls in the previous years, in the financial year 2016-17.
7. **Responsibility Statement :** It is hereby affirmed that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Place: KOLKATA  
Date: 12.08.2016

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

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



## ANNEXURE - B TO THE DIRECTORS' REPORT

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016

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

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

### ATTACHMENT - A

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

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

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

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

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

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	A K C Steel Industries Limited	L27109WB1957PLC023360	ASSOCIATE	27.95	2(6)

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

Category of Shareholdings	No. of Shares held at the beginning of the year (as on 01.04.2015)				No. of Shares held at the end of the year (as on 31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A1) Promoters									
(a) Individual/HUF	8578408	23534	8601942	45.10	8578408	23534	8601942	45.10	0.00
(b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
(c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
(d) Bodies Corp.	4647408	0	4647408	24.37	4647408	0	4647408	24.37	0.00
(e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1) :-	13225816	23534	13249350	69.47	13225816	23534	13249350	69.47	0.00
2) Foreign									
(a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other..	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2) :-	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	13225816	23534	13249350	69.47	13225816	23534	13249350	69.47	0.00
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
(b) Banks I FI	0	0	0	0.00	0	0	0	0.00	0.00
(c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
(d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1) :-	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
(a) Bodies Corp.									
(i) Indian	3530928	468348	3999276	20.97	3530967	468348	3999315	20.97	0.00
(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	9757	671622	681379	3.57	10913	671622	682535	3.57	0.00
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	837200	303804	1141004	5.98	879648	261204	1140852	5.98	0.00
(c) Others (specify)									
(i) Clearing Member	1043	0	1043	0.005	0	0	0	0	0.00
Sub-total (B)(2) :-	4378928	1443774	5822702	30.53	4421528	1401174	5822702	30.53	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	4378928	1443774	5822702	30.53	4421528	1401174	5822702	30.53	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	17604744	1467308	19072052	100.00	17647344	1424708	19072052	100.00	0.00



#### ATTACHMENT - D

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

##### ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2015)			Shareholding at the end of the year (as on 31.03.2016)			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered total Shares	
1	Suresh Chand Bansal	2013854	10.5592	0.00	2013854	10.5592	0.00	0.00
2	Basheshar Lal Bansal	1516710	7.9525	0.00	1516710	7.9525	0.00	0.00
3	Manav Bansal	1258196	6.5971	0.00	1258196	6.5971	0.00	0.00
4	Mukesh Chand Bansal	1193374	6.2572	0.00	1193374	6.2572	0.00	0.00
5	Vikas Bansal	735998	3.8590	0.00	735998	3.8590	0.00	0.00
6	Ritu Bansal	300966	1.5780	0.00	300966	1.5780	0.00	0.00
7	Gautam Bansal	262856	1.3782	0.00	262856	1.3782	0.00	0.00
8	Aruna Bansal	238398	1.2500	0.00	238398	1.2500	0.00	0.00
9	Kirti Bhagchandka	203350	1.0662	0.00	203350	1.0662	0.00	0.00
10	B.L. Bansal	169800	.8903	0.00	169800	.8903	0.00	0.00
11	Indu Bansal	163518	.8574	0.00	163518	.8574	0.00	0.00
12	Mukesh Chand Bansal	152292	.7985	0.00	152292	.7985	0.00	0.00
13	Suresh Chand Bansal	125196	.6564	0.00	125196	.6564	0.00	0.00
14	Bhawani Bansal	124800	.6544	0.00	124800	.6544	0.00	0.00
15	Krishna Kanodia	60000	.3146	0.00	60000	.3146	0.00	0.00
16	Ramniwas Kanodia	12000	.0629	0.00	12000	.0629	0.00	0.00
17	Megha Goenka	12000	.0629	0.00	12000	.0629	0.00	0.00
18	Gaurav Goenka	12000	.0629	0.00	12000	.0629	0.00	0.00
19	Usha Goenka	12000	.0629	0.00	12000	.0629	0.00	0.00
20	Bhagwati Prasad Goenka	12000	.0629	0.00	12000	.0629	0.00	0.00
21	Sarika Bansal	11100	.0582	0.00	11100	.0582	0.00	0.00
22	Gouri Dutta Bansal	9042	.0474	0.00	9042	.0474	0.00	0.00
23	Kirti Bansal	2450	.0128	0.00	2450	.0128	0.00	0.00
24	D P Agarwalla	42	.0002	0.00	42	.0002	0.00	0.00
25	Concast Steels And Alloys Limited	2129754	11.1669	0.00	2129754	11.1669	0.00	0.00
26	Century Vision Pvt. Ltd.	1060938	5.5628	0.00	1060938	5.5628	0.00	0.00
27	Manvik Estates Pvt. Ltd.	754920	3.9583	0.00	754920	3.9583	0.00	0.00
28	Tirumala Holdings Pvt. Ltd	559596	2.9341	0.00	559596	2.9341	0.00	0.00
29	Emerald Suppliers Pvt Ltd	142200	.7456	0.00	142200	.7456	0.00	0.00
	<b>TOTAL</b>	<b>13249350</b>	<b>69.4699</b>	<b>0.00</b>	<b>13249350</b>	<b>69.4699</b>	<b>0.00</b>	<b>0.00</b>

#### ATTACHMENT - E

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

##### (iii) Change in Promoters' Shareholding

Sl. No.		Shareholding at the beginning of the year (as on 01.04.2015)		Cumulative Shareholding during the year (as on 01.04.2015 to 31.03.2016)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year	13249350	69.47	--	--
2	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease	No change during the year			
3	At the end of the year	13249350	69.47	13249350	69.47



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

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.15 to 31.03.16)	
		No. of Shares at the beginning (01.04.14) end of the year (31.03.16)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	JYOTIRMAY TRADING PRIVATE LIMITED	2457678 2457678	12.8863 12.8863	01.04.2015 31.03.2016	NA	Nil movement during the year	2457678	12.8863
2	APEX ENTERPRISES (INDIA )LIMITED	307992 307992	1.6149 1.6149	01.04.2015 31.03.2016	NA	Nil movement during the year	307992	1.6149
3	SUN STAR BUSINESS PVT LTD	275802 275802	1.4461 1.4461	01.04.2015 31.03.2016	NA	Nil movement during the year	275802	1.4461
4	IDEAL GOODS AND SERVICES PVT LTD	270000 270000	1.4157 1.4157	01.04.2015 31.03.2016	NA	Nil movement during the year	270000	1.4157
5	VAISHALAI RASAYANS PVT LTD	224074 224074	1.1749 1.1749	01.04.2015 31.03.2016	NA	Nil movement during the year	224074	1.1749
6	BABBU COMMERCIALS PVT LTD	171546 171546	.8995 .8995	01.04.2015 31.03.2016	NA	Nil movement during the year	171546	.8995
7	ESTELLE CONSULTANT PVT LTD	171184 171184	.8976 .8976	01.04.2015 31.03.2016	NA	Nil movement during the year	171184	.8976
8	KANTA AGARWAL	800000 800000	4.1946 4.1946	01.04.2015 31.03.2016	NA	Nil movement during the year	800000	4.1946
9	PRACHI JINDAL	97998 97998	.5138 .5138	01.04.2015 31.03.2016	NA	Nil movement during the year	97998	.5138
10	RITESH JINDAL	87282 87282	.4576 .4576	01.04.2015 31.03.2016	NA	Nil movement during the year	87282	.4576

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

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	Name of the Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>A.</b>	<b>DIRECTORS :</b>				
1	Shri Suresh Chand Bansal As on 01.04.2015 & 31.03.2016	2139050	11.2156	2139050	11.2156
2	Shri Mukesh Chand Bansal As on 01.04.2015 & 31.03.2016	1345666	7.0557	1345666	7.0557
3	Shri Vikas Bansal As on 01.04.2015 & 31.03.2016	735998	3.8590	735998	3.8590
4	Shri Manav Bansal As on 01.04.2015 & 31.03.2016	1258196	6.5971	1258196	6.5971
5	Shri Gautam Bansal As on 01.04.2015 & 31.03.2016	262856	1.3782	262856	1.3782
6	Shri Vijay Kumar Bansal As on 01.04.2015 & 31.03.2016	0	0.00	0	0.00
7	Shri Brijesh Kumar Dalmia As on 01.04.2015 & 31.03.2016	0	0.00	0	0.00
8	Shri Bhal Chandra Khaitan As on 01.04.2015 & 31.03.2016	0	0.00	0	0.00
9	Shri Ravishankar Sridharan As on 01.04.2015 & 31.03.2016	0	0.00	0	0.00
10	Shri Srikumar Banerjee As on 01.04.2015 & 31.03.2016	0	0.00	0	0.00
11	Shri Tapan Kumar Banerjee As on 01.04.2015 & 31.03.2016	0	0.00	0	0.00
12	Smt. Shyanthi Sengupta As on 01.04.2015 & 31.03.2016	0	0.00	0	0.00



B.	KEY MANAGERIAL PERSONNEL (KMP) :				
1	Shri Mukesh Chand Bansal As on 01.04.2015 & 31.03.2016	1345666	7.0557	1345666	7.0557
2	Shri Manav Bansal As on 01.04.2015 & 31.03.2016	1258196	6.5971	1258196	6.5971
3	Shri Rabindra Kumar Sahoo As on 01.04.2015 & 31.03.2016	0	0.00	0	0.00

## ATTACHMENT - H

### V. INDEBTNESS

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

(Amount in ₹)

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtness
Indebtness at the beginning of the financial year				
i) Principal Amount as on 1.04.2015	11,670,659,777	503,550,000	0	1,670,615,977
ii) Interest due but not paid	0	70,112,342	0	70,112,342
iii) Interest accrued but not due as on 1.04.2015	0	0	0	0
TOTAL (i+ii+iii)	1,167,065,9777	573,662,342	0	1,740,728,319
Change in Indebtness during the financial year *				
ADDITION	95,440,423	(194,194,660)	0	(98,754,237)
REDUCTION	0	0	0	0
Exchange Difference	0	0	0	0
Net Change	95,440,423	(224,194,660)	0	(98,754,237)
Indebtness at the end of the financial year				
i) Principal Amount as on 31.03.2016	1,262,506,400	379,467,682	0	1,641,974,082
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due as on 31.03.2016	0	0	0	0
TOTAL (i+ii+iii)	1,262,506,400	379,467,682	0	1,641,974,082

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

\* Including refinance of foreign currency term loan.

## ATTACHMENT - I

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

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

(₹ In Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / MANAGER					Total Amount (₹ in Lakhs)
		Mr. Suresh Chand Bansal ( Executive Chairman)	Mr. Mukesh Chand Bansal (Managing Director)	Mr. Vikas Bansal (Executive Director)	Mr. Manav Bansal (Whole-time Director & CFO)	Mr. Gautam Bansal (Whole Time Director )	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	71.18	51.11	43.95	36.25	27.50	229.99
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.00	0.00	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	0.00	0.00	0.00	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00	0.00	0.00	0.00
3	Sweat Equit	0.00	0.00	0.00	0.00	0.00	0.00
4	Commission - as % of profit - others	0.00	0.00	0.00	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00	0.00	0.00	0.00
	Total (A)	71.18	51.11	43.95	36.25	27.50	229.99
	Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013.					

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

B. Remuneration to other directors :

1. Independent Directors :

(₹ In Lakhs)

Particulars of Remuneration	NAME OF THE DIRECTORS						
	Shri Bhal Chandra Khaitan	Shri Brijesh Kumar Dalmia	Shri Ravishankar Sridharan	Shri Srikumar Banerjee	Shri Tapan Kumar Banerjee	Smt. Shyanthi Sengupta	Total (₹ in Lakhs)
• Fee for attending board committee meetings	0.24	0.38	0.12	0.12	0.14	0.14	1.14
• Commission	0	0	0	0	0	0	0
• Others	0	0	0	0	0	0	0
Total (B)(1)	0.24	0.38	0.12	0.12	0.14	0.14	1.14

2. Other Non-Executive Directors

(₹ In Lakhs)

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

Total (B)=(B1)+(B2) = ₹ 1.18 lakhs

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

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

(₹ In Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Shri Mukesh Chand Bansal (MD)	Shri Manav Bansal (Whole time Director & Chief Financial Officer)	Shri Rabindra Kumar Sahoo (Company Secretary)	Total Amount
1.	Gross salary				
	(a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961	AS MENTIONED	AS MENTIONED	8.95	8.95
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	IN ATTACHMENT I	IN ATTACHMENT I	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			0.00	0.00
2.	Stock Option	—	—	0.00	0.00
3.	Sweat Equity	—	—	0.00	0.00
4.	Commission	—	—	0.00	0.00
	- as % of profit				
	- others				
5.	Others, please specify	—	—	0.00	0.00
	Total	—	—	8.95	8.95

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

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



## ANNEXURE - C TO THE DIRECTORS' REPORT

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

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16:

Sl. No.	Name of Director / KMP and Designation	Remuneration of Director/ KMP for financial year 2014-15 (Rs. in lakhs)	% increase in Remuneration in the financial year 2014-15	Ratio of remuneration of each Director/ to median remuneration of employees
1	Shri Suresh Chand Bansal Executive Chairman	71.18	21.34%	59.32:1
2	Shri Mukesh Chand Bansal Managing Director	51.11	30.38%	42.59:1
3	Shri Vikas Bansal Executive Director	49.95	29.30%	36.62:1
4	Shri Manav Bansal Wholetime Director & C FO	36.25	36.33%	30.21:1
5	Shri Gautam Bansal Whole Time Director	27.50	52.52%	22.92:1
6	Shri Rabindra Kumar Sahoo Company Secretary	08.95	NA*	NA*

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

**Note:** No other Director other than the Managing Director, Executive Chairman, Executive Director, Whole time Directors received any remuneration other than sitting fees during the financial year 2015-16.

- ii) The median remuneration of employees of the Company during the financial year was Rs. 1.20 lakhs
- iii) In the financial year, there was an increase of 11.11% in the median remuneration of employees;
- iv) There were 465 permanent employees on the rolls of Company as on March 31, 2016.
- v) Average percentage increase made in the salaries of the employees other than the managerial personnel in the financial year 2015-16 was 10.05% whereas the increase in the managerial remuneration for the same financial year was 33.98%.
- vi) It is hereby affirmed that the remuneration paid during the year ended 31<sup>st</sup> March, 2016 as per the Remuneration Policy of the Company.

**Statement pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :  
List of Top 10 Employees in terms of Remuneration drawn:**

Sl. No.	Name	Designation	Qualification	Date of Commencement of Employment	Age	Remuneration 2015-16	Expe-rience	Last employment held
1	BIPIN SRIVASTAVA	Executive - Production & Administration	Graduate	14.03.2011	43	968,781	20	-
2	RABINDRA KUMAR SAHOO	Company Secretary	B.COM(H), M.COM, LLB, FCS	22.12.2014	47	894,686	20	AKC Steel Industries Limited
3	ACHHELAL YADAV	Foreman-Production	-	01.02.2002	60	845,292	32	-
4	ANJAN KAR	Manager-Business Development	M.A (Economics) & MBA(Marketing)	03.11.2014	53	788,674	24	SMPL Infrastructure Limited
5	PRASUN DAS	AGM-Accounts	MBA(Finance) CA Inter	04.10.2010	48	764,899	25	SHELL PLC U.K. INC
6	RAJESH PATODIA	Sr. Manager (Finance & Accounts)	Chartered Accountant	01.11.2007	39	699,984	15	MEGHALAYA Cement Ltd.
7	D VENKATESWARA RAO	Sr. Manager (HR & Admin)	MBA (HR)	01.04.2013	54	686,310	23	Maa Mahamaya Industries Limited
8	ANUP KUMAR SHAW	Manager-Accounts	Chartered Accountant	03.08.2009	37	656,088	11	Enfield Ispat Limited (Sonthalia Group)
9	UMA SHANKAR SINGH	Foreman	-	01.12.1999	54	639,500	30	-
10	CHANDER SHEKHAR SAINI	Foreman	-	03.12.1988	62	629,988	32	-



## ANNEXURE - D TO THE DIRECTORS' REPORT

### SECRETARIAL AUDIT REPORT

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

**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2016**

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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Beekay Steel Industries Ltd. (hereinafter called 'the Company') bearing CIN: L27106WB1981PLC033490. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the M/s. Beekay Steel Industries Ltd. books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Beekay Steel Industries Ltd. ("the Company") for the financial year ended on 31<sup>st</sup> March, 2016, to the extent Acts / provisions of the Acts applicable, according to the provisions of :

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





- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ; and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi. I further report that, having regards to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis and on representation made by the Company and its officers for compliances under other applicable Acts, laws and Regulations to the Company, the Company has complied with the laws including the laws specifically applicable to the Company as given in Annexure 1.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India ;
- (ii) The Listing Agreement entered into by the Company with the Calcutta Stock Exchange Limited, U.P. Stock Exchange Limited and BSE Limited.

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

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review and the composition of Board of Directors of the Company is in conformity with the provisions of the Act.

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

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

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

I further report that during the audit period, the Company has the following reportable specific events, actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. referred to above : -

- a. Exit order issued by SEBI to the U.P. Stock Exchange, Kanpur in June, 2015 by virtue of which the said Stock Exchange has ceased to be operative and consequently the Company ceased to continue to be listed with the U.P. Stock Exchange.
- b. The Company had applied for voluntary delisting from The Calcutta Stock Exchange Limited and accordingly the Company was delisted from the said Stock Exchange w.e.f. 1<sup>st</sup> April, 2016.

**SANTOSH KUMAR TIBREWALLA**

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

Sd/-

**Santosh Kumar Tibrewalla**

(Name of Company Secretary in practice)  
FCS No.: 3811  
C P No.: 3982

Place: Kolkata  
Date: 29.07.2016

## ANNEXURE - I

### List of Other applicable laws to the Company

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



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

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

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

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

The Company has the most modern plant having inbuilt features for minimum energy consumption. Energy saving devices/equipments are installed to ensure saving in power consumption. For reduction in operating cost and better fuel efficiency we have implemented Bosch make "Pulverising & Feeding Equipment" in our Jamshedpur unit.

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

The Company is in the process of evaluating installation of Solar Power Plant of 10-20 MW. Power generated from this unit will be exchanged with the power consumed at our all units in Andhra Pradesh. As a measure of cost cutting the company has used furnace oil when the price of coal in the market was high and subsequently switched to coal when the price of oil was high which result to conservation of energy and proper utilization of resources.

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

Not ascertainable.

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

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

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

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

a) Details of technology imported } N.A.

b) Year of import }

c) Whether the technology been fully absorbed }

d) If not fully absorbed, areas where absorption has not taken }  
place, reasons thereof: and }

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

Expenses incurred are charged to respective heads are not allocated separately.

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

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

	2015-16 (Rs.in lakhs)	2014-15 (Rs in lakhs)
Total Foreign Exchange Used and Earned :		
Earned (F.O.B.)	2678.13	3682.98
Used	15.76	3870.82

## ANNEXURE – F TO THE DIRECTORS' REPORT

### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures.

#### Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

##### Part A Subsidiaries

- Names of subsidiaries which are yet to commence operations - Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year - Not Applicable

##### Part B Associates and Joint Ventures:

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates or Joint Ventures	Name : Associate
	AKC Steel Industries Ltd
1. Latest audited Balance Sheet Date	30.05.2016
2. Date on which the associate or joint venture was associated or acquired	01.04.1998
3. Shares of Associate or Joint Ventures held by the company on the year end	27.95%
No.	Equity – 11,60,000 of Rs. 10/- each
Amount of Investment in Associates or Joint Venture	Rs. 23,20,000/-
Extend of Holding (in percentage)	27.95% - Equity
4. Description of how there is significant influence	Holding more than 20% of total share capital pursuant to Section 2(6) of Companies Act, 2013
5. Reason why the associate/joint venture is not consolidated	N.A.
6. Net worth attributable to Shareholding as per latest audited Balance Sheet	Rs. 1.54,56,247.00
7. Loss for the year	Rs. 10,62,838/-
i. Considered in Consolidation	Yes
ii. Not Considered in Consolidation	N.A.

##### Other information :

- Names of associates or joint ventures which are yet to commence operations - Not Applicable
- Names of associates or joint ventures which have been liquidated or sold during the year - Not Applicable

Place : Kolkata  
Dated : 12.08.2016

**For and on behalf of the Board**  
For Beekay Steel Industries Limited  
Sd/-  
**Suresh Chand Bansal** - Executive Chairman  
(DIN : 00103134)  
**Mukesh Chand Bansal** - Managing Director  
(DIN : 00103098)  
**Manav Bansal** - Wholetime Director & CFO  
(DIN : 00103024)  
**Rabindra Kumar Sahoo** - Company Secretary



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

### **REPORT ON CORPORATE GOVERNANCE**

The report containing the details of Corporate Governance systems, processes and compliance at Beekay Steel Industries Ltd., that is in accordance with erstwhile Clause 49 of the Listing Agreement and pursuant to the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations, 2015) applicable from 1<sup>st</sup> December, 2015 & the Companies Act, 2013, with the BSE Limited (BSE) is as follows:

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

The Company is committed to maintain a highest standard of Corporate Governance practices with all the stakeholders such as shareholders, employees, customers, business partners and the society at large. The Company maintains a high degree of transparency in all its dealings with stakeholders through sustained disclosures. Ethical dealings, accountability, transparency, fairness, equity, social responsibility & disclosure are the main thrust to the working of the Company. The Company is committed to execute sustainable business practices and create long term value for all its stakeholders.

The Company has strengthened its governance practices over the years and in turn it defines the way business is conducted and sustainable value is created. The Company has proper Governance Structure with defined roles and responsibilities. The Company believes that the corporate governance process should make sure that the resources of the Company are properly utilized which shall meet the aspirations of the stakeholders in large and the society as a whole. The Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. The fundamental concern is to ensure highest standards of Corporate Governance practices. Sustainability is at the core of Company's strategy, with a strong focus on health, safety and environment.

The Board of Directors of the Company governs the Company and deliberately creates a culture of leadership to provide a long-term vision to improve the quality of governance. The Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in all its dealings. Therefore, the Board has adopted various codes and policies, i.e. code of conduct, code of conduct for prohibition of Insider Trading, Vigil Mechanism and Whistle Blower Policy, Policy on Materiality of Related Party Transactions etc., to carry out its duties and responsibilities in a fair and ethical manner.

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

#### **BOARD OF DIRECTORS**

##### **Size of the Board**

The Company's Board has optimum combination of Executive and Non-Executive Directors and are in accordance with the Corporate Governance Practices. Currently there are Five (5) Executive Directors, One (1) Non-Executive Director and Six (6) Independent Directors including one Woman Director makes the total strength of the Board to Twelve (12).

None of the Directors on the Board holds directorships in more than ten public companies. Further, none of them is a Member of more than ten committees or Chairman of more than five Committees across all public companies in which he/she is a director. The necessary disclosures regarding Committee positions have been made by the Directors.

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

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

##### **a) Composition and Category of Directors as on 31<sup>st</sup> March, 2016**

The composition of Board of Directors is in conformity of Corporate Governance Code. The Chairman is executive and a Promoter of the Company. The Board of Directors is composed of professionals from diverse field with wide range of skills & expertise which increases the quality of decision making. The Chairman is executive and a Promoter of the



Company. The number of Independent Directors are Six (6) which is in compliance with the stipulated one half of the total number of Directors. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company. All Independent Directors meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under erstwhile Clause 49 of the Listing Agreement as per the SEBI LODR Regulations, 2015.

The appointment of all the Independent Directors of the Company excluding Mr. Tapan Kumar Banerjee and Ms. Shyanthi Sengupta has been made in the Annual General Meeting of the Company held on 27<sup>th</sup> September, 2014 for a term of five consecutive years i.e upto 31<sup>st</sup> March, 2019 and appointment of Mr. Tapan Kumar Banerjee and Ms. Shyanthi Sengupta has been made in the Annual General Meeting of the Company held on 26<sup>th</sup> September, 2015 for a term of five consecutive years i.e upto 30<sup>th</sup> March, 2020.

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

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

The details of composition of the Board as at 31.03.2016 are given as under:

Category	Name of Directors
Promoters - Executive Directors	Mr. Suresh Chand Bansal – Executive Chairman
	Mr. Mukesh Chand Bansal – Managing Director
	Mr. Vikas Bansal – Executive Director
	Mr. Manav Bansal – Wholetime Director & CFO
	Mr. Gautam Bansal - Wholetime Director
Non - Promoter - Non Executive Director	Mr. Vijay Kumar Bansal
Non-Executive - Independent Directors	Mr. Brijesh Kumar Dalmia
	Mr. Bhal Chandra Khaitan
	Mr. Ravishankar Sridharan
	Mr. Srikumar Banerjee
	Mr. Tapan Kumar Banerjee
	Ms. Shyanthi Sengupta

The Non-executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 read with its allied Rules and meet with the requirements of erstwhile Clause 49 of the Listing Agreement and SEBI LODR Regulations, 2015.

The Independent Directors meet all the criteria's as provided in Companies Act, 2013 and erstwhile Clause 49 of the Listing Agreement and as per SEBI LODR Regulations, 2015. The appointment letters issued to every Independent Directors sets out their roles, responsibilities, fiduciary duties in the Company and the expectation of the Board from them along with other terms of their appointment.

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

As per the declaration received by the Company none of the Independent Directors are related to each other or the Promoter Director of the Company as defined under the Companies Act, 2013 and the Rules made thereunder. The Executive Directors are promoters & related to each other viz. Mr. Suresh Chand Bansal & Mr. Mukesh Chand Bansal are brothers, Mr. Vikas Bansal & Mr. Manav Bansal are sons of Mr. Suresh Chand Bansal & Mr. Gautam Bansal is the son of Mr. Mukesh Chand Bansal.



The Company in accordance with erstwhile Clause 49 of the Listing Agreement and pursuant to the SEBI LODR Regulations, 2015, has taken initiatives to familiarize its Independent Directors (IDs) with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programs posted on the website of the Company: [www.beekaysteel.com](http://www.beekaysteel.com).

The Independent Directors of the Company met once on 12<sup>th</sup> February, 2016 without the attendance of Non-Independent Directors and members of management to review the performance of Non-Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors, assessment of flow of information between the management of the Company & the Board of Directors effective performance of duties.

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

The Directors of the Company are made aware of the Company's operation, their role, responsibilities and liabilities. At the time of appointment the Company communicates to the Directors their role, responsibilities and liabilities. The Company holds regular Board & Committee Meetings at its Registered Office to discuss and decide upon the various strategic and operational matters and Directors have an opportunity to interact with the Senior Company personnel. In addition to the above the Directors have full access to all the information's within the Company.

- b) Attendance of each Director at the Board meetings and the last Annual General Meeting(AGM) held on 26-09-2015 and Number of other Directorships and Membership / Chairmanship of Committee of each Director in various Companies are as under:

Category	Name of Director	Position	Date of Joining the Board	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last AGM	No. of Directorship in other Indian Public Ltd. Cos.	No. of other Chairmanship(s)/ Membership(s) of Committees in other Indian Public Ltd. Cos. as on 31 <sup>st</sup> March, 2016	
								Chairmanship(s)	Membership(s)
Executive Directors	Mr. Suresh Chand Bansal	Executive Chairman	28.03.1981	6	5	NO	2	1	3
	Mr. Mukesh Chand Bansal	Managing Director	28.03.1981	6	6	YES	3	2	3
	Mr. Vikas Bansal	Executive Director	02.12.1991	6	6	NO	2	1	Nil
	Mr. Manav Bansal	Wholetime Director & CFO	29.11.2006	6	6	YES	3	Nil	3
	Mr. Gautam Bansal	Wholetime Director	29.01.2002	6	6	NO	Nil	Nil	2
<b>Non-Executive Directors</b>									
Non-Independent Directors	Mr. Vijay Kumar Bansal	Director	08.05.2001	6	2	NO	Nil	Nil	Nil
Independent Directors	Mr. Bhal Chandra Khaitan	Director	15.09.1993	6	6	YES	3	4	6
	Mr. Brijesh Kumar Dalmia	Director	19.11.2006	6	6	NO	1	1	5
	Mr. Ravishankar Sridharan	Director	16.07.2010	6	4	YES	Nil	Nil	1
	Mr. Srikumar Banerjee	Director	16.08.2011	6	5	NO	Nil	Nil	Nil
	Mr. Tapan Kumar Banerjee	Director	31.03.2015	6	6	YES	1	Nil	Nil
	Ms. Shyanthi Sengupta	Director	31.03.2015	6	6	YES	1	Nil	Nil
(*) Excludes Directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.									

- c) **Number of Board Meetings held & dates on Which held**

During the Financial Year 2015-16, Six (6) Board Meetings were held on 30.05.2015, 31.07.2015, 13.08.2015, 13.11.2015, 30.12.2015 and 12.02.2016. The maximum gap between two Board Meetings did not exceed one hundred and twenty days in terms of the Listing Agreement / Regulation 17 (2) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange Secretarial Standards and the provision of Companies Act, 2013.

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

The Board of Directors of the Company oversees the overall functioning of the Company. The Executive Chairman and Managing Director are entrusted with wide range of functions from operation, marketing & administration and duly assisted by the Executive Director, Wholtime Directors & Company Secretary including Senior Managerial Personnel in overseeing the functional matters of the Company.

The Board of Directors has constituted Five Standing Committees, namely :-

1. Audit Committee

Mr. Bhal Chandra Khaitan	Independent Director	Chairman
Mr. Brijesh Kumar Dalmia	Independent Director	Member
Mr. Suresh Chand Bansal	Executive Chairman	Member

2. Stakeholders Relationship Committee:-

Mr. Brijesh Kumar Dalmia	Independent Director	Chairman
Mr. Suresh Chand Bansal	Executive Chairman	Member
Mr. Gautam Bansal	Wholtime Director	Member

3. Nomination & Remuneration Committee:-

Mr. Bhal Chandra Khaitan	Independent Director	Chairman
Mr. Brijesh Kumar Dalmia	Independent Director	Member
Mr. Ravishankar Sridharan	Independent Director	Member

4. Corporate Social Responsibility Committee :-

Mr. Mukesh Chand Bansal	Managing Director	Chairman
Mr. Manav Bansal	Wholtime Director	Member
Mr. Brijesh Kumar Dalmia	Independent Director	Member

5. Share Transfer Committee :-

Mr. Suresh Chand Bansal	Executive Chairman	Chairman
Mr. Vikas Bansal	Executive Director	Member
Mr. Gautam Bansal	Wholtime Director	Member

The Company Secretary is the Secretary to all the above Committees of the Board. A minimum of four Board Meetings are held every year. Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors alongwith the agenda items and necessary documents & information were provided to all Directors beforehand to make able the Board of Directors to take proper decision. The Wholtime Director & CFO, Mr. Manav Bansal makes presentation on the financial results as well as the future course of action of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the stakeholders are being served. After Board Meetings, the decision of the Board of Directors duly communicated to the concerned departments & officials for implementation etc.

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

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

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



**e) Separate Meeting of Independent Directors:**

During the year under review, the Independent Directors met on February, 12, 2016, inter alia, to discuss:

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

The composition & attendance of the Directors at this meeting are as follows:-

Name	No. of Meetings Held/attended
Mr. Bhal Chandra Khaitan	1/1
Mr. Brijesh Kumar Dalmia	1/1
Mr. Ravishankar Sridharan	1/1
Mr. Srikumar Banerjee	1/1
Mr. Tapan Kumar Banerjee	1/1
Ms. Shayanthi Sengupta	1/1

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

**f) Performance Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR Regulations, 2015 (erstwhile Clause 49) of the Listing Agreement, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee (NRC) and by the Board. The Board carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

Every Director of the Company individually evaluates performance of the other Directors and submits their report to the Chairman of Nomination & Remuneration Committee based upon, amongst other parameters like participation in discussion at Meetings, attendance and exercise of independent judgment, etc. Thereafter on such individual assessment made by the Directors, the Chairman of Nomination & Remuneration Committee provides his overall report to the Chairman of the Board.

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

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

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

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



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

**g) Familiarization program for independent Directors**

An ongoing familiarization with respect to the business/ working of the Company for all Directors is a major contributor for meaningful Board level deliberations and sound business decisions.

By way of the familiarization programme undertaken by the Company, the Directors are shared with the nature of the industry in which the Company is presently functioning, the functioning of various business units, the Company's market share, the CSR activities which will be pursued by the Company and other relevant information pertaining to the Company's business.

As required under Regulation 25 of the SEBI (LODR) Regulations, 2015, the Company held various familiarization programmes for the Independent Directors throughout the year on an ongoing and continuous basis with a view to familiarizing the independent directors with the Company's operations. The familiarization programmes carried out during the year include:-

1. Presentations made by business and functional heads of the Company from time to time on different functions and areas.
2. Presentations made and deliberations held from time to time on major changes and developments in the Act and SEBI (LODR) Regulations, 2015.

The familiarization programme of the Company for its Independent Directors has been disclosed on the Company's website: [www.beeKaysteel.com](http://www.beeKaysteel.com)

The Directors were given presentation on all the business areas of the Company including business opportunities, strategy and risk involved. Quarterly updates on developments and giving highlights of the performances of the Company in details.

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

**h) Details of Directors seeking appointment / re-appointment**

The Details of Directors seeking appointment / re-appointment and the disclosure of relationships between directors inter se as required under SEBI (LODR), Regulations, 2015 (erstwhile Clause 49 of the Listing Agreement with the Stock Exchange) and as per Secretarial Standard 2 as issued by the Institute of Company Secretaries of India is given in annexure to the notice which forms part of this Report.

The disclosure of relationships between directors inter se as required under SEBI (LODR), Regulations, 2015 (erstwhile Clause 49 of the Listing Agreement with the Stock Exchange) and as per Secretarial Standard 2 as issued by the Institute of Company Secretaries of India is as follows :

• **Disclosure of relationship between the Directors inter se :**

The disclosure of relationships between Directors inter se as required as per Listing Agreement/ applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges is as follows :

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

**i) Whistle Blower/ Vigil Mechanism Policy :**

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





**j. Code of Conduct :**

The Company has framed Code of Conduct for the Directors and Senior Management of the Company. The Directors and Senior Management have affirmed compliance of the said Code of Conduct as on 31st March, 2016. The Code is displayed on the Company's website: [www.beekaysteel.com](http://www.beekaysteel.com).

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

**BOARD COMMITTEES:**

**Audit Committee:**

Audit Committee of the Board comprises three Directors out of which two are Independent & Non-Executive Directors. Mr. Bhal Chand Khaitan is the Chairman of the Committee and Mr. Suresh Chand Bansal and Mr. Brijesh Kumar Dalmia are members of the Committee. The Members possess adequate knowledge of Accounts, Audit, Finance, etc. The composition of the Audit Committee meets the requirements as per Section 177 of the Companies Act, 2013 and erstwhile Clause 49 of the Listing Agreement & as per Regulation 18 (1) of SEBI LODR Regulations, 2015. Mr. Rabindra Kumar Sahoo, Company Secretary is acting as Secretary of the Committee.

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

**Terms of reference :**

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

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. To review report of internal auditors & discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Examining the financial statement and the auditor's report thereon;
21. Monitoring the end use of funds raised through public offers and related matters;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
23. To review -
  - o Management discussion and analysis of financial condition and results of operations;
  - o Statement of significant related party transactions, submitted by management;
  - o Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
  - o Internal audit reports relating to internal control weaknesses, etc.
  - o Secretarial audit report relating to suspected fraud or irregularity or a failure of compliance of any legislation.

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

Four (4) meetings of the Audit Committee were held during the financial year 2015-16, as against the minimum requirement of four meetings, held on 30.05.2015, 13.08.2015, 13.11.2015 & 12.02.2016.

**The composition of the Audit Committee as at 31.03.2016 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-	Executive Chairman- Member	4	4
Mr. Brijesh Kumar Dalmia-	Non- Executive –Independent Director- Member	4	4

The Wholetime Director & Chief Financial Officer, Accounts Head, Company Secretary, representatives of the Statutory auditors of the Company attend the Audit Committee Meetings. Mr. Bhal Chandra Khaitan, Chairman of the Audit Committee was present at the last Annual General Meeting. Mr. Rabindra Kumar Sahoo, Company Secretary was the secretary to the Audit Committee.

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

The terms of reference and constitution of the Committee are compliance with Section 178 of the Companies Act, 2013 and (erstwhile Clause 49 of the Listing Agreement) pursuant to Regulation 19 and Part D of Schedule II of SEBI LODR Regulations, 2015. The Committee's responsibilities includes framing of specific remuneration package of Executive Directors and commission / fees for Non-Executive Directors etc. and approval of remuneration to the managerial personnel as per the Company's policy on the same.



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

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

**b) The composition of the Nomination & Remuneration Committee as at March 31, 2016 are as given below:**

The Committee has three Independent Non-Executive Directors. Mr. Bhal Chand Khaitan, as the Chairman and Mr. Brijesh Kumar Dalmia and Mr. Ravishankar Sridharan as other members. One Meeting of the Committee was held on 30.05.2015.

Constitution	No. of Meetings	
	Held	Attended
Mr. Bhal Chandra Khaitan - Non- Executive –Independent Director – Chairman	1	1
Mr. Brijesh Kumar Dalmia - Non- Executive –Independent Director- Member	1	1
Mr. Ravishankar Sridharan -Non- Executive –Independent Director- Member	1	1

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

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

**c) Performance Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR Regulations, 2015, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee (NRC) and by the Board. The Board carried out an annual performance evaluation of its own performance, the Independent Directors individually

as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

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

#### **Remuneration to Directors:**

##### **(a) Remuneration Policy /Criteria**

- i. Executive Directors : The Company follows the policy to fix remuneration to Managing /Whole Time Directors by taking into account the financial position of the Company, trend in the Industry, qualification, experience, past performance and past remuneration of the respective Directors in the manner to strike a balance between the interest of the Company and the Shareholders.
- ii. Non-Executive Directors : The Non-executive Directors (including Independent Directors) are paid sitting fees on uniform basis.
- iii. KMPs & Senior Management Personnel : The moto of determining policy for payment of remuneration to the KMPs and Senior Management Personnel are to motivate and retain them for longer term for the better perspective and growth of the Company. The criteria also oversees the industry trend, quality and experience of the personnel. These factors not only contributes to the Company but makes thier job satisfaction.

##### **(b) Sitting Fees :**

The Non-Executive Directors are paid compensation by way of sitting fees. The sitting fees payable to the Non-Executive Directors is based on the number of meetings of the Board & other Committees of the Board attended by them. The Company pays sitting fees at the rate of Rs.2,000/- for each meeting of the Board and Committees attended by them.





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

Name of Director	Remuneration paid/payable for the year ended 31st March, 2016				Service Terms	
	Salary (Rs.)	Bonus (Rs.)	Benefits (Rs.)	Sitting Fees (Rs.)	Pay Scale per Month (Rs.)	Revised / Effective
Mr. Suresh Chand Bansal	43,20,000	18,00,000	9,98,400	—	3,60,000	01-04-2015
Mr. Mukesh Chand Bansal	27,96,000	15,00,000	8,15,520	—	2,33,000	01-04-2015
Mr. Vikas Bansal	24,24,000	12,00,000	7,70,880	—	2,02,000	01-04-2015
Mr. Manav Bansal	21,12,000	9,00,000	6,13,440	—	1,76,000	01-04-2015
Mr. Gautam Bansal	19,20,000	8,00,000	2,30,400	—	1,60,000	01-04-2015
Mr. Bhal Chand Khaitan	—	—	—	24,000	—	—
Mr. Vijay Kumar Bansal	—	—	—	4,000	—	—
Mr. Brijesh Kumar Dalmia	—	—	—	38,000	—	—
Mr. Ravishankar Sridharan	—	—	—	12,000	—	—
Mr. Srikumar Banerjee	—	—	—	12,000	—	—
Mr. Tapan Kumar Banerjee	—	—	—	14,000	—	—
Ms. Shyanthi Sengupta	—	—	—	14,000	—	—

**Notes :**

1. The Directors were paid sitting fees as per the Policy of the Company.
2. The Company has not entered into any other pecuniary relationship or transactions with the Non-Executive Directors.
3. The Notice period and severance fees are not applicable to the Executive Director of the Company.

**Shares and convertible instruments are held by Non-executive Directors**

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

Name of Directors	No. of Shares held as on 31-03-2016
Mr. Bhal Chandra Khaitan	Nil
Mr. Vijay Kumar Bansal	Nil
Mr. Brijesh Kumar Dalmia	Nil
Mr. Ravishankar Sridaran	Nil
Mr. Srikumar Banerjee	Nil
Mr. Tapan Kumar Banerjee	Nil
Ms. Shyanthi Sengupta	Nil

**Mr. Manav Bansal**

Mr. Manav Bansal is a Director of the Company and a Commerce Graduate and MBA from University of Wales, U.K. He is 41 years of age. He is having experience of more than 22 years in corporate planning, financial management, taxation, general administration, etc. He is one of the Directors in Beekay Steel Industries Ltd., Concast Steels & Alloys Ltd., Beekay Associates Pvt. Ltd., Beekay Fresh Agro Pvt. Ltd., Emerald Suppliers Pvt. Ltd., Pleasant Holdings Pvt. Ltd., Shri Govinda Grounds Bars Pvt Ltd. and Manav Ispat Pvt. Ltd. Century Vision Pvt. Ltd., Lansdowne Builders Pvt. Ltd. He holds 1258196 Equity Shares of the Company.

**Mr. Vijay Kumar Bansal**

Mr. Vijay Kumar Bansal is a commerce graduate having more than 42 years of rich experience in administrative & project works. He does not hold directorship in any other company

**Mr. Mukesh Chand Bansal**

Mr. Mukesh Chand Bansal is a Commerce Graduate having 34 years of rich experience in the field of operation, marketing, production & administration. He takes active participation in deciding various business plans of the group.



He is a Director in AKC Steel Industries Ltd., Concast Steels & Alloys Ltd. Manav Ispat Pvt. Ltd. Orchid Real Estate Pvt. Ltd., Beekay Associates Pvt. Ltd., Afterlink Homes Pvt. Ltd., B.P. Spring & Engg. Co. Pvt. Ltd., Tirumala Holdings Pvt. Ltd., Shri Govinda Ground Bars Pvt. Ltd., Pleasant Holdings Pvt. Ltd., Beekay Infracon Pvt. Ltd., Beekay Fresh Agro Pvt. Ltd. & Forbes Infracon Pvt. Ltd. He holds 1345666 Equity Shares of the Company.

### **SHARE TRANSFER COMMITTEE**

The Board has also modified the scope of the Committee to align it with the SEBI LODR Regulations, 2015 (erstwhile revised Clause 49 of the Equity Listing Agreement) and in compliance with the provisions of the Companies Act, 2013. The functions of the Committee include approval of share transfers and transmissions taking actions and any other matter(s) out of and incidental to these functions and such other acts assigned by the Board.

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

Constitution		
Mr. Suresh Chand Bansal	Executive Chairman	Chairman
Mr. Vikas Bansal	Executive Director	Member
Mr. Gautam Bansal	Wholetime Director	Member

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

As at 31<sup>st</sup> March, 2016, 1,76,47,343 nos. of equity shares constitutes 92.53 % (previous year – 92.31 %) of the Company's equity shares are held in dematerialized form.

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The terms of reference and constitution of the Stakeholders Relationship Committee are in compliance with the provisions of the Companies Act, 2013 ( erstwhile Clause 49 of the Listing Agreement) and pursuant to Regulation 20 and Part D of Schedule VI of SEBI LODR Regulations, 2015.

The main tasks of Stakeholders Relationship Committee is to looks into redressing of shareholders' and investors grievances like transfer / transmission of Shares, non- receipt of Dividend, Balance Sheet, etc. The Company has registered with SCORES of SEBI for Redressal of Investors' Grievances on-line.

The terms of reference of the Stakeholders Relationship Committee are as follows:

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

The Stakeholders Relationship Committee comprises of 3 Directors out of whom One (1) Director is Independent Director & the Chairman of the Committee.

The Stakeholders Relationship Committee met four times during the financial year 2015-16 on 30.05.2015, 13.08.2015, 13.11.2015 & 12.02.2016. The composition of the Committee as at March 31, 2016 and the number of meetings attended by the Members are as given below:



The Committee comprises of the following members:

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

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

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

Phone : 033-3051 4444

Fax : 033-2283 3322

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

## Investor Grievance Redressal

### Shareholders' Complaints

The numbers of shareholders'/ investors' complaints received, resolved/ replied and pending during the year under review are as under :

Nature of complaints	Received	Resolved/ Replied	Pending
Non-receipt of share certificates	Nil	Nil	Nil
Non-receipt of dividend	Nil	Nil	Nil
Non-receipt of annual reports	Nil	Nil	Nil
Others	Nil	Nil	Nil
<b>Total</b>	Nil	Nil	Nil

No request for Share transfer remains pending for registration for more than 15 days except in one case which is delayed beyond 15 days. No complaint / query is received by the Company during the financial year and no complaint is pending as on 31st March, 2016.

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

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

### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The CSR Committee is responsible for compliance of its scope mentioned in its term of reference in relation to CSR affairs and shall monitor the implementation of approved CSR policy and shall meet periodically, to review & ensure orderly and efficient execution of the CSR project, programs or activities and issue necessary direction pertaining to it. The CSR Committee presently comprises of Mr. Mukesh Chand Bansal, Mr. Manav Bansal and Mr. Brijesh Kumar Dalmia. Mr. Mukesh Chand Bansal is the Chairman of the Committee.

Mr. Rabindra Kumar Sahoo is the Secretary of the Committee

The terms of reference and constitution of the Corporate Social Responsibility Committee are in compliance with the provisions of the Companies Act, 2013 and rules made there under. The CSR Committee comprises of two executive non-independent Directors & One Independent Non-executive Director.

The broad terms of reference of CSR committee are as follows:

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

During the year, Three meetings of the CSR Committee were held on 30.05.2015, 13.11.2015 & 12.02.2016.

The Committee comprises of the following members:

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

## GENERAL BODY MEETINGS

i. General Meetings:

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

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

Financial Year	Type of Meeting	Date & Time of Meeting	Venue of Meeting	If Special Resolution(s) Passed
2014-15	34 <sup>th</sup> A.G.M.	26-09-2015 at 1.00 P.M	Somany Conference Hall, MCC Chamber of Commerce & Industry, 15-B, Hemanta Basu Sarani, Kolkata – 700 001.	No
2013-14	33 <sup>rd</sup> A.G.M.	27-09-2014 at 11.30 A.M	Lansdowne Towers", 4 <sup>th</sup> Floor, 2/1A, Sarat Bose Road, Kolkata – 700 020.	No
2012-13	32 <sup>nd</sup> A.G.M.	28-09-2013 at 11.30 A.M	Lansdowne Towers", 4 <sup>th</sup> Floor, 2/1A, Sarat Bose Road, Kolkata – 700 020.	No

b) Extraordinary general meeting:

No extraordinary general meeting of the members was held during the year 2014-15 & 2015-16.

No Special Resolution was passed by the Company during the last three AGMs.

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



In compliance with Regulation 44 of SEBI LODR Regulations, 2015 and in compliance with the applicable provisions of the Companies Act, 2013 and the Companies (Management & Administration) Rules, 2014, Members of the Company were provided with the facility to cast their vote electronically through the e-voting services provided by CDSL, on all resolutions set forth in the Notice of 34<sup>th</sup> Annual General Meeting. Members were also given options to cast their vote physically in that Annual General Meeting.

#### **Whistle Blower/ Vigil Mechanism Policy :**

As per the requirements of the Companies Act, 2013 and the Listing Agreement/ applicable regulations of SEBI (LODR) Regulations, 2015 the Company had established a mechanism for employees to report concerns for unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics. It also provides for adequate safeguards against the victimization of employees who avail the said mechanism. This policy also allows the direct access to the Chairperson of the Audit Committee. The Audit Committee is committed to ensure the flawless work environment by providing a platform to report any suspected or confirmed incident of fraud/ misconduct.

By virtue of Whistle Blower Policy, the Directors or employees of the Company or any other person who avail the mechanism are encouraged to escalate to the level of the Audit Committee for any issue of concerns impacting and compromising with the interest of the Company and its stakeholders in any way. The Company is committed to adhere to highest possible standards of ethical, moral and legal business conduct and to open communication and to provide necessary safeguards for protection of Directors and employees from reprisals or victimization, for whistle blowing in good faith. This policy also allows the direct access to the Chairperson of the Audit Committee.

#### **DISCLOSURES**

- i) **Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of listed entity at large :**

All material transactions entered into with related parties as defined under the Act and SEBI LODR Regulations 2015 during the financial year were in the ordinary course of business. No related party transactions of materially significant nature were entered into by the Company with its promoters, the Directors or the management, their subsidiaries or relatives, etc. which could conflict with the interests of the Company.

- ii) **Details of non-compliance by the Listed Entity, penalties, strictures imposed on the Listed Entity by Stock Exchange(s) or Securities and Exchange Board of India or any Statutory Authority, on any matter related to the capital markets, during the last three years :**

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 on any matter related to the capital markets during last three years. No penalty or strictures have been imposed by them on the Company during last three years.

- iii) The Company has adopted the Whistle Blower Policy/ Vigil Mechanism Policy in line with Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI LODR Regulations, 2015, which is a mandatory requirement, to safeguard against victimization & unfair treatment of employees. Employees and directors to report concerns about unethical behavior to the Chairman of the Audit Committee. No person has been denied access to the chairman of the audit committee. The Whistle Blower Policy/ Vigil Mechanism has also been put up on the website of the Company.

- iv) **Risk Management:** The Company has identified risk involved in respect to its products, quality, cost, location and finance. It has also adopted the procedures / policies to minimize the risk and the same are reviewed and revised as per the needs to minimize and control the risk. The report is also placed before the Board of Directors of the Company.



v) **Reconciliation of share capital audit**

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

vi) **Code of Conduct**

The Company has framed Code of Conduct for all the Board Members, Key Managerial Personnel and other Senior Executives of the Company. The members of the Board and Senior Management Personnel have affirmed the compliance with the Code applicable to them during the year ended March 31, 2016. The Annual Report of the Company contains a Certificate by the Managing Director/CEO in terms of SEBI LODR Regulations, 2015 based on the compliance declarations received from Independent Directors, Non-Executive Directors, Executive Directors and Senior Management.

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

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

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

**Subsidiary / Associate Company :**

The Company does not have any material non-listed Indian Subsidiary as defined in Regulation 24 of SEBI (LODR), Regulations, 2015 (erstwhile Clause 49 of the Listing Agreement). The company has one associate company in terms of the provision of Section 2(26) of the Companies Act, 2013.

**MEANS OF COMMUNICATION**

The quarterly, half yearly & yearly results of the Company are also published in the prescribed format within 48 hours of the conclusion of the meetings of the Board in the Newspapers.

The unaudited / audited quarterly & half yearly financial results approved by the Board of Director at its meeting within the prescribed time-frame of the close of every quarter together with limited review by the Auditors and yearly audited results alongwith Auditors Report are furnished to the stock Exchange(s) where the Company's shares are listed in compliance with the Listing Agreement / SEBI (LODR) Regulations, 2015 and are published in leading newspapers in India which include Financial Express & Business Standard and in leading regional/vernacular languages in Bengali within 48 hours of conclusion of Board Meeting. The results are also displayed on the Company's website "[www.beekaysteel.com](http://www.beekaysteel.com)".

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

No presentation has been made to Institutional Investors or Analysts

**GENERAL INFORMATION FOR MEMBERS:**

a. Annual General Meeting :

(Date, Time & Venue)

Date : 17-09-2016

Time : 10.30 A. M.,

Venue :

'India Conference Room'

EEPCINDIA,

Vanijya Bhavan, ITFC Building,

Ground Floor, 1/1, Wood Street, Kolkata: 700 016

b. Dividend payment

: A dividend of Re.1.00/- (10%) has been recommended by the Board of Directors for approval of the Members for the Financial Year ended on 31-03-2016.





#### DETAILS OF UNCLAIMED & UNPAID DIVIDEND

The Company has transferred unclaimed & unpaid Dividend for the financial year 2007-08 an amount of Rs.1,46,241/- to Investor Education & Protection Fund (IEPF) on 01.12.2015. The Company will transfer unclaimed & unpaid Dividend for the financial year 2008-09 an amount of Rs. 91,943/- to Investor Education & Protection Fund (IEPF) on 03.12.2016.

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

Year	AGM Date	Last Date for Claiming of Dividend	Due Date for Transfer to IEPF	Amount as on 31.03.2016 (Rs.)
2008-09	29.09.2009	28.09.2016	03.12.2016	91943*
2009-10	30.09.2010	29.09.2017	04.12.2017	157919
2010-11	24.09.2011	23.09.2018	01.12.2018	282060
2014-15	26.09.2015	25.09.2022	03.12.2022	795200

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

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

c. **Date of Book Closure**

13.09.2016 to 17.09.2016 (Both days inclusive) - For AGM & payment of Dividend

d. **Financial Year & Calendar :**

Financial Year 2016-17

April-March

Unaudited Results for the quarter ending 30th June, 2016 - By middle of August, 2016

Unaudited Results for the quarter ending 30th Sept., 2016 - By middle of November, 2016

Unaudited Results for the quarter ending 31st Dec., 2016 - By middle of February, 2017

Audited Annual Accounts for 2016-17 - By end of May, 2017

Annual General Meeting for the year Ending 31st March, 2017 - Middle of Sept, 2017

e. **Listing :**

Equity Shares of your Company are listed with the BSE Ltd. The shares of the Company has been delisted voluntarily from the Calcutta Stock Exchange Ltd. under the SEBI Delisting Regulation, 2009 with effect from 1<sup>st</sup> April, 2016. Vide SEBI exit notice to U.P. Stock Exchange, Kanpur on June,2015, the U.P. Stock Exchange, Kanpur has stopped its operation as a Stock Exchange. The names and addresses of the Stock Exchanges and the Company's Stock Code are given below.

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

f. **Market price Data :**

The equity shares of the Company was listed with BSE Ltd. on 25.03.2015 under direct listing route. Monthly High/ Low price during the last Financial Year 2015- 16 at the BSE Ltd. depicting liquidity of the Equity Shares is given hereunder :

Month	Share Price		Month	Share Price	
	High	Low		High	Low
April,2015	102.15	50.55	October,2015	46.20	46.20
May,2015	45.60	39.35	November,2015	46.20	46.20
June,2015	37.65	37.65	December,2015	47.45	47.45
July,2015	39.50	39.50	January,2016	52.25	49.80
August,2015	44.00	41.45	February,2016	60.70	50.00
September,2015	46.20	46.20	March,2016	78.75	63.00

There was no trading of shares of the Company at the Calcutta Stock Exchange Ltd. for the financial year 2015-16.

g. **Performance in comparison:**

No comparison to broad based indices such as BSE Sensex/Crisil Index etc. could be drawn since the shares of the Company was listed w.e.f. 25.03.2015 & traded for a week only during the financial year 2014-15 and as there was no trading in the Calcutta Stock Exchange during the financial year..

h. **Registrar and Share 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 – [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

Website : [www.mdpl.in](http://www.mdpl.in)

Contact Person:- Mr. Rajagopal.

i. **Shares Transfer System :**

Share Transfer process is delegated to the Registrars and Share Transfer Agents. The Shares Transfer Committee is empowered to approve the Share transfers. Transfer Committee Meeting is held as and when required.

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

j. **Distribution of Shareholdings as on 31<sup>st</sup> March, 2016.**

Share Limit Notional Value of (Rs.)		No of Live Accounts	Percentage	Total No. of Shares	Percentage of Total Shares
From	To				
1	5000	206	28.8112	52358	0.2745
5001	10000	173	24.1958	118100	0.6164
10001	20000	239	33.4266	302896	1.5882
20001	30000	18	2.5175	46850	0.2456
30001	40000	4	0.5594	13398	0.0702
40001	50000	13	1.8182	57246	0.3002
50001	100000	15	2.0979	105660	0.5540
100001	Above	47	6.5734	18375544	96.3480
<b>Grand Total</b>		<b>715</b>	<b>100.0000</b>	<b>19072052</b>	<b>100.0000</b>

k. **Share Holding Pattern as on 31<sup>st</sup> March, 2016:**

Category	No. of Shares	Percentage of Holding
Promoters & Associates	13249350	69.4700
Mutual Funds & UTI	—	—
Banks, Financial Institutions, Insurance Companies (Central/ State Govt, Institutions, Govt. Institutions)	—	—
FII's	—	—
Private Corporate Bodies	3999315	20.9695
Indian Public	1823387	9.5605
NRI's / OCBs	—	—
<b>Total</b>	<b>19072052</b>	<b>100.000</b>

l. **Dematerialisation of Shares:** 1,76,47,343 nos. of equity shares constitutes 92.53 % (previous year- 92.31 %) of the total paid-up equity share capital are held in dematerialized form with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. as on 31-03-2016. 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. **Commodity Price Risk/:** Not applicable to the Company as Company is not associated Foreign Exchange Risk and with hedging activities.  
Hedging activities



o. **Plant Locations :**

Locations	Name & Address of the Manufacturing Units
Jamshedpur( Jharkhand)	<b>Beekay Steel Industries Ltd.</b> Large Scale Sector, Adityapur Industrial Area, Gamharia, Seraikela-Kharsawan, Jharkhand – 832 108
Chengalpet (Tamilnadu)	<b>Beekay Steel Industries Ltd.</b> 10, Kumarawadi Village, Madhuranthagam Taluk, Kancheepuram, Chengalpet: 603 107
Visakhapatnam (Andhra Pradesh)	<b>Radice Ispat India, Vizag</b> Plot No.194, Survey No.272, Vellanki Village, Anandapuram Mandal, Bheemlipatnam, Visakhapatnam: 531 163
	<b>Beekay Structural Steels</b> Plot No. 19-21 & 24-26, Block-E, Autonagar, Visakhapatnam: 530 012
	<b>Venkatesh Steel &amp; Alloys</b> Plot No.28, Block-E, Autonagar, Visakhapatnam: 530012
	<b>Beekay Special Steels</b> Survey No.231/3,4,7, Vellanki Village, Anandapuram Mondal, Visakhapatnam: 531153
	<b>Beekay Structural Steels (TMT Division)</b> Plot No. 67B/68B, Industrial Park, APIIC, Bonangi Village, Parwada, Visakhapatnam – 531 021, Andhra Pradesh
Howrah (West Bengal)	<b>Beekay Steel Industries Ltd.</b> 286, 287, G.T. Road, Salkia, Howrah 711106

p. **Address for Correspondence:**

Beekay Steel Industries Ltd., 'Lansdowne Tower', 2/1A, Sarat Bose Road, Kolkata 700020.  
Phone Nos. (033) 30514444, Fax No: (033) 2283 3322, e-mail: [contact@beekaysteel.com](mailto:contact@beekaysteel.com)

q. **Compliance Officer:**

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

**OTHER DISCLOSURES :**

i) **Details of compliance with mandatory requirements and adoption of non-mandatory requirements of the Corporate Governance :**

The Company has complied with all the applicable mandatory requirements of the Clause 49 of the Listing Agreement / applicable Regulations of SEBI (LODR) Regulations, 2015 and has adopted the following non-mandatory requirements of the aforesaid clause :-

**Reporting of Internal Auditor :** The Internal Auditors reports directly to the Audit Committee.

The Company has taken cognizance of other non - mandatory requirements as set out in applicable Regulations of SEBI (LODR) Regulations, 2015 and shall consider adopting the same at an appropriate time.

ii) **Web link where policy on dealing with related party transactions :**

Policy on dealing with related party transaction is displayed at the website of the Company [www.beekaysteel.com](http://www.beekaysteel.com)

iii) **Disclosures of commodity price risks and commodity hedging activities :**

The Company is not associated with hedging activities.

iv) **Accounting Treatment in preparation of financial statement :**

The Company has followed the guidelines of accounting standards as prescribed by the Institute of Chartered Accountants of India in preparation of financial statement.

v) **CEO / CFO certification :**

The CEO / CFO certification as required under Regulation 17(8) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto which forms part of this report.

vi) **Management Discussion and Analysis Report :**

The Management Discussion and Analysis Report as required under Regulation 34(2)(e) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto which forms part of this report.

**DISCLOSURE OF NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS AS DETAILED ABOVE, WITH REASONS THEREOF :**

There is no non -compliance of any requirement of Corporate Governance Report of sub-paras as detailed above, thus no explanations need to be given.

## ANNEXURE TO THE DIRECTORS' REPORT

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

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

Dear Sirs,

In terms of Clause 49 of the Standard Listing Agreement/ applicable Regulations of SEBI LODR Regulation, 2015, we, Mukesh Chand Bansal, Managing Director and Mr. Manav Bansal, Wholetime Director & CFO, Certify that :

1. We have reviewed financial statements and the cash flow statements for the financial year 2015-16 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 2015-16 are fraudulent, illegal, or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls which we are aware and we have taken and propose to take requisite steps to rectify the deficiencies, if any.
4. We have indicated to the Auditors and the Audit Committee :
  - i) significant changes in internal control over financial reporting 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
  - iii) that we have not come across any instances of significant fraud and the involvement therein of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place : Kolkata  
 Dated : 12<sup>th</sup> August, 2016

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

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





## ANNEXURE TO THE DIRECTORS' REPORT

### Declaration for Compliance with the Code of Conduct of the Company as per Clause 49(II)(E) of Listing Agreement/ Regulations 26 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Mukesh Chand Bansal, Managing Director and Mr. Manav Bansal, Wholetime Director & CFO of Beekay Steel Industries Limited declare that as of 31<sup>st</sup> March, 2016 all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company.

	Sd/-	Sd/-
	<b>Mr. Mukesh Chand Bansal</b>	<b>Mr. Manav Bansal</b>
	(Managing Director)	(Wholetime Director & CFO)
	(DIN : 00103098)	(DIN : 00103024)
Place : Kolkata		
Dated : 12 <sup>th</sup> August, 2016		

## ANNEXURE TO THE DIRECTORS' REPORT

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

To The Members of M/s. Beekay Steel Industries Ltd.

I have examined the Compliance of Corporate Governance by M/S. Beekay Steel Industries Limited for the financial year 2015-16, as stipulated in Clause 49 of the erstwhile Listing Agreement / applicable Regulations of SEBI (LODR) Regulations, 2015 entered into by the said Company with Stock Exchange.

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 generally complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement/ applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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/-
	<b>Santosh Kumar Tibrewalla</b>
	(Practising Company Secretary)
	FCS No.: 3811
	C P No.: 3982
Place : Kolkata	
Dated : 12 <sup>th</sup> August, 2016	

## ANNEXURE TO THE DIRECTORS' REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### Operations of the Company

The company is engaged in manufacturing of TMT Bars, Hot Rolled Steel Sections, Bright Bars, Structurals and Machined Bars. The major consumers of the company's product are Automotive Component manufacturers, Forging Industries, Construction Companies, Machinery Manufacturers, Agricultural Implement Manufacturers and various other Engineering Industries. The long established relationship with the existing customers in the Automotive segment and addition of new customers is enabling the company to enjoy better competitive prices leading to enhanced sales growth and improved profitability. The long established relationships with buyers from the Auto, Engineering and Infrastructure segments 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.

During the year under review the company had also launched its own brand of TMT-Bar named 'BEEKAY TURBO TMT' on 13<sup>th</sup> March, 2016 in Visakhapatnam being manufactured in its new unit at Parwada, Visakhapatnam, and Andhra Pradesh which would increase the turnover and EBIDTA along with brand establishment in Andhra Pradesh and its surrounding states.

#### Indian Steel Industry

India has become the world's 3rd largest producer of crude steel in 2015-16 against its 8th position in 2003. The country is also the 3rd largest consumer of finished steel in the world preceded by China and the USA. The steel sector contributes to nearly 2% of the country's GDP and employs over 6 lakh people. Indian steel demand is expected to grow at 5.4% during both 2016 and 2017. It is also one of the largest steel markets which still showed demand growth. Steel imports grew at around 26% during 2015-16, while steel exports declined by about 27%, leading to a decline in the capacity utilization of steel mills in India and a downward pressure on the prices.

The Government, in the month of February 2016, announced 'Minimum Import Price' for 173 steel products, to help save the domestic steel industry from the onslaught of dumping of steel products. Internationally also most of the commodity prices have moved up sharply towards the end of the financial year, due to what seems like a restocking demand. This has significantly helped the domestic steel industry and is likely to reflect in the improved performance of the steel companies in 2016-17.

The Government in order to enhance demand for steel should have taken several policy measures to attract new investment in the area of infrastructure development. These include hiking the foreign direct investment limits in Defense, Railways and Insurance, labor reforms, transparent and faster environment clearances, transparent auction-based natural resources allocation policy and rationalization/simplification of tax regime.

In the five years corresponding to the 12th Five Year Plan (2012-2017), domestic demand of total finished steel is considered likely to grow at an annual average growth of over 10% as compared to the average annual growth of 8% achieved between 1991-92 and 2010-11. The future of the Indian steel Industry is quite 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.

#### Risk, Opportunities & Threats

India is expected to become the world's second largest producer of crude steel in the next few years, moving up from the third position. The country's steel industry has a significant scope for growth. India has enormous scope and untapped potential to increase steel consumption in all most all sectors, especially in automobiles, engineering industries and infrastructure development. The consumption of steel per capita in India is around 65 kg per year,



much lower compared to the global average (235 kg), leaving significant headroom for growth. Growing investments for infrastructure, rapid growth in the industrial sector, increase in urban population, and strengthening of rural steel market can raise the country's per capita steel consumption considerably. 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.

Your Company follows the path of optimizing productivity, product enrichment and effective cost controls measures to ensure the growth momentum. The Company, deriving the benefits of presence of ports with requisite infrastructure in Andhra Pradesh and Tamil Nadu, 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 Parwada will boost the top-line performance by supply of own manufactured TMT bars under Beekay Turbo brand to coastal and southern parts of the state of Andhra Pradesh and adjoining areas of Tamilnadu.

Your Directors firmly believe that risk management is a structured approach to managing uncertainty by identifying, assessing, monitoring and reducing the impact of such risks on the business. Risks in any business need to be identified well in time as these are the situations or circumstances which lead to negative consequences for our business. A good risk management plan identifies the potential risks, analysis the impact of such risks and develops strategies to mitigate the impact of such risks. In the current scenario, the main concern for the players in the steel industry continues to be the availability of the major key inputs like coal, iron ore and power.

## OUTLOOK

India's long-term growth potential continues to be strong with focus on faster infrastructure creation, improving manufacturing and farm output, expanding services sector, increasing urbanisation; and stronger regulatory frame work for banking and financial services.

The outlook for the global economy is mostly positive with growth picking up in the US, India and Southeast Asia, while several emerging markets are experiencing a deceleration in growth. However, the structural shift in the transitioning Chinese economy could cap this momentum. Although, global steel demand is expected to decline by 0.8% to 1,488 Mt in 2016, following a contraction of 3.0% in 2015, it is expected to return to growth in 2017, the world steel demand is likely to return to a growth of 0.4% and reach 1,494 Mt.

India's economy is likely to clock nearly 8 percent growth in the current fiscal on the back of robust private consumption, which has benefited from lower energy prices and higher real incomes, according to PHD Chamber of Commerce. The Reserve Bank had retained its growth projection for 2016-17 at 7.6 percent. Going ahead, growth in India is projected to notch up to 8 percent in 2016-17. Growth will continue to be driven by private consumption, which has benefited from lower energy prices and higher real incomes. "Further, with the revival of sentiment and pick-up in industrial activity, a recovery of private investment is expected to strengthen growth in the coming times," it said.

### 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 2015-16

(Rs. In Crores)

	2015-16	2014-15	Growth (%)
Gross Turnover	559.52	554.19	0.96
Net Turnover	519.33	518.74	0.11
Operating EBITDA	66.80	62.14	7.48
PAT	19.31	15.59	23.86
Earnings per share (diluted)	10.13	8.18	23.84
ROCE (%)	12.99	11.90%	
Net Profit Ratio	0.037	0.03	

During the year under review, you Company has attained a turnover of Rs. 559.52 Crores and profit of Rs. 19.31 Crores. The profit margin for the year under review has been increased by 24 % compared with the previous year though the turnover of the Company maintained in same level with previous year. The increase in profit was due to proper control on budgetary system with continuously evaluation of performance and the corrective measures taken from time to time and effective management of resources.

## 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 organization has a mechanism to provide employees with feedback on a continuous basis. Based on the organization's strategic plan HR planning process map the capacity of the organization. The knowledge skills and abilities of the employees are identified. The Company's Human Resource policies are formulated considering overall organizational goals and due weightage is also assigned to bottom-up approach. The emphasis is always on retention of 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.

Industrial relations at all the units of the company continued to remain cordial during the year. Your Directors greatly appreciate the commitment and dedication of all the employees at various levels that has contributed to the growth and success of the company.

## Corporate Social Responsibility

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

## Education & Health-care

Your Company's support various social development activities in the area of health care 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 by providing financial assistance and taking the responsibility of maintaining one hostel by providing food and accommodation. Our patronage involves 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) construction of sitting gallery at KailashBhoomi burial ground, Vishakapatnam, (b) Artificial Limbs donation to physically handicapped people. The Company has also associated itself with the '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 also made financial contributions towards construction of drinking well in Kumaravadi Village (Tamilnadu), benefiting about 110 families.

#### **Environment & Safety**

Employees of the company play an important role in the industrial operation and Company's growth and are considered as the most valuable assets and their personal and professional development along with their robust health and safety is one of the top priorities of the organization. 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 company believes in sustainable development by promoting clean & pollution free environment and making environment eco friendly. Accordingly various initiatives have been taken for Clean Development Mechanism and reduce the company's environment footprint.

#### **Cautionary System**

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

## INDEPENDENT AUDITOR'S REPORT

To the Members of **Beekay Steel Industries Limited**.

### Report on the Financial Statements

We have audited the accompanying financial statement of BEEKAY STEEL INDUSTRIES LIMITED, which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we Considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in the paragraph 3 and 4 of the Order.



2. As required by Section 143 (3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
  - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - The Company has disclosed the impact, if any, of pending litigations as at March 31, 2016 on its financial position in its financial statements.
    - The Company has made provision as at March 31, 2016, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

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

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

Dated : 30th day of May, 2016

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

## **ANNEXURE - A TO INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of BEEKAY STEEL INDUSTRIES LIMITED on the standalone financial statements for the year ended March 31, 2016  
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act.

- We have audited the internal financial controls over financial reporting of BEEKAY STEEL INDUSTRIES LIMITED as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

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

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

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

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

Dated : 30th day of May, 2016

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





## Annexure to the Auditors' Report

The Annexure referred to in our Independent Auditors's Report to the members of the company on the financial statements for the year ended 31.03.2016, we report that :

- (i) a) The Company is maintaining proper records showing full particulars including quantitative details and situation, of fixed assets.
- b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, it is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (ii) The physical verification of inventory has been conducted at reasonable intervals by the management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- (iii) There are firms covered in the register to be maintained under section 189 of the Companies Act, 2013 however Company have not granted loan to such Company as such the Clause does not have any application.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans and investments made, and guarantees and security provided by it.
- (v) The Company has not accepted any deposits from public within the meaning of sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain Cost records as specified under section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. we have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) a) According to the information and explanations given to us and the records of the company examined by us , in our opinion, the company is generally regular in depositing the undisputed statutory dues in respect of sales tax including value added tax, though there has been a slight delay in few cases, and is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, duty of customs, duty of excise, cess and other material statutory dues, as applicable, with the appropriate authorities.
- b) According to the information and explanations given to us, there were undisputed amount payable in respect of Income Tax relating to F.Y. 2010-11 amounting Rs. 11,56,430/- which have remained outstanding as at 31st March, 2016 for a period of more than six months from the date they become payable. However no undisputed dues is payable in respect of wealth-tax, sales-tax, value added tax, service tax, customs duty and excise duty which have remained outstanding as at 31.03.2016 for a period of more than six months from the date they became payable.
- c) According to the records of the Company, there are dues of sales tax, income tax, customs tax/wealth tax, value added tax, service tax, excise duty / cess which have not been deposited on account of any dispute.

Particulars	Financial year to which the matter pertains	Forum where matter is pending	Amount Involved (₹)
Excise Duty	1998-1999	Hon'ble High Court, Kolkata	831,204
— Do —	2010-2011	Comm., Central Excise (Appeal), Visakhapatnam	590,078
— Do —	2011-2015	Commissioner of Central Excise (Appeals), Chennai	168,541
— Do —	2005-2008	Customs, Excise & Service Tax Appellate Tribunal, Kolkata.	3,150,000
— Do —	2009-2013	The Commissioner of Central Excise & Service Tax, Jamshedpur	45,651,910
— Do —	2013-2014	Commissioner of Central Excise (Appeals), Ranchi	52,501
— Do —	2009-2013	Commissioner of Central Excise (Appeals), Ranchi	2,509,575
— Do —	2012-2014	Comm., Central Excise (Appeal), Visakhapatnam	788,884
— Do —	2012-2014	Comm., Central Excise (Appeal), Chennai	902,623
Sales Tax	2010-2011	Senior Joint Commissioner of Sales Tax (Kolkata)	1,906,567
— Do —	2012-2013	Joint Commissioner (Appeal) of Sales Tax (Jamshedpur)	8,959,689
Income Tax	2004-2005	Income Tax Appellate Tribunal, Kolkata	4,128,981
— Do —	2011-2012	The Commissioner of Income Tax (Appeal-1), Kolkata	67,142,440

d) The amounts required to be transferred to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder have been transferred to such fund within time.

- (viii) According to the records of the company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- (ix) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such cases by the Management.
- (xi) The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of clause 3(xii) of the order are not applicable to the Company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the order are not applicable to the Company.
- (xv) The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the order are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the order are not applicable to the company.

Place : 59, Bentinck Street,  
Kolkata - 700 069.  
Dated : 30th day of May, 2016

For **RUSTAGI & ASSOCIATES**  
Chartered Accountants  
Firm Regd. No.314194E  
Sd/-  
**(S.K. RUSTAGI)**  
Partner  
Mem. No.051860



## STANDALONE BALANCE SHEET AS AT 31st MARCH 2016

	Notes	As at 31.03.2016 Amount(₹)	As at 31.03.2015 Amount(₹)
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholder's Fund			
(a) Share Capital	2	190,909,270	190,909,270
(b) Reserve & Surplus	3	1,782,534,106	1,612,394,955
		<b>1,973,443,376</b>	<b>1,803,304,225</b>
(2) Non-Current Liabilities			
(a) Long Term Borrowings	4	455,682,289	673,842,414
(b) Deferred Tax Liability (net)	5	304,808,630	297,210,540
(c) Other Long Term Liabilities	6	150,362,800	160,900,835
(d) Long Term Provisions	7	335,565,725	289,609,640
		<b>1,246,419,444</b>	<b>1,421,563,429</b>
(3) Current Liabilities			
(a) Short Term Borrowings	8	1,149,086,615	1,015,964,628
(b) Trade Payables	9	503,733,997	831,591,398
(c) Other Current Liabilities	10	120,575,981	119,764,945
(d) Short Term Provisions	11	105,223,468	92,278,411
		<b>1,878,620,061</b>	<b>2,059,599,382</b>
		<b>5,098,482,880</b>	<b>5,284,467,036</b>
<b>II. ASSETS</b>			
(4) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	12		
Gross Block		3,082,371,618	2,985,591,405
Less: Depreciation		1,165,050,226	1,005,744,816
Net Block		<b>1,917,321,393</b>	<b>1,979,846,589</b>
(ii) Capital Work-In-Progress		241,601,744	214,351,153
		<b>2,158,923,137</b>	<b>2,194,197,742</b>
(b) Non-Current Investments	13	2,322,040	2,322,040
(c) Long Term Loans and Advances	14	461,361,895	438,298,327
		<b>2,622,607,072</b>	<b>2,634,818,109</b>
(5) Current Assets			
(a) Inventories	15	1,210,892,457	1,345,737,419
(b) Trade Receivables	16	799,869,187	642,798,313
(c) Cash and Bank Balances	17	36,672,725	46,952,961
(d) Short Term Loans and Advances	18	422,003,661	611,341,919
(e) Other Current Assets	19	6,437,778	2,818,316
		<b>2,475,875,808</b>	<b>2,649,648,928</b>
		<b>5,098,482,880</b>	<b>5,284,467,036</b>
<b>Significant Accounting Policies &amp; Notes on Financial Statements</b>	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 Regd. No.314194E

Place : Kolkata

Dated : 30th day of May, 2016

For and on behalf of the Board

Sd/-

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

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

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

**Rabindra Kumar Sahoo**- Company Secretary

## STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Notes	For the year ended 31.03.2016 Amount(₹)	For the year ended 31.03.2015 Amount(₹)
<b>I. INCOME</b>			
(a) Revenue from Operations	20	5,595,201,162	5,541,990,892
Less: Excise Duty		401,896,849	354,545,942
		<b>5,193,304,313</b>	<b>5,187,444,950</b>
(b) Other Income	21	15,034,981	19,865,967
		<b>5,208,339,294</b>	<b>5,207,310,917</b>
<b>II. EXPENDITURE</b>			
(a) Cost of Materials Consumed	22	2,598,891,743	2,544,356,201
(b) Purchases of Stock-in-Trade	23	844,624,462	1,073,286,699
(c) Changes in Inventories of Finished Goods, Work-In-Process and Stock-in-Trade	24	(186,128,810)	(92,744,492)
(d) Employee Benefits Expense	25	131,515,626	111,868,016
(e) Finance Costs	26	212,444,167	213,639,735
(f) Depreciation	27	159,249,237	164,568,096
(g) Other Expenses	28	1,151,359,841	948,966,307
		<b>4,911,956,266</b>	<b>4,963,940,562</b>
<b>III. PROFIT BEFORE TAX</b>		<b>296,383,028</b>	<b>243,370,355</b>
<b>IV. Tax Expenses</b>			
(a) Current Taxation		95,600,000	66,300,000
(b) Deferred Taxation		7,598,090	21,136,655
<b>V. PROFIT AFTER TAX</b>		<b>193,184,938</b>	<b>155,933,700</b>
(Add)/Less: Tax for earlier Years		45,031	(116,041)
<b>VI. PROFIT FOR THE YEAR</b>		<b>193,139,907</b>	<b>156,049,741</b>
<b>VII. EARNING PER SHARE (BASIC / DILUTED)</b>		<b>10.13</b>	<b>8.18</b>
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 Regd. No.314194E

Place : Kolkata

Dated : 30th day of May, 2016

For and on behalf of the Board

Sd/-

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

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

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

**Rabindra Kumar Sahoo** - Company Secretary





## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### NOTE: 1

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

(annexed to and forming part of the financial statements for the year ended 31st March, 2016)

These Financial Statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, except for certain tangible assets which are being carried at revalued amounts. Pursuant to section 183 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by central government in consultation and recommendation of the National Financial Reporting Authority, the existing accounting standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of Companies Act, 1956 (Companies (Accounting Standards) Rules, 2006, as amended) and other relevant provisions of the Companies Act, 2013.

"The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated 30th March, 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. 1st April, 2016".

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

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

#### 1. **USE OF ESTIMATES:**

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

#### 2. **REVENUE RECOGNITION:**

- a) Revenues/Incomes and Costs/Expenditure are generally accounted on accrual, as they are earned or incurred.
- b) Sale of Goods is recognised on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods
- c) "Export incentives under the "Duty Entitlement Pass Book Scheme". "Duty Draw back Scheme", etc is accounted in the year of export".

#### 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:

### Tangible Assets

These are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses written off during the year. Subsequent expenditures related to an item of Fixed Assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Any expected loss is recognised immediately in the Statement of Profit and Loss on sale of assets.

Losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Significant components of assets having a life shorter than the main asset, if any is depreciated over the shorter life.

## 7. DEPRECIATION:

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

- a) Depreciation on fixed assets is provided on written down value method over the estimated useful life of assets.
- b) Depreciation on additions to assets or on sale / discardment of assets, is calculated pro rata from the month of such addition or upto the month of such sale/discardment, as the case may be.

## 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. Freight, Taxes and other incidental expenses but exclusive of "CENVAT" availed. This assets will be capitalized on being this are put on use.

## 9. BORROWING COST:

Interest and borrowing costs are charged to revenue.

## 10. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

## 11. INVENTORIES:

Inventories of Raw Materials, Work-in-Progress, stores and spares, Finished Goods and Stock-in-trade are stated 'at cost'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'First-in-First-out', 'Weighted Average Cost' or 'Specific identification', as applicable.



## 12. INVESTMENTS:

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of investments, such reduction in the value of long term investment being determined and made for each investment individually.

## 13. EMPLOYEE BENEFITS:

- a) Liability for Gratuity is ascertained 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.

## 14. TAXATION:

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

## 15. FOREIGN CURRENCY TRANSLATIONS

- (i) All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.
- (ii) Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year.
- (iii) All other incomes or expenditure in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

## 16. IMPAIRMENT OF ASSETS

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

## 17. EARNING PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 Amount(₹)	As at 31.03.2015 Amount(₹)
<b>Note.2 SHARE CAPITAL</b>		
<b>Authorised Share Capital:</b>		
2,00,00,000 Equity Shares of ₹ 10/- each	200,000,000	200,000,000
3,00,000 15% Non Convertible Redeemable Preference Shares of ₹ 100/- each	30,000,000	30,000,000
	<b>230,000,000</b>	<b>230,000,000</b>
<b>Issued, Subscribed &amp; Paid up Capital :</b>		
1,90,72,052 Equity Shares of ₹10/- each fully Paid up	190,720,520	190,720,520
Add : Forfeited Shares	188,750	188,750
	<b>190,909,270</b>	<b>190,909,270</b>

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

Sr. No.	Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
		No of Shares	%	No of Shares	%
1	Jyotirmoy Trading Pvt Ltd	2,457,678	12.89	2,457,678	12.89
2	Concast Steels & Alloys Ltd	2,129,754	11.17	2,129,754	11.17
3	Suresh Chand Bansal	2,013,854	10.56	2,013,854	10.56
4	B.L.Bansal	1,516,710	7.95	1,516,710	7.95
5	Manav Bansal	1,258,196	6.60	1,258,196	6.60
6	Mukesh Chand Bansal	1,193,374	6.26	1,193,374	6.26
7	Century Vision Pvt Ltd	1,060,938	5.56	1,060,938	5.56

### 2.2 Terms & Rights attached to Equity Shares

- The Company has 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 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	19,072,052	19,072,052
Issued during the year	-	-
Balance at the end of the year	19,072,052	19,072,052





## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 Amount(₹)	As at 31.03.2015 Amount(₹)
<b>Note.3 RESERVE &amp; SURPLUS</b>		
<b>a) Capital Reserve</b>		
Balance as per last account	441,106	441,106
	441,106	441,106
<b>b) Share Premium</b>		
As per last account	328,846,550	328,846,550
	<b>328,846,550</b>	<b>328,846,550</b>
<b>c) General Reserve</b>		
As per last account	383,433,938	333,433,938
Addition During the year	50,000,000	50,000,000
	<b>433,433,938</b>	<b>383,433,938</b>
<b>d) Capital Redemption Reserve</b>		
As per last account	30,000,000	30,000,000
	<b>30,000,000</b>	<b>30,000,000</b>
<b>e) Amalgamation Reserve</b>		
As per last account	12,510,424	12,510,424
	<b>12,510,424</b>	<b>12,510,424</b>
<b>f) Revaluation Reserve</b>		
As per last account	27,101,462	27,147,543
Less: Adjusted During the year	46,083	46,081
	<b>27,055,379</b>	<b>27,101,462</b>
<b>g) Profit &amp; Loss Account</b>		
As per last account	830,061,475	746,667,273
Add: Profit for the year	193,139,907	156,049,741
Less: Transferred to General Reserve	(50,000,000)	(50,000,000)
Add: Adjustment on account of depreciation (Note- 12.1 )	-	229,788
Less: Proposed Dividend on Equity Shares	19,072,052	19,072,052
Less: Corporate tax on proposed dividend	3,882,621	3,813,275
	<b>950,246,709</b>	<b>830,061,475</b>
<b>Total (a + b + c + d + e + f + g)</b>	<b>1,782,534,106</b>	<b>1,612,394,955</b>
<b>Note.4 LONG TERM BORROWINGS</b>		
<b>1. SECURED</b>		
<b>TERM LOAN</b>		
Allahabad Bank	-	4,625,206
Punjab National Bank	62,849,118	94,180,412
HDFC Bank Ltd.	2,807,412	1,374,454
SBI	10,558,077	-
<b>2. UNSECURED</b>		
Bodies Corporate	379,467,682	573,662,342
	<b>455,682,289</b>	<b>673,842,414</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

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

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.

Corporate Loan from State Bank of India are secured by charge over entire current assets of all the units both present and future on parri-passu basis ,

Car loan from HDFC Bank are secured on Vehicles.

	As at 31.03.2016 Amount(₹)	As at 31.03.2015 Amount(₹)
<b>Note.5 DEFERRED TAX LIABILITY (Net)</b>		
Deferred Tax Liability	315,300,296	305,139,108
Less : Deferred Tax Assets	10,491,666	7,928,568
	<b>304,808,630</b>	<b>297,210,540</b>
<b>Note.6 OTHER LONG TERM LIABILITIES</b>		
Sales Tax Deferral	–	8,032,035
Security and Other Deposits	150,362,800	152,868,800
	<b>150,362,800</b>	<b>160,900,835</b>
<b>Note.7 LONG TERM PROVISIONS</b>		
Provision for Leave Encashment	3,462,938	3,114,261
Provision for Income Tax	305,250,000	266,700,000
Provision for Gratuity	26,852,787	19,795,379
	<b>335,565,725</b>	<b>289,609,640</b>
<b>Note.8 SHORT TERM BORROWINGS</b>		
<b>SECURED</b>		
<b>WORKING CAPITAL &amp; TERM LOAN</b>		
Allahabad Bank	289,284,560	404,740,903
State Bank of India	470,435,488	437,454,664
Bank of Baroda	68,957,422	138,271,672
Punjab National Bank	254,442,966	27,106,052
State Bank of India(IBD)	65,966,179	8,391,337
	<b>1,149,086,615</b>	<b>1,015,964,628</b>

### Details of Securities

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

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

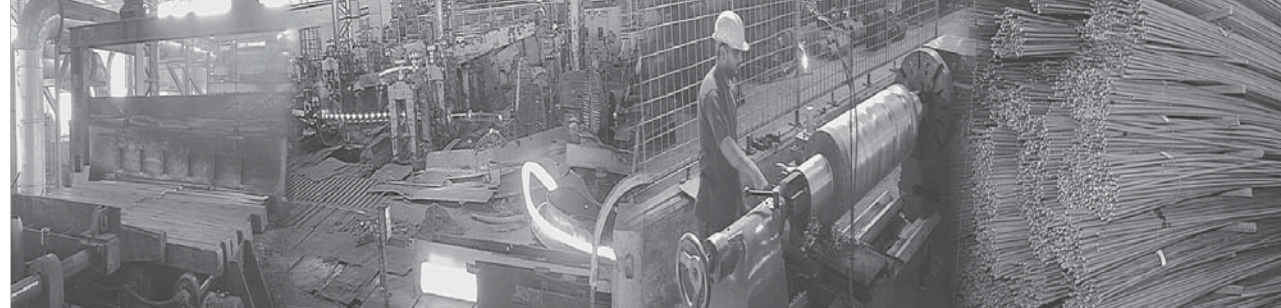


## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 Amount(₹)	As at 31.03.2015 Amount(₹)
<b>Note.9 TRADE PAYABLES</b>		
- For Goods	326,844,101	638,891,240
- For Capital Goods & Stores	80,772,359	95,945,795
- For Expenses	96,117,537	96,754,363
	<b>503,733,997</b>	<b>831,591,398</b>

<b>Note.10 OTHER CURRENT LIABILITIES</b>		
Current Maturities of Term Loan Borrowings*	35,293,303	48,909,664
Current Maturities of Finance Lease Obligations	1,911,875	2,011,613
Unpaid Dividend	1,327,122	678,163
Cheques Overdrawn	3,749,277	3,639,748
Other Payables**	10,398,592	15,472,849
Creditors for Project Expenditure	8,740,402	15,078,572
Other Liabilities	7,981,008	6,589,589
Advance from Customer	51,174,402	27,384,747
	<b>120,575,981</b>	<b>119,764,945</b>
<b>* Term Loan repayable within one year.</b>		
Punjab National Bank	30,909,664	30,909,664
Allahabad Bank	4,383,639	18,000,000
<b>** Includes Statutory Dues</b>	<b>35,293,303</b>	<b>48,909,664</b>

<b>Note.11 SHORT TERM PROVISIONS</b>		
Proposed Dividend	19,072,052	19,072,052
Tax on Dividend	3,882,621	3,813,275
Provision for Bonus	3,604,119	3,060,267
Provision for Excise Duty on Finished Goods	78,664,676	66,332,817
	<b>105,223,468</b>	<b>92,278,411</b>



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### NOTE: 12 FIXED ASSETS

(Amount in ₹)

DEPRECIATION OF FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2015	Additions during the Year	Sold/ Discarded or Adjustments	As on 31.03.2016	Upto 01.04.2015	For the Year	Adjustment / Sold/ Discarded	As on 31.03.2016	As on 31.03.2015	
TANGIBLE ASSETS:										
Land	132,725,081	-	-	132,725,081	-	-	-	132,725,081	132,725,081	
Leasehold Land	7,337,847	-	-	7,337,847	-	-	-	7,337,847	7,337,847	
Shed & Building	570,260,353	20,538,648	-	590,799,001	109,383,258	15,288,710	45,865	124,626,103	460,877,094	
Flats	9,588,702	-	-	9,588,702	1,945,450	169,373	-	2,114,823	7,643,252	
Leasehold Flats	554,810	-	-	554,810	132,210	-	-	132,210	422,600	
Office Premises	30,502,147	-	-	30,502,147	3,992,339	469,311	-	4,461,650	26,509,808	
Plant & Machineries	1,662,085,858	34,292,417	-	1,696,378,275	466,270,986	88,571,443	216	554,842,212	1,141,536,063	
Electrical Installation	119,082,796	2,179,347	-	121,262,143	27,847,297	7,925,761	-	35,773,058	85,489,085	
Laboratory Equipments	5,660,172	237,966	-	5,898,138	2,085,578	1,557,130	-	3,642,708	2,255,430	
Rolls	360,584,983	31,788,453	-	392,373,436	339,846,698	39,345,547	-	379,192,245	13,181,191	
Furniture & Fixtures	25,649,023	1,057,068	-	26,706,091	16,440,278	1,665,063	-	18,105,341	8,600,750	
Computer	17,260,654	1,531,522	-	18,792,176	14,675,722	966,512	-	15,642,234	3,149,942	
Office Equipments	4,714,041	381,754	-	5,095,795	3,753,211	192,648	-	3,945,859	1,149,936	
Air Conditioner & Others	8,862,906	199,261	-	9,062,167	3,513,654	565,513	-	4,079,167	4,983,000	
Motor Vehicles	30,722,036	4,573,777	-	35,295,813	15,858,132	2,901,369	266,889	18,492,612	16,803,201	
Total - Fixed Assets	2,985,591,405	96,780,213	-	3,082,371,618	1,005,744,816	159,618,380	312,970	1,165,050,226	1,917,321,393	
Capital Work in Progress	214,351,153	61,102,002	33,851,411	241,601,744	-	-	-	-	241,601,744	
Total - Current Year	3,199,942,558	157,882,215	33,851,411	3,323,973,362	1,005,744,816	159,618,380	312,970	1,165,050,226	2,158,923,137	
Previous Year										
Fixed Assets	2,744,849,433	243,459,261	2,717,289	2,985,591,405	842,773,411	164,534,100	1,562,695	1,005,744,819	1,979,846,586	
Capital Work In Progress	274,794,783	57,985,072	118,428,702	214,351,153	-	-	-	-	214,351,153	
Total - Previous Year	3,019,644,216	301,444,333	121,145,991	3,199,942,557	842,773,411	164,534,100	1,562,695	1,005,744,819	2,194,197,739	





## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 Amount(₹)	As at 31.03.2015 Amount(₹)
<b>Note.13 NON - CURRENT INVESTMENTS</b>		
(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 :		
11,60,000 Equity Shares ₹10/- each fully paid up in AKC Steel Industries Ltd ( Market Value ₹23,20,000/-)	2,320,000	2,320,000
	<b>2,322,040</b>	<b>2,322,040</b>
<b>Note.14 LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Advance Against Capital Expenditure	81,968,585	78,079,717
Advance with Sales Tax, Excise Departments	10,737,657	8,345,455
Security & Other Deposit	53,875,513	50,746,781
MAT Credit Entitlement	29,720,092	29,720,092
Advance Income Tax	285,060,048	271,406,282
	<b>461,361,895</b>	<b>438,298,327</b>
<b>Note.15 INVENTORIES</b>		
Raw Materials Including Materials in Transit	394,749,768	664,278,631
Finished Goods	622,508,217	520,272,535
Stock In Trade	28,472,027	20,270,140
Scrap and Cuttings	86,823,691	76,214,961
Stores and Spares	78,338,754	64,701,152
	<b>1,210,892,457</b>	<b>1,345,737,419</b>
<b>Note.16 TRADE RECEIVABLES</b>		
(Unsecured and Considered Good)		
Outstanding for a period exceeding Six Months from the due date	25,339,546	31,476,260
Others	774,529,641	611,322,053
	<b>799,869,187</b>	<b>642,798,313</b>
<b>Note.17 CASH AND CASH EQUIVALENT</b>		
Cash in Hand	3,798,503	3,171,769
Balances with Banks:		
In Current Account	16,279,342	8,027,171
In Fixed Deposit Account	15,267,758	35,075,858
In Dividend Accounts	1,327,122	678,163
	<b>36,672,725</b>	<b>46,952,961</b>
<b>Note.18 SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Balance with Central Excise Authorities	134,349,028	151,221,892
Balance with Sales Tax Authorities	113,631,007	85,875,661
Other Advances*	174,023,626	374,244,366
* Includes Interest Receivable on Fixed Deposits with Banks	<b>422,003,661</b>	<b>611,341,919</b>
<b>Note.19 OTHER CURRENT ASSETS</b>		
(Unsecured and Considered Good)		
Prepaid Expenses	5,079,885	1,959,474
Prepaid Insurance	1,357,893	858,842
	<b>6,437,778</b>	<b>2,818,316</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31.03.2016 Amount(₹)	For the year ended 31.03.2015 Amount(₹)
<b>Note.20 REVENUE FROM OPERATIONS</b>		
<b>Sale of Products</b>		
Manufacturing	3,453,185,251	3,512,688,414
Trading	814,526,890	1,039,660,298
	<b>4,267,712,141</b>	<b>4,552,348,712</b>
<b>Income from Services</b>		
Conversion Charges	1,023,987,746	709,100,398
<b>Other Operating Revenues</b>		
Scrap & Coal Fines Sales	298,649,394	273,964,111
Export Incentives	4,851,881	6,577,671
	<b>5,595,201,162</b>	<b>5,541,990,892</b>
<b>Note.21 OTHER INCOME</b>		
Interest	5,304,251	5,080,050
Maintenance & Service Charges	576,000	964,830
Rent	3,185,340	4,206,660
Sundry Balance W/Back	307,493	935,281
Miscellaneous Receipt	5,466,897	8,650,146
Profit on Sale of Fixed Assets	195,000	29,000
	<b>15,034,981</b>	<b>19,865,967</b>
<b>Note.22 COST OF MATERIALS CONSUMED</b>		
Opening Stock	660,035,004	347,875,682
Add : Purchases	2,333,183,718	2,856,515,523
	<b>2,993,218,722</b>	<b>3,204,391,205</b>
Less : Closing Stock	394,326,979	660,035,004
	<b>2,598,891,743</b>	<b>2,544,356,201</b>
<b>Note.23 PURCHASE OF STOCK-IN-TRADE</b>		
For Resale - Materials & Other Goods	844,624,462	1,073,286,699
	<b>844,624,462</b>	<b>1,073,286,699</b>
<b>Note.24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE</b>		
<b>Inventories (at close)</b>		
Finished Goods	622,508,217	520,272,535
Stock In Trade	28,472,027	20,270,140
Scrap,Cuttings & Coal Fines	87,212,816	77,854,392
	<b>738,193,060</b>	<b>618,397,067</b>
<b>Inventories (at commencement)</b>		
Finished Goods	520,272,535	526,245,196
Stock In Trade	20,270,140	21,857,903
Scrap,Cuttings & Coal Fines	77,854,392	39,764,684
	618,397,067	587,867,783
Less : Provision for Excise Duty	66,332,817	62,215,208
	552,064,250	525,652,575
	<b>(186,128,810)</b>	<b>(92,744,492)</b>
<b>Note.25 EMPLOYEE BENEFITS EXPENSE</b>		
Salary, Wages & Bonus	80,706,597	70,120,802
Contribution to Provident and Other Funds	9,681,716	8,568,030
Workmen and Staff Welfare Expenses	10,620,679	9,914,488
Gratuity	8,239,815	5,101,413
Leave Encashment	894,819	1,590,083
Managerial Personnel	21,372,000	16,573,200
	<b>131,515,626</b>	<b>111,868,016</b>



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31.03.2016 Amount(₹)	For the year ended 31.03.2015 Amount(₹)
<b>Note.26 FINANCE COST</b>		
Interest Expenses	209,433,285	204,290,389
Other Borrowing Costs	3,010,882	9,349,346
	<b>212,444,167</b>	<b>213,639,735</b>
<b>Note.27 DEPRECIATION AND AMORTISATION</b>		
Depreciation on Tangible Assets	<b>159,249,237</b>	<b>164,568,096</b>
<b>Note.28 OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Rolling Charges & Material Cutting Charges	112,636,116	88,772,244
Stores & Spares Parts Consumed	92,697,367	75,980,726
Furnace Oil Consumed	44,587,754	23,337,397
Oxygen & Gas Consumed	3,674,017	2,675,376
Coal Consumed	319,143,994	325,741,700
Electricity Charges	259,940,900	156,603,097
PGP Operation Charges	17,231,661	18,249,627
Processing Charges	2,426,000	2,320,916
<b>Repair &amp; Maintenance:</b>		
- Plant & Machinery & Electrical	8,155,269	5,464,602
- Shed & Building	12,891,331	2,430,365
Freight, Carriage and Octroi Charges	61,374,287	46,665,133
Machinery Hire Charges	8,650,208	7,627,674
Excise Duty on Finished Goods	78,664,676	66,332,817
Testing, Effluent & Inspection Charges	1,354,569	1,333,837
	<b>1,023,428,149</b>	<b>823,535,511</b>
<b>Selling &amp; Distribution Expenses</b>		
Advertisement Expenses	6,965,698	314,455
Commission On Sales	1,612,040	2,329,067
Sales Promotion Expenses	3,507,098	3,216,642
Freight, Carriage & Octroi Charges	24,777,176	43,339,336
Other Selling & Distribution Expenses	11,337,409	6,797,821
	<b>48,199,421</b>	<b>55,997,321</b>
<b>Establishment Expenses</b>		
Computer Maintenance Expenses	661,540	610,508
Donation	2,473,482	2,453,126
Electricity Expenses	1,301,438	1,145,174
Insurance Charges	3,014,826	2,109,052
Legal and Professional Charges	6,808,214	5,795,443
License, Rates and Taxes	5,734,091	6,795,185
Printing & Stationery	1,771,200	1,653,421
Repairs and Maintenance - Others	9,535,138	8,915,410
Rent Charges Paid	1,911,376	1,638,257
Security Service Charges	7,588,580	6,449,947
Loss on Sale of Fixed Assets	-	629,294
Insurance Claim Written Off	8,305,873	-
Miscellaneous Expenses	14,676,733	15,739,359
Telephone and Mobile Expenses	2,523,016	2,565,755
Travelling & Conveyance Expenses	7,851,331	7,072,284
Deferred Expenses Written Off	-	589,200
Vehicle Maintenance	4,694,732	4,482,732
Payment to Auditors:		
- Audit Fees	570,000	518,300
- Tax Audit	58,000	52,000
- Reimbursement of Expenses	252,701	219,028
	<b>79,732,271</b>	<b>69,433,475</b>
	<b>1,151,359,841</b>	<b>948,966,307</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

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

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

			Amount(₹)
30)	<b>Expenditure in Foreign Currency</b>	<b>2015-16</b>	<b>2014-15</b>
	Commission on Sales	299,409	850,114
	Travelling Expenses	1,276,702	1,560,593

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

	Year ended 31.03.2016		Year ended 31.03.2015	
	Amount(₹)	(%)	Amount(₹)	(%)
(a) Raw Material				
i) Imported	-	-	45,953,599	1.90
ii) Indigenous	2,598,891,743	100	2,498,402,602	98.10
	<u>2,598,891,743</u>		<u>2,544,356,201</u>	
(b) Stores & Spare Parts				
Imported	NIL		NIL	
Indigenous	92,697,367	100	75,980,726	100

### 32) Earning per Share (EPS)

	Year Ended 31.03.2016		Year Ended 31.03.2015
Profit attributable to the Equity Shareholders (A) (In ₹)	193,139,907		156,049,741
Weighted Average No. of Equity Shares (B)	19,072,052		19,072,052
Face value of Equity Shares	10/-		10/-
Basic Earnings per Share (₹) [(A)/(B)]	10.13		8.18
After Preferential Share Issue			
<b>Dividend</b>			
Dividend Provision (In ₹)	19,072,052		19,072,052
Dividend Tax (In ₹)	3,882,621		3,813,275





## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

	Year Ended 31.03.2016		Year Ended 31.03.2015
33) Earnings in Foreign Exchange	2015-16		2014-15
FOB Value of Exports	267,813,504		361,720,429
34) <b>Deferred Taxation :</b>			
The movement for Deferred Tax is given below :			
<b>Particulars</b>	<b>Opening as on 01.04.2015</b>	<b>During the Year</b>	<b>Closing as on 31.03.2016</b>
<b>Deferred Tax Liability</b>			
Timing difference of Depreciation	305,139,108	10,161,188	315,300,296
<b>Deferred Tax Assets</b>			
Disallowance allowable on payments	7,928,568	2,563,098	10,491,666
<b>Net Deferred Tax Liability</b>	<b>297,210,540</b>	<b>7,598,090</b>	<b>304,808,630</b>

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

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

(Amount in ₹)

	31.03.2016	31.03.2015
1. <b>Component of Employer Expense</b>		
(a) Current Service Cost (including risk premiums for fully insured benefits)	1,595,628	838,477
(b) Interest Cost	1,058,480	856,814
(c) Expected Return on Plan Assets	-	-
(d) Curtailment Cost/ (Credit)	-	-
(e) Settlement Cost/ (Credit)	-	-
(f) Past Service Cost	-	-
(g) Actuarial Losses / (Gains)	541,642	3,021,323
2. <b>Net Asset/(Liability) recognised in Balance Sheet</b>		
(a) Present value of Defined Benefit Obligation	16,736,870	13,899,592
(b) Fair Value of Plan Assets	-	-
(c) Funded Status (Surplus/Deficit)	(16,736,870)	(13,899,592)
(d) Unrecognised Past Service Cost	-	-
(e) Net Asset/ (Liability) recognised in Balance Sheet	(16,736,870)	(13,899,592)
3. <b>Change in Defined Benefit Obligation</b>		
(a) DBO at the beginning of the period	13,899,592	9,342,729
(b) Service Cost	1,595,628	838,477
(c) Interest Cost	1,058,480	856,814
(d) Curtailment Cost / (Credit)	-	-
(e) Settlement Cost / (Credit)	-	-
(f) Plan Amendment Cost/ (Credit)	-	-
(g) Acquisition Cost / (Credit)	300,204	-
(h) Actuarial Losses / (Gains)	541,642	3,021,323
(i) Benefit Payments	(658,676)	(159,751)
(j) DBO at the end of the period	16,736,870	13,899,592
4. <b>Change in the Fair Value of Assets</b>		
(a) Fair Value of Plan Asset at the beginning of the period	-	-
(b) Acquisition Adjustment	-	-
(c) Expected Return on Plan Assets	-	-
(d) Actual Company Contributions	-	159,751
(e) Actuarial Gain/(Loss)	-	-
(f) Benefit Payments	-	(159,751)
(g) Fair Value of Plan assets at the end of period	-	-

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

		31.03.2016	31.03.2015
5.	<b>Reconciliation of Net Asset/Liability recognised in B.Sheet</b>		
	(a) Net Asset / (Liability) at the beginning of period	(13,899,592)	(9,342,729)
	(b) Employer (Expense)/Credit	(3,195,750)	(4,716,614)
	(c) Employer Contributions	658,676	159,751
	(d) Acquisition / Business Combinations	(300,204)	-
	(e) Net Asset / (Liability) at the end of the period	(16,736,870)	(13,899,592)
6.	<b>Acturial Assumptions</b>		
	(a) Discount Rate Used	7.90%	7.80%
	(b) Salary Escalation Rate	7.00%	7.00%
	(c) Expected Return on Assets	NA	NA

(Amount in ₹)

7.	<b>Experience History of Last 5 Years</b>	<b>31.03.2012</b>	<b>31.03.2013</b>	<b>31.03.2014</b>	<b>31.03.2015</b>	<b>31.03.2016</b>
	(a) DBO at the end of the period	(7,107,987)	(8,431,142)	(9,342,729)	(13,899,592)	(16,736,870)
	(b) Plan assets at the end of period	-	-	-	-	-
	(c) Funded Status	(7,107,987)	(8,431,142)	(9,342,729)	(13,899,592)	(16,736,870)
	(d) Experience Gain/ (Loss) adjustment on plan liabilities	207,406	119,586	(312,398)	315,728	(698,652)
	(e) Experience Gain/ (Loss) adjustment on plan assets	-	-	-	-	-
	(f) Acturial Gain/(Loss) due to change in assumption	302,931	(309,971)	823,907	(3,337,051)	157,010

- (II) The obligation of gratuity as on 31st March, 2016 ascertained by the management is Rs.2,68,52,787/- (Previous year Rs. 19,795,379/-) and accordingly current year provision to be recognised in the Statement of Profit & Loss is Rs.82,39,815/- (Previous Year Rs.51,01,413/-)

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

### 36) Transactions With Related Parties :

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

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

Name of Related Parties

#### a) Key Management Personnel

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

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

##### i) Associated Companies:

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

##### ii) Associated Enterprises:

1. B. L. Bansal & Sons (HUF)
2. Thirupathy Bright Industries



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amounts in ₹)

Sl. No.	Nature of Transactions	Associate Companies	Associate Enterprises	Key Managerial Personnel	Total
1.	Purchases of Goods	257,387,758 (245,803,307)	1,776,672 (11,180,724)	- -	259,164,430 (256,984,031)
2.	Fixed Assets	- (7,228,819)	- -	- -	- (7,228,819)
3.	Sales of Goods	289,035,898 (294,174,605)	- (263,430)	- -	289,035,898 (294,438,035)
4.	Expenses Rent, Electricity & Maintenance Machining Charges	229,384 (191,172) 3,085,200 (2,289,388)	36,000 (36,000) - -	1,108,202 (609,868) - -	1,373,586 (837,040) 3,085,200 (2,289,388)
5.	Other Income Rent, Electricity & Maintenance	4,473,620 (8,332,205)	- -	- -	4,473,620 (8,332,205)
6.	Unsecured Loans	718,975 (1,020,000)	- -	(5,165,480) -	718,975 (6,185,480)
7.	Payment to Managerial Persons	-	-	21,372,000 (16,573,200)	21,372,000 (16,573,200)
8.	Purchases of Goods Dr. Balance	27,653,312 (45,229,127)	603,963 (1,324,031)	- -	28,257,275 (43,905,096)
9.	Sales of Goods Dr. Balance	25,864,850 (6,061,501)	410,000 (673,430)	- -	26,274,850 (6,734,931)
10.	Expenses Rent, Electricity & Maintenance Cr. Balance Machining Charges Cr. Balance	193,313 (1,044,843) 197,568 (6,167,826)	27,000 (725,585) - -	597,270 (257,068) - -	817,583 (2,027,496) 197,568 (6,167,826)
11.	Other Income Rent, Electricity & Maintenance Dr. Balance	8,431,306 (7,009,170)	- -	- -	8,431,306 (7,009,170)
12.	Unsecured Loans Cr. Balance	5,987,577 (8,758,500)	- -	- (1,666,787)	5,987,577 (10,425,287)
13.	Payment to Managerial Persons Cr. Balance	-	-	4,006,620 (4,982,478)	4,006,620 (4,982,478)

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

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

(Amounts in ₹)

Relationship		2015-16	2014-15
<b>1. Purchases of Goods</b>			
AKC Steel Industries Limited	Associate Companies	257,387,758	245,803,307
Thirupathy Bright Industries	Associate Enterprises	1,776,672	11,180,724
<b>2. Fixed Assets</b>			
B P Spring & Engineering Co. Pvt. Ltd.	Associate Companies	-	7,228,819
<b>3. Sale of Goods</b>			
AKC Steel Industries Limited	Associate Companies	289,035,898	294,174,605
Thirupathy Bright Industries	Associate Enterprises	-	263,430
<b>4. Expenses</b>			
Rent, Electricity & Maintenance			
AKC Steel Industries Limited	Associate Companies	72,000	36,000
Emerald Suppliers Pvt Ltd	Associate Companies	157,384	155,172
B.L. Bansal & Sons (HUF)	Associate Enterprises	36,000	36,000
Gautam Bansal	Key Managerial Person	292,202	281,068
Aruna Bansal	Key Managerial Person	264,000	164,400
Indu Bansal	Key Managerial Person	132,000	132,000
Mukesh Chand Bansal	Key Managerial Person	144,000	-
Manav Bansal	Key Managerial Person	144,000	-
Vikas Bansal	Key Managerial Person	132,000	32,400
Machining Charges			
AKC Steel Industries Limited	Associate Companies	3,085,200	2,289,388
<b>5. Other Income</b>			
Rent, Electricity & Maintenance			
B P Spring & Engineering Co. Pvt. Ltd.	Associate Companies	4,473,620	8,332,205
<b>6. Unsecured Loan</b>			
Tirumala Holdings Pvt Ltd	Associate Companies	45,000	45,000
Century Vision Pvt Ltd	Associate Companies	673,975	975,000
Suresh Chand Bansal	Key Managerial Person	-	5,165,480
<b>7. Payment to Managerial Person</b>			
Suresh Chand Bansal	Key Managerial Person	6,600,000	5,520,000
Mukesh Chand Bansal	Key Managerial Person	4,776,000	3,705,600
Vikas Bansal	Key Managerial Person	4,104,000	3,201,600
Manav Bansal	Key Managerial Person	3,372,000	2,490,000
Gautam Bansal	Key Managerial Person	2,520,000	1,656,000

(Figures under bracket are of previous year)





## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 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 ₹7,15,00,000/- (Previous year ₹7,15,00,000/-) issued by Banks in favour of certain parties against which Bank Fixed Deposit Receipts of ₹72,50,000/- (Previous year ₹2,70,58,100/-) 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) Sales Tax for ₹19,06,567/- (Previous Year Nil/-) is pending before Sr. Jt. Commissioner, Kolkata and the matters pending in appeal for the year 2010-11.
  - c) Sales Tax for ₹89,59,689/- (Previous Year Nil/-) is pending before the Jt. Commissioner (Appeal), Jamshedpur and the matters pending in appeal for the year 2012-13.
  - d) Central Excise Duty ₹52,501/- (Previous Year Nil) is in appeal before Commissioners(Appeal), Ranchi and the matters is pending in appeal for the year 2013-14.
  - e) Central Excise Duty for ₹5,90,078/- (Previous Year ₹5,90,078/-) is in appeal before Commissioner of Central Excise (Appeals-Visakhapatnam) and the matters is pending in appeal.
  - f) Central Excise Duty including Service Tax for ₹31,50,000/- (Previous Year ₹31,50,000/-) is in appeal before Customs, Excise & Service Tax Appellate Tribunal, Kolkata and the matters pending in appeal.
  - g) Central Excise Duty for ₹25,09,575/- (Previous Year ₹ Nil) is in appeal before Commissioner of Central Excise (Appeals), Jamshedpur and the matters is pending in appeal for the period since 2009-10 to 2012-13 (upto Dec'12).
  - h) Central Excise Duty for ₹7,88,884/- (Previous Year ₹ Nil) is in appeal before Commissioner of Central Excise (Appeals), Visakhapatnam and the matters is pending in appeal for the period since July' 2012 to Sep' 2014.
  - i) Central Excise Duty for ₹9,02,623/- (Previous Year ₹ Nil) is in appeal before Commissioner of Central Excise (Appeals), Chennai and the matters is pending in appeal for the period since July' 2012 to March' 2014.
  - j) Central Excise Duty for ₹1,68,541/- (Previous Year ₹2,10,156/-) including penalty is pending in appeal with Commissioner of Central Excise(Appeals), Chennai for disallow of cenvat on capital goods.
  - k) Income Tax for ₹6,71,42,440/- (Previous Year ₹7,61,42,440/-) is pending with Commissioner of Income Tax (Appeals), Kolkata for the year 2011-12
  - l) Income Tax for ₹41,28,981/- (Previous Year ₹60,63,651/-) is pending with Income Tax Appellate Tribunal, Kolkata for the Year 2004-05
  - m) Central Excise Duty for ₹4,56,51,910/- (Previous Year ₹4,93,53,416/-) is pending in with Commissioner of Central Excise & Service Tax, Jamshedpur for Excise Duty availment on Supplementary invoices raised by Tata Steel for the period Jan' 2009 to Dec' 2013.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

- iii) Estimated amount of capital contract (net of advances) ₹ 47,85,500/- (Previous Year ₹ 87,95,000/-) remaining to be executed.

38) **Other Notes.**

- (a) Pending Final Settlement, liability of Bonus ₹ 36,04,119/- (Previous year ₹ 30,60,267/-) has been provided in the accounts.
- (b) 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.
- (c) 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.
- (d) The liability for Gratuity as on 31st March, 2016 has been ascertained by the management as ₹ 26,852,787/- (Previous year ₹ 19,795,379/-) and provided accordingly. Payments made during the year has been charged to Accounts.
- (e) 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.
- (f) 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.
- (g) 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.
- (h) 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, 2016. 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, 2016 to the members of the Company.

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

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

59, Bentick Street, Kolkata - 700 069.  
Dated 30th day of May, 2016

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Amount in Lakhs Current Year	Amount in Lakhs Previous Year
<b>A. NET PROFIT BEFORE TAX AND EXTRA-ORDINARY ITEMS</b>	<b>2,963.83</b>	<b>2,433.70</b>
<b>Adjustment for :</b>		
Depreciation	1,592.49	1,645.68
Gratuity & Leave Encashment	91.35	66.91
(Profit) / Loss on Sale of Fixed Assets	(1.95)	6.00
Interest Received	(53.04)	(50.80)
Interest Paid	2,124.44	2,136.40
Sundry Balances Written back	(3.07)	(9.35)
Bad Debts & Sundry Balances Written Off	6.78	5.75
	<b>6,720.83</b>	<b>6,234.29</b>
<b>Operating Profit before Working Capital Changes</b>		
Trade and Other Receivables	(1,570.71)	161.00
Inventories	1,348.45	(3,431.71)
Loans & Advances	1,763.09	(1,985.83)
Trade and other Liabilities	(3,152.92)	3,212.68
	<b>(1,612.09)</b>	<b>(2,043.86)</b>
<b>Cash Generated from Operations</b>	5,108.74	4,190.43
Direct Taxes - Refund / Paid	613.03	499.11
<b>Cash Flow Before Extra Ordinary Items</b>	4,495.71	3,691.32
Extra Ordinary Items	-	-
	<b>4,495.71</b>	<b>3,691.32</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sold/Discard of Fixed Assets	1.95	(6.00)
Purchase of Fixed assets	(1,240.30)	(1,830.16)
Interest Received	53.04	50.80
<b>Cash used in Investing Activities</b>	<b>(1,185.31)</b>	<b>(1,785.36)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term & Short Term Borrowing	(1,067.86)	419.79
Dividend Paid (Including Taxes)	(220.90)	-
Interest Paid	(2,124.44)	(2,136.40)
<b>Net Cash used in Financing Activities</b>	<b>(3,413.20)</b>	<b>(1,716.61)</b>
<b>Net Cash Flow During the Year (A+B+C)</b>	<b>(102.80)</b>	<b>189.35</b>
Opening Cash & Cash Equivalents	469.53	280.17
Closing Cash and Cash Equivalents	366.73	469.53

**For RUSTAGI & ASSOCIATES**  
Chartered Accountants

Sd/-  
**(S. K. RUSTAGI)**

Partner  
Mem.No.051860

Firm Regd. No.314194E

59, Bentick Street, Kolkata - 700 069.  
Dated 30th day of May, 2016

**For and on behalf of the Board**

Sd/-

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

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

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

**Rabindra Kumar Sahoo** - Company Secretary





## INDEPENDENT AUDITOR'S REPORT

To the Members of **Beekay Steel Industries Limited.**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of BEEKAY STEEL INDUSTRIES LIMITED ("the Holding Company") and its associate comprising of the consolidated balance sheet as at 31 March 2016, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### **Management's Responsibility for the Consolidated Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company, as at 31 March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its associate companies incorporated in India, none of the Directors of the Associate companies incorporated in India is disqualified as on 31 March 2016 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 37 to the consolidated financial statements;
    - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivatives contracts.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and associate companies incorporated in India.

For **RUSTAGI & ASSOCIATES**

Chartered Accountants

Firm Regd. No. **314194E**

Sd/-

**(S.K. RUSTAGI)**

Partner

Mem. No.051860

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

Dated: 30th day of May, 2016



## ANNEXURE - A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1(f) of the Independent Auditors' Report of even date to the members of **BEEKAY STEEL INDUSTRIES LIMITED** on the Consolidated financial statements for the year ended March 31st, 2016.

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act.

1. We have audited the internal financial controls over financial reporting of BEEKAY STEEL INDUSTRIES LIMITED as on March 31st, 2016 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (i) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (iii) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

#### **Opinion**

8. In our opinion, the Holding Company and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For RUSTAGI & ASSOCIATES**

Chartered Accountants

Firm Regd. No. **314194E**

Sd/-

**(S.K. RUSTAGI)**

Partner

Mem. No. **051860**

Place: 59, Bentinck Street, Kolkata - 700 069

Dated: 30th day of May, 2016





## CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016

	Notes	As at 31.03.2016 Amount(₹)	As at 31.03.2015 Amount(₹)
<b>I. EQUITY AND LIABILITIES</b>			
(1) <b>Shareholder's Fund</b>			
(a) Share Capital	2	190,909,270	190,909,270
(b) Reserve & Surplus	3	1,782,237,043	1,612,394,955
		<b>1,973,146,313</b>	<b>1,803,304,225</b>
(2) <b>Non-Current Liabilities</b>			
(a) Long Term Borrowings	4	455,682,289	673,842,414
(b) Deferred Tax Liability (net)	5	304,808,630	297,210,540
(c) Other Long Term Liabilities	6	150,362,800	160,900,835
(d) Long Term Provisions	7	335,565,725	289,609,640
		<b>1,246,419,444</b>	<b>1,421,563,429</b>
(3) <b>Current Liabilities</b>			
(a) Short Term Borrowings	8	1,149,086,615	1,015,964,628
(b) Trade Payables	9	503,733,997	831,591,398
(c) Other Current Liabilities	10	120,575,981	119,764,945
(d) Short Term Provisions	11	105,223,468	92,278,411
		<b>1,878,620,061</b>	<b>2,059,599,382</b>
		<b>5,098,185,817</b>	<b>5,284,467,036</b>
<b>II. ASSETS</b>			
(4) <b>Non-Current Assets</b>			
(a) <b>Fixed Assets</b>	12		
(i) Tangible Assets			
Gross Block		3,082,371,618	2,985,591,405
Less: Depreciation		1,165,050,226	1,005,744,816
Net Block		<b>1,917,321,393</b>	<b>1,979,846,589</b>
(ii) Capital Work-In-Progress		241,601,744	214,351,153
		2,158,923,137	2,194,197,742
(b) Non-Current Investments	13	2,024,977	2,322,040
(c) Long Term Loans and Advances	14	461,361,895	438,298,327
		<b>2,622,310,009</b>	<b>2,634,818,109</b>
(5) <b>Current Assets</b>			
(a) Inventories	15	1,210,892,457	1,345,737,419
(b) Trade Receivables	16	799,869,187	642,798,313
(c) Cash and Bank Balances	17	36,672,725	46,952,961
(d) Short Term Loans and Advances	18	422,003,661	611,341,919
(e) Other Current Assets	19	6,437,778	2,818,316
		<b>2,475,875,808</b>	<b>2,649,648,928</b>
		<b>5,098,185,817</b>	<b>5,284,467,036</b>
Significant Accounting Policies & Notes on Consolidated Financial Statements	1 to 38		
As per our attached report of even date			

For **RUSTAGI & ASSOCIATES**  
Chartered Accountants

Sd/-  
**(S.K. RUSTAGI)**  
Partner

Mem. No.051860  
Firm Regd. No.314194E

Place : Kolkata  
Dated : 30th day of May, 2016

For and on behalf of the Board

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

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

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

**Rabindra Kumar Sahoo** - Company Secretary

## STATEMENT OF CONSOLIDATED PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Notes	For the year ended 31.03.2016 Amount(₹)	For the year ended 31.03.2015 Amount(₹)
<b>I. INCOME</b>			
(a) Revenue from Operations	20	5,595,201,162	5,541,990,892
Less: Excise Duty		401,896,849	354,545,942
		<b>5,193,304,313</b>	<b>5,187,444,950</b>
(b) Other Income	21	15,034,981	19,865,967
		<b>5,208,339,294</b>	<b>5,207,310,917</b>
<b>II. EXPENDITURE</b>			
(a) Cost of Materials Consumed	22	2,598,891,743	2,544,356,201
(b) Purchases of Stock-in-Trade	23	844,624,462	1,073,286,699
(c) Changes in Inventories of Finished Goods, Work-In-Process and Stock-in-Trade	24	(186,128,810)	(92,744,492)
(d) Employee Benefits Expense	25	131,515,626	111,868,016
(e) Finance Costs	26	212,444,167	213,639,735
(f) Depreciation	27	159,249,237	164,568,096
(g) Other Expenses	28	1,151,359,841	948,966,307
		<b>4,911,956,266</b>	<b>4,963,940,562</b>
<b>III. PROFIT BEFORE TAX</b>		<b>296,383,028</b>	<b>243,370,355</b>
<b>IV. Tax Expenses</b>			
(a) Current Taxation		95,600,000	66,300,000
(b) Deferred Taxation		7,598,090	21,136,655
<b>V. PROFIT AFTER TAX</b>		<b>193,184,938</b>	<b>155,933,700</b>
(Add)/Less: Tax for earlier Years		45,031	(116,041)
<b>VI. PROFIT FOR THE YEAR</b>		<b>193,139,907</b>	<b>156,049,741</b>
(Add)/Less: Tax for earlier Years		(297,063)	-
		<b>192,842,844</b>	<b>156,049,741</b>
<b>VII. EARNING PER SHARE (BASIC / DILUTED)</b>		<b>10.11</b>	<b>8.18</b>
<b>Significant Accounting Policies &amp; Notes on Financial Statements</b>	1 to 38		

As per our attached report of even date

For **RUSTAGI & ASSOCIATES**

Chartered Accountants

Sd/-

**(S.K. RUSTAGI)**

Partner

Mem. No.051860

Firm Regd. No.314194E

Place : Kolkata

Dated : 30th day of May, 2016

For and on behalf of the Board

Sd/-

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

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

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

**Rabindra Kumar Sahoo** - Company Secretary



## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### NOTE: 1

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

##### 1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

##### 2. PRINCIPLES OF CONSOLIDATION

The consolidated financial statement relate to Beekay steel industries Ltd. ('the Company') and its associate companies. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the Company & its associate companies are prepared in accordance with AS-23.
- Investment in Associate Companies has been accounted under the equity method as per Accounting Standard (AS) 23 - "Accounting for investments in Associates in consolidated financial Statements".
- The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statement as Capital Reserve.

##### 3. USE OF ESTIMATES

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

##### 4. REVENUE RECOGNITION

- Revenues/Incomes and Costs/Expenditure are generally accounted on accrual, as they are earned or incurred.
- Sale of Goods is recognised on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods.
- "Export incentives under the "Duty Entitlement Pass Book Scheme". "Duty Draw back Scheme", etc is accounted in the year of export".

##### 5. PURCHASES

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

##### 6. SALES

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

##### 7. EXCISE DUTY

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

##### 8. FIXED ASSETS

###### Tangible Assets

These are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses written off during the year. Subsequent expenditures related to an item of Fixed Assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Any expected loss is recognised immediately in the Statement of Profit and Loss on sale of assets.

Losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Significant components of assets having a life shorter than the main asset, if any is depreciated over the shorter life.

#### **9. DEPRECIATION:**

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

- a) Depreciation on fixed assets is provided on written down value method over the estimated useful life of assets.
- b) Depreciation on additions to assets or on sale / discardment of assets, is calculated pro rata from the month of such addition or upto the month of such sale/discardment, as the case may be.

#### **10. CAPITAL WORK-IN-PROGRESS**

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

#### **11. BORROWING COST:**

Interest and borrowing costs are charged to revenue.

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

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

#### **13. INVENTORIES:**

Inventories of Raw Materials, Work-in-Progress, stores and spares, Finished Goods and Stock-in-trade are stated 'at cost'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'First-in-First-out', 'Weighted Average Cost' or 'Specific identification', as applicable.

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

- a) Liability for Gratuity is ascertained 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.





#### 15. TAXATION:

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

#### 16. FOREIGN CURRENCY TRANSLATIONS

- (i) All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.
- (ii) Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year.
- (iii) All other incomes or expenditure in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

#### 17. IMPAIRMENT OF ASSETS

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

#### 18. EARNING PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period.

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 Amount(₹)	As at 31.03.2015 Amount(₹)
<b>Note.2 SHARE CAPITAL</b>		
<b>Authorised Share Capital:</b>		
2,00,00,000 Equity Shares of ₹ 10/- each	200,000,000	200,000,000
3,00,000 15% Non Convertible Redeemable Preference Shares of ₹ 100/- each	30,000,000	30,000,000
	<b>230,000,000</b>	<b>230,000,000</b>
<b>Issued, Subscribed &amp; Paid up Capital :</b>		
1,90,72,052 Equity Shares of ₹10/- each fully Paid up	190,720,520	190,720,520
Add : Forfeited Shares	188,750	188,750
	<b>190,909,270</b>	<b>190,909,270</b>

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

Sr. No.	Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
		No of Shares	%	No of Shares	%
1	Jyotirmoy Trading Pvt Ltd	2,457,678	12.89	2,457,678	12.89
2	Concast Steels & Alloys Ltd	2,129,754	11.17	2,129,754	11.17
3	Suresh Chand Bansal	2,013,854	10.56	2,013,854	10.56
4	B.L.Bansal	1,516,710	7.95	1,516,710	7.95
5	Manav Bansal	1,258,196	6.60	1,258,196	6.60
6	Mukesh Chand Bansal	1,193,374	6.26	1,193,374	6.26
7	Century Vision Pvt Ltd	1,060,938	5.56	1,060,938	5.56

### 2.2 Terms & Rights attached to Equity Shares

- The Company has 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 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	19,072,052	19,072,052
Issued during the year	-	-
Balance at the end of the year	19,072,052	19,072,052



## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 Amount(₹)	As at 31.03.2015 Amount(₹)
<b>Note.3 RESERVE &amp; SURPLUS</b>		
<b>a) Capital Reserve</b>		
Balance as per last account	441,106	441,106
	441,106	441,106
<b>b) Share Premium</b>		
As per last account	328,846,550	328,846,550
	<b>328,846,550</b>	<b>328,846,550</b>
<b>c) General Reserve</b>		
As per last account	383,433,938	333,433,938
Addition During the year	50,000,000	50,000,000
	<b>433,433,938</b>	<b>383,433,938</b>
<b>d) Capital Redemption Reserve</b>		
As per last account	30,000,000	30,000,000
	<b>30,000,000</b>	<b>30,000,000</b>
<b>e) Amalgamation Reserve</b>		
As per last account	12,510,424	12,510,424
	<b>12,510,424</b>	<b>12,510,424</b>
<b>f) Revaluation Reserve</b>		
As per last account	27,101,462	27,147,543
Less: Adjusted During the year	46,083	46,081
	<b>27,055,379</b>	<b>27,101,462</b>
<b>g) Profit &amp; Loss Account</b>		
As per last account	830,061,475	746,667,273
Add: Profit for the year	192,842,844	156,049,741
Add: Transferred to General Reserve	(50,000,000)	(50,000,000)
Add: Adjustment on account of depreciation (Note- 12.1 )	-	229,788
Less: Proposed Dividend on Equity Shares	19,072,052	19,072,052
Less: Corporate tax on proposed dividend	3882,621	3,813,275
	<b>949,949,646</b>	<b>830,061,475</b>
<b>Total (a + b + c + d + e + f + g)</b>	<b>1,782,237,043</b>	<b>1,612,394,955</b>
<b>Note.4 LONG TERM BORROWINGS</b>		
<b>1. SECURED</b>		
<b>TERM LOAN</b>		
Allahabad Bank	-	4,625,206
Punjab National Bank	62,849,118	94,180,412
HDFC Bank Ltd.	2,807,412	1,374,454
SBI	10,558,077	-
<b>2. UNSECURED</b>		
Bodies Corporate	379,467,682	573,662,342
	<b>455,682,289</b>	<b>673,842,414</b>

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

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

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.

Corporate Loan from State Bank of India are secured by charge over entire current assets of all the units both present and future on parri-passu basis ,

Car loan from HDFC Bank are secured on Vehicles.

	As at 31.03.2016 Amount(₹)	As at 31.03.2015 Amount(₹)
<b>Note.5 DEFERRED TAX LIABILITY (Net)</b>		
Deferred Tax Liability	315,300,296	305,139,108
Less : Deferred Tax Assets	10,491,666	7,928,568
	<b>304,808,630</b>	<b>297,210,540</b>
<b>Note.6 OTHER LONG TERM LIABILITIES</b>		
Sales Tax Deferral	—	8,032,035
Security and Other Deposits	150,362,800	152,868,800
	<b>150,362,800</b>	<b>160,900,835</b>
<b>Note.7 LONG TERM PROVISIONS</b>		
Provision for Leave Encashment	3,462,938	3,114,261
Provision for Income Tax	305,250,000	266,700,000
Provision for Gratuity	26,852,787	19,795,379
	<b>335,565,725</b>	<b>289,609,640</b>
<b>Note.8 SHORT TERM BORROWINGS</b>		
<b>SECURED</b>		
<b>WORKING CAPITAL &amp; TERM LOAN</b>		
Allahabad Bank	289,284,560	404,740,903
State Bank of India	470,435,488	437,454,664
Bank of Baroda	68,957,422	138,271,672
Punjab National Bank	254,442,966	27,106,052
State Bank of India(IBD)	65,966,179	8,391,337
	<b>1,149,086,615</b>	<b>1,015,964,628</b>

### Details of Securities

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

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



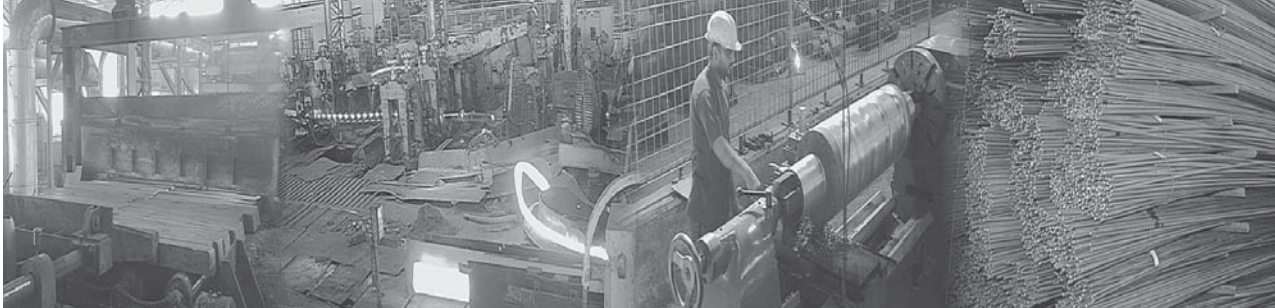


## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 Amount(₹)	As at 31.03.2015 Amount(₹)
<b>Note.9 TRADE PAYABLES</b>		
- For Goods	326,844,101	638,891,240
- For Capital Goods & Stores	80,772,359	95,945,795
- For Expenses	96,117,537	96,754,363
	<b>503,733,997</b>	<b>831,591,398</b>

<b>Note.10 OTHER CURRENT LIABILITIES</b>		
Current Maturities of Term Loan Borrowings*	35,293,303	48,909,664
Current Maturities of Finance Lease Obligations	1,911,875	2,011,613
Unpaid Dividend	1,327,122	678,163
Cheques Overdrawn	3,749,277	3,639,748
Other Payables**	10,398,592	15,472,849
Creditors for Capital Expenditure	8,740,402	15,078,572
Other Liabilities	7,981,008	6,589,589
Advance from Customer	51,174,402	27,384,747
	<b>120,575,981</b>	<b>119,764,945</b>
<b>* Term Loan repayable within one year.</b>		
Punjab National Bank	30,909,664	30,909,664
Allahabad Bank	4,383,639	18,000,000
<b>** Includes Statutory Dues</b>	<b>35,293,303</b>	<b>48,909,664</b>

<b>Note.11 SHORT TERM PROVISIONS</b>		
Proposed Dividend	19,072,052	19,072,052
Tax on Dividend	3,882,621	3,813,275
Provision for Bonus	3,604,119	3,060,267
Provision for Excise Duty on Finished Goods	78,664,676	66,332,817
	<b>105,223,468</b>	<b>92,278,411</b>



## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### NOTE: 12 FIXED ASSETS

(Amount in ₹)

DEPRECIATION OF FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2015	Additions during the Year	Sold/ Discarded or Adjustments	As on 31.03.2016	Upto 01.04.2015	For the Year	Adjustment / Sold/ Discarded	As on 31.03.2016	As on 31.03.2015	
TANGIBLE ASSETS:										
Land	132,725,081	-	-	132,725,081	-	-	-	132,725,081	132,725,081	
Leasehold Land	7,337,847	-	-	7,337,847	-	-	-	7,337,847	7,337,847	
Shed & Building	570,260,353	20,538,648	-	590,799,001	109,383,258	15,288,710	45,865	124,626,103	460,877,094	
Flats	9,588,702	-	-	9,588,702	1,945,450	169,373	-	2,114,823	7,643,252	
Leasehold Flats	554,810	-	-	554,810	132,210	-	-	132,210	422,600	
Office Premises	30,502,147	-	-	30,502,147	3,992,339	469,311	-	4,461,650	26,509,808	
Plant & Machineries	1,662,085,858	34,292,417	-	1,696,378,275	466,270,986	88,571,443	216	554,842,212	1,195,814,872	
Electrical Installation	119,082,796	2,179,347	-	121,262,143	27,847,297	7,925,761	-	35,773,058	91,235,499	
Laboratory Equipments	5,660,172	237,966	-	5,898,138	2,085,578	1,557,130	-	3,642,708	3,574,594	
Rolls	360,584,983	31,788,453	-	392,373,436	339,846,698	39,345,547	-	379,192,245	20,738,285	
Furniture & Fixtures	25,649,023	1,057,068	-	26,706,091	16,440,278	1,665,063	-	18,105,341	9,208,745	
Computer	17,260,654	1,531,522	-	18,792,176	14,675,722	966,512	-	15,642,234	2,584,932	
Office Equipments	4,714,041	381,754	-	5,095,795	3,753,211	192,648	-	3,945,859	960,830	
Air Conditioner & Others	8,862,906	199,261	-	9,062,167	3,513,654	565,513	-	4,079,167	5,349,252	
Motor Vehicles	30,722,036	4,573,777	-	35,295,813	15,858,132	2,901,369	266,889	18,492,612	14,863,904	
Total - Fixed Assets	2,985,591,405	96,780,213	-	3,082,371,618	1,005,744,816	159,618,380	312,970	1,165,050,226	1,979,846,589	
Capital Work in Progress	214,351,153	61,102,002	33,851,411	241,601,744	-	-	-	241,601,744	214,351,153	
Total - Current Year	3,199,942,558	157,882,215	33,851,411	3,323,973,362	1,005,744,816	159,618,380	312,970	1,165,050,226	2,194,197,742	
Previous Year										
Fixed Assets	2,744,849,433	243,459,261	2,717,289	2,985,591,405	842,773,411	164,534,100	1,562,695	1,005,744,819	1,979,846,586	
Capital Work In Progress	274,794,783	57,985,072	118,428,702	214,351,153	-	-	-	214,351,153	-	
Total - Previous Year	3,019,644,216	301,444,333	121,145,991	3,199,942,557	842,773,411	164,534,100	1,562,695	1,005,744,819	2,194,197,739	



## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 Amount(₹)	As at 31.03.2015 Amount(₹)
<b>Note.13 NON - CURRENT INVESTMENTS</b>		
(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 :		
11,60,000 Equity Shares ₹10/- each fully paid up in AKC Steel Industries Ltd ( Market Value ₹23,20,000/-) ₹ 2,320,000		
Less : Post Acquisition loss of Associate Co. ₹ 297,063	2,022,937	2,320,000
*Net Assets Value ₹ 7581437	<b>2,024,977</b>	<b>2,322,040</b>
(-) Capital reserve ₹ 5558500		
*(adjustment for consolidation)		
<b>Note.14 LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Advance Against Capital Expenditure	81,968,585	78,079,717
Advance with Sales Tax, Excise Departments	10,737,657	8,345,455
Security & Other Deposit	53,875,513	50,746,781
MAT Credit Entitlement	29,720,092	29,720,092
Advance Income Tax	285,060,048	271,406,282
	<b>461,361,895</b>	<b>438,298,327</b>
<b>Note.15 INVENTORIES</b>		
Raw Materials Including Materials in Transit	394,749,768	664,278,631
Finished Goods	622,508,217	520,272,535
Stock In Trade	28,472,027	20,270,140
Scrap and Cuttings	86,823,691	76,214,961
Stores and Spares	78,338,754	64,701,152
	<b>1,210,892,457</b>	<b>1,345,737,419</b>
<b>Note.16 TRADE RECEIVABLES</b>		
(Unsecured and Considered Good)		
Outstanding for a period exceeding Six Months from the due date	25,339,546	31,476,260
Others	774,529,641	611,322,053
	<b>799,869,187</b>	<b>642,798,313</b>
<b>Note.17 CASH AND CASH EQUIVALENT</b>		
Cash on Hand	3,798,503	3,171,769
Balances with Banks:		
In Current Account	16,279,342	8,027,171
In Fixed Deposit Account	15,267,758	35,075,858
In Dividend Accounts	1,327,122	678,163
	<b>36,672,725</b>	<b>46,952,961</b>
<b>Note.18 SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Balance with Central Excise Authorities	134,349,028	151,221,892
Balance with Sales Tax Authorities	113,631,007	85,875,661
Other Advances*	174,023,626	374,244,366
* Includes Interest Receivable on Fixed Deposits with Banks	<b>422,003,661</b>	<b>611,341,919</b>
<b>Note.19 OTHER CURRENT ASSETS</b>		
(Unsecured and Considered Good)		
Prepaid Expenses	5,079,885	1,959,474
Prepaid Insurance	1,357,893	858,842
	<b>6,437,778</b>	<b>2,818,316</b>

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31.03.2016 Amount(₹)	For the year ended 31.03.2015 Amount(₹)
<b>Note.20 REVENUE FROM OPERATIONS</b>		
<b>Sale of Products</b>		
Manufacturing	3,453,185,251	3,512,688,414
Trading	814,526,890	1,039,660,298
	<b>4,267,712,141</b>	<b>4,552,348,712</b>
<b>Income from Services</b>		
Conversion Charges	1,023,987,746	709,100,398
<b>Other Operating Revenues</b>		
Scrap & Coal Fines Sales	298,649,394	273,964,111
Export Incentives	4,851,881	6,577,671
	<b>5,595,201,162</b>	<b>5,541,990,892</b>
<b>Note.21 OTHER INCOME</b>		
Interest	5,304,251	5,080,050
Maintenance & Service Charges	576,000	964,830
Rent	3,185,340	4,206,660
Sundry Balance W/Back	307,493	935,281
Miscellaneous Receipt	5,466,897	8,650,146
Profit on Sale of Fixed Assets	195,000	29,000
	<b>15,034,981</b>	<b>19,865,967</b>
<b>Note.22 COST OF MATERIALS CONSUMED</b>		
Opening Stock	660,035,004	347,875,682
Add : Purchases	2,333,183,718	2,856,515,523
	<b>2,993,218,722</b>	<b>3,204,391,205</b>
Less : Closing Stock	394,326,979	660,035,004
	<b>2,598,891,743</b>	<b>2,544,356,201</b>
<b>Note.23 PURCHASE OF STOCK-IN-TRADE</b>		
For Resale - Materials & Other Goods	844,624,462	1,073,286,699
	<b>844,624,462</b>	<b>1,073,286,699</b>
<b>Note.24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE</b>		
<b>Inventories (at close)</b>		
Finished Goods	622,508,217	520,272,535
Stock In Trade	28,472,027	20,270,140
Scrap,Cuttings & Coal Fines	87,212,816	77,854,392
	<b>738,193,060</b>	<b>618,397,067</b>
<b>Inventories (at commencement)</b>		
Finished Goods	520,272,535	526,245,196
Stock In Trade	20,270,140	21,857,903
Scrap,Cuttings & Coal Fines	77,854,392	39,764,684
	<b>618,397,067</b>	<b>587,867,783</b>
Less : Provision for Excise Duty	66,332,817	62,215,208
	<b>552,064,250</b>	<b>525,652,575</b>
	<b>(186,128,810)</b>	<b>(92,744,492)</b>
<b>Note.25 EMPLOYEE BENEFITS EXPENSE</b>		
Salary, Wages & Bonus	80,706,597	70,120,802
Contribution to Provident and Other Funds	9,681,716	8,568,030
Workmen and Staff Welfare Expenses	10,620,679	9,914,488
Gratuity	8,239,815	5,101,413
Leave Encashment	894,819	1,590,083
Managerial Personnel	21,372,000	16,573,200
	<b>131,515,626</b>	<b>111,868,016</b>





## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31.03.2016 Amount(₹)	For the year ended 31.03.2015 Amount(₹)
<b>Note.26 FINANCE COST</b>		
Interest Expenses	209,433,285	204,290,389
Other Borrowing Costs	3,010,882	9,349,346
	<b>212,444,167</b>	<b>213,639,735</b>
<b>Note.27 DEPRECIATION AND AMORTISATION</b>		
Depreciation on Tangible Assets	<b>159,249,237</b>	<b>164,568,096</b>
<b>Note.28 OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Rolling Charges & Material Cutting Charges	112,636,116	88,772,244
Stores & Spares Parts Consumed	92,697,367	75,980,726
Furnace Oil Consumed	44,587,754	23,337,397
Oxygen & Gas Consumed	3,674,017	2,675,376
Coal Consumed	319,143,994	325,741,700
Electricity Charges	259,940,900	156,603,097
PGP Operation Charges	17,231,661	18,249,627
Processing Charges	2,426,000	2,320,916
<b>Repair &amp; Maintenance:</b>		
- Plant & Machinery & Electrical	8,155,269	5,464,602
- Shed & Building	12,891,331	2,430,365
Freight, Carriage and Octroi Charges	61,374,287	46,665,133
Machinery Hire Charges	8,650,208	7,627,674
Excise Duty on Finished Goods	78,664,676	66,332,817
Testing, Effluent & Inspection Charges	1,354,569	1,333,837
	<b>1,023,428,149</b>	<b>823,535,511</b>
<b>Selling &amp; Distribution Expenses</b>		
Advertisement Expenses	6,965,698	314,455
Commission On Sales	1,612,040	2,329,067
Sales Promotion Expenses	3,507,098	3,216,642
Freight, Carriage & Octroi Charges	24,777,176	43,339,336
Other Selling & Distribution Expenses	11,337,409	6,797,821
	<b>48,199,421</b>	<b>55,997,321</b>
<b>Establishment Expenses</b>		
Computer Maintenance Expenses	661,540	610,508
Donation	2,473,482	2,453,126
Electricity Expenses	1,301,438	1,145,174
Insurance Charges	3,014,826	2,109,052
Legal and Professional Charges	6,808,214	5,795,443
License, Rates and Taxes	5,734,091	6,795,185
Printing & Stationery	1,771,200	1,653,421
Repairs and Maintenance - Others	9,535,138	8,915,410
Rent Charges Paid	1,911,376	1,638,257
Security Service Charges	7,588,580	6,449,947
Loss on Sale of Fixed Assets	-	629,294
Insurance Claim Written Off	8,305,873	-
Miscellaneous Expenses	14,676,733	15,739,359
Telephone and Mobile Expenses	2,523,016	2,565,755
Travelling & Conveyance Expenses	7,851,331	7,072,284
Deferred Expenses Written Off	-	589,200
Vehicle Maintenance	4,694,732	4,482,732
Payment to Auditors:		
- Audit Fees	570,000	518,300
- Tax Audit	58,000	52,000
- Reimbursement of Expenses	252,701	219,028
	<b>79,732,271</b>	<b>69,433,475</b>
	<b>1,151,359,841</b>	<b>948,966,307</b>

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

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

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

		Amount(₹)
30)	<b>Expenditure in Foreign Currency</b>	<b>2015-16</b>
	Commission on Sales	299,409
	Travelling Expenses	1,276,702
		<b>2014-15</b>
		850,114
		1,560,593

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

	Year ended 31.03.2016		Year ended 31.03.2015	
	Amount(₹)	(%)	Amount(₹)	(%)
(a) Raw Material				
i) Imported	-	-	45,953,599	1.90
ii) Indigenous	2,598,891,743	100	2,498,402,602	98.10
	<b>2,598,891,743</b>		<b>2,544,356,201</b>	

(b)	Stores & Spare Parts			
	Imported	NIL	NIL	
	Indigenous	92,697,367	100	75,980,726
				100

### 32) Earning per Share (EPS)

	Year Ended 31.03.2016		Year Ended 31.03.2015
Profit attributable to the Equity Shareholders (A) (In ₹)	192,842,844		156,049,741
Weighted Average No. of Equity Shares (B)	19,072,052		19,072,052
Face value of Equity Shares	10/-		10/-
Basic Earnings per Share (₹) [(A)/(B)]	10.11		8.18
After Preferential Share Issue			
<b>Dividend</b>			
Dividend Provision (In ₹)	19,072,052		19,072,052
Dividend Tax (In ₹)	3,882,621		3,813,275



## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

		Year Ended 31.03.2016		Year Ended 31.03.2015
33)	Earnings in Foreign Exchange	2015-16		2014-15
	FOB Value of Exports (In ₹)	267,813,504		361,720,429
34)	<b>Deferred Taxation :</b>			
	The movement for Deferred Tax is given below :			
	<b>Particulars</b>	<b>Opening as on 01.04.2015</b>	<b>During the Year</b>	<b>Closing as on 31.03.2016</b>
	<b>Deferred Tax Liability</b>			
	Timing difference of Depreciation	305,139,108	10,161,188	315,300,296
	<b>Deferred Tax Assets</b>			
	Disallowance allowable on payments	7,928,568	2,563,098	10,491,666
	<b>Net Deferred Tax Liability</b>	<b>297,210,540</b>	<b>7,598,090</b>	<b>304,808,630</b>

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

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

(Amount in ₹)

1.	Component of Employer Expense	31.03.2016	31.03.2015
(a)	Current Service Cost (including risk premiums for fully insured benefits)	1,595,628	838,477
(b)	Interest Cost	1,058,480	856,814
(c)	Expected Return on Plan Assets	-	-
(d)	Curtailment Cost/ (Credit)	-	-
(e)	Settlement Cost/ (Credit)	-	-
(f)	Past Service Cost	-	-
(g)	Actuarial Losses / (Gains)	541,642	3,021,323
2.	<b>Net Asset/(Liability) recognised in Balance Sheet</b>		
(a)	Present value of Defined Benefit Obligation	16,736,870	13,899,592
(b)	Fair Value of Plan Assets	-	-
(c)	Funded Status (Surplus/Deficit)	(16,736,870)	(13,899,592)
(d)	Unrecognised Past Service Cost	-	-
(e)	Net Asset/ (Liability) recognised in Balance Sheet	(16,736,870)	(13,899,592)
3.	<b>Change in Defined Benefit Obligation</b>		
(a)	DBO at the beginning of the period	13,899,592	9,342,729
(b)	Service Cost	1,595,628	838,477
(c)	Interest Cost	1,058,480	856,814
(d)	Curtailment Cost / (Credit)	-	-
(e)	Settlement Cost / (Credit)	-	-
(f)	Plan Amendments Cost/ (Credit)	-	-
(g)	Acquisition Cost / (Credit)	300,204	-
(h)	Actuarial Losses / (Gains)	541,642	3,021,323
(i)	Benefit Payments	(658,676)	(159,751)
(j)	DBO at the end of the period	16,736,870	13,899,592
4.	<b>Change in the Fair Value of Assets</b>		
(a)	Fair Value of Plan Asset at the beginning of the period	-	-
(b)	Acquisition Adjustment	-	-
(c)	Expected Return on Plan Assets	-	-
(d)	Actual Company Contributions	-	159,751
(e)	Actuarial Gain/(Loss)	-	-
(f)	Benefit Payments	-	(159,751)
(g)	Fair Value of Plan assets at the end of period	-	-

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

		31.03.2016	31.03.2015			
5.	<b>Reconciliation of Net Asset/Liability recognised in B.Sheet</b>					
	(a) Net Asset / (Liability) at the beginning of period	(13,899,592)	(9,342,729)			
	(b) Employer (Expense)/Credit	(3,195,750)	(4,716,614)			
	(c) Employer Contributions	658,676	159,751			
	(d) Acquisition / Business Combinations	(300,204)	-			
	(e) Net Asset / (Liability) at the end of the period	(16,736,870)	(13,899,592)			
6.	<b>Actuarial Assumptions</b>					
	(a) Discount Rate Used	7.90%	7.80%			
	(b) Salary Escalation Rate	7.00%	7.00%			
	(c) Expected Return on Assets	NA	NA			
(Amount in ₹)						
7.	<b>Experience History of Last 5 Years</b>	<b>31.03.2012</b>	<b>31.03.2013</b>	<b>31.03.2014</b>	<b>31.03.2015</b>	<b>31.03.2016</b>
	(a) DBO at the end of the period	(7,107,987)	(8,431,142)	(9,342,729)	(13,899,592)	(16,736,870)
	(b) Plan assets at the end of period	-	-	-	-	-
	(c) Funded Status	(7,107,987)	(8,431,142)	(9,342,729)	(13,899,592)	(16,736,870)
	(d) Experience Gain/ (Loss) adjustment on plan liabilities	207,406	119,586	(312,398)	315,728	(698,652)
	(e) Experience Gain/ (Loss) adjustment on plan assets	-	-	-	-	-
	(f) Actuarial Gain/(Loss) due to change in assumption	302,931	(309,971)	823,907	(3,337,051)	157,010

- (II) The obligation of gratuity as on 31st March, 2016 ascertained by the management is Rs.2,68,52,787/- (Previous year Rs. 19,795,379/-) and accordingly current year provision to be recognised in the Statement of Profit & Loss is Rs.82,39,815/- (Previous Year Rs.51,01,413/-)

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

### 36) Transactions With Related Parties :

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

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

Name of Related Parties

#### a) Key Management Personnel

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

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

##### i) Associated Companies:

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

##### ii) Associated Enterprises:

1. B. L. Bansal & Sons (HUF)
2. Thirupathy Bright Industries





## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amounts in ₹)

Sl. No.	Nature of Transactions	Associate Companies	Associate Enterprises	Key Managerial Personnel	Total
1.	Purchases of Goods	-	1,776,672	-	1,776,672
		-	(11,180,724)	-	(11,180,724)
2.	Fixed Assets	-	-	-	-
		(7,228,819)	-	-	(7,228,819)
3.	Sales of Goods	-	-	-	-
		-	(263,430)	-	(263,430)
4.	Expenses				
	Rent, Electricity & Maintenance	157,384	36,000	1,108,202	1,301,586
		(155,172)	(36,000)	(609,868)	(801,040)
	Machining Charges	-	-	-	-
5.	Other Income	4,473,620	-	-	4,473,620
	Rent, Electricity & Maintenance	(8,332,205)	-	-	(8,332,205)
6.	Unsecured Loans	718,975	-	-	718,975
		(1,020,000)	-	(5,165,480)	(6,185,480)
7.	Payment to Managerial Persons	-	-	21,372,000	21,372,000
		-	-	(16,573,200)	(16,573,200)
8.	Purchases of Goods	27,653,312	603,963	-	28,257,275
	Dr. Balance	(45,229,127)	(1,324,031)	-	(43,905,096)
9.	Sales of Goods	25,864,850	410,000	-	26,274,850
	Dr. Balance	(6,061,501)	(673,430)	-	(6,734,931)
10.	Expenses				
	Rent, Electricity & Maintenance	193,313	27,000	597,270	817,583
	Cr. Balance	(1,044,843)	(725,585)	(257,068)	(2,027,496)
	Machining Charges	197,568	-	-	197,568
	Cr. Balance	(6,167,826)	-	-	(6,167,826)
11.	Other Income	8,431,306	-	-	8,431,306
	Rent, Electricity & Maintenance	(7,009,170)	-	-	(7,009,170)
	Dr. Balance	-	-	-	-
12.	Unsecured Loans	5,987,577	-	-	5,987,577
	Cr. Balance	(8,758,500)	-	(1,666,787)	(10,425,287)
13.	Payment to Managerial Persons	-	-	4,006,620	4,006,620
	Cr. Balance	-	-	(4,982,478)	(49,82,478)

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

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

(Amounts in ₹)

Relationship		2015-16	2014-15
<b>1. Purchases of Goods</b>			
Thirupathy Bright Industries	Associate Enterprises	1,776,672	11,180,724
<b>2. Fixed Assets</b>			
B P Spring & Engineering Co. Pvt. Ltd.	Associate Companies	-	7,228,819
<b>3. Sale of Goods</b>			
Thirupathy Bright Industries	Associate Enterprises	-	263,430
<b>4. Expenses</b>			
Rent, Electricity & Maintenance			
Emerald Suppliers Pvt Ltd	Associate Companies	157,384	155,172
B.L. Bansal & Sons (HUF)	Associate Enterprises	36,000	36,000
Gautam Bansal	Key Managerial Person	292,202	281,068
Aruna Bansal	Key Managerial Person	264,000	164,400
Indu Bansal	Key Managerial Person	132,000	132,000
Mukesh Chand Bansal	Key Managerial Person	144,000	-
Manav Bansal	Key Managerial Person	144,000	-
Vikash Bansal	Key Managerial Person	132,000	32,400
<b>5. Other Income</b>			
Rent, Electricity & Maintenance			
B P Spring & Engineering Co. Pvt. Ltd.	Associate Companies	4,473,620	8,332,205
<b>6. Unsecured Loan</b>			
Tirumala Holdings Pvt Ltd	Associate Companies	45,000	45,000
Century Vision Pvt Ltd	Associate Companies	673,975	975,000
Suresh Chand Bansal	Key Managerial Person	-	5,165,480
<b>7. Payment to Managerial Person</b>			
Suresh Chand Bansal	Key Managerial Person	6,600,000	5,520,000
Mukesh Chand Bansal	Key Managerial Person	4,776,000	3,705,600
Vikas Bansal	Key Managerial Person	4,104,000	3,201,600
Manav Bansal	Key Managerial Person	3,372,000	2,490,000
Gautam Bansal	Key Managerial Person	2,520,000	1,656,000

(Figures under bracket are of previous year)



## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 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) Claims against the Company disputed and not acknowledged as debts in respect of :

<u>Particulars</u>	<u>Amount(Rs.)</u>
a) Excise Duty	54,645,316
b) Sales Tax	16,524,835
c) Income Tax	71,271,421
d) Others	4,381,457

ii) Estimated amount of capital contract (net of advances) ₹ 47,85,500/- (Previous Year ₹87,95,000/-) remaining to be executed.

iii) Gurantees of ₹ 7,15,00,000/-(Previous year ₹ 7,15,00,000/-) issued by Banks in favor of certain parties against which Bank Fixed Deposit Receipts of ₹ 72,50,000/- (Previous year ₹ 2,70,58,100/-) are pledged with the Banks.

### 38) Other Notes.

- Pending Final Settlement, liability of Bonus ₹36,04,119/- (Previous year ₹30,60,267/-) has been provided in the accounts.
- 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.
- 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.
- The liability for Gratuity as on 31st March, 2016 has been ascertained by the management as ₹26,852,787/- (Previous year ₹19,795,379/-) and provided accordingly. Payments made during the year has been charged to Accounts.
- 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.
- Unamortised part of Miscellaneous and other deferred revenue expenditure have been presented under the head Other Non-Current Assets.
- 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.
- 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.
- Previous year's figures have been regrouped/reclassified wherever found necessary to confirm to current year's presentation



## This image shows a full page of blank, lined paper. It features approximately 20 evenly spaced horizontal grey lines across its entire width, typical of notebook or legal stationery. The paper is otherwise completely empty, with no text, markings, or illustrations.



## This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

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

### FINANCIAL HIGHLIGHTS

PARTICULARS	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Sales	559.52	554.20	581.13	609.04	600.03	458.58	332.21	314.00	304.43	322.64
Other Income	1.50	1.99	2.08	1.79	1.64	2.29	0.96	1.31	1.41	1.03
<b>Total Income (A)</b>	561.02	556.19	583.21	610.83	601.67	460.87	333.17	315.31	305.84	323.67
Manufacturing & Other Expenses (B)	494.22	494.03	521.64	556.67	547.29	410.91	298.25	283.74	276.28	302.26
<b>EBIDTA (C) [A-B]</b>	66.80	62.16	61.57	54.16	54.38	49.97	34.92	31.57	29.56	21.41
Finance Costs	21.24	21.36	20.04	16.65	18.23	14.46	11.24	14.91	11.43	5.24
Depreciation	15.92	16.46	12.56	9.28	9.25	7.51	7.16	8.63	9.74	3.85
<b>Profit Before Tax</b>	29.64	24.34	28.97	28.23	26.90	28.00	16.52	8.03	8.39	12.32
Less:-Taxation / Deferred Tax	10.32	8.75	10.67	9.20	8.75	9.12	5.60	2.72	3.20	4.02
Profit / (Loss) After Tax	19.32	15.59	18.30	19.03	18.15	18.88	10.92	5.30	5.19	8.29
Adjustment in the respect of the earlier years	(0.00)	0.01	(0.06)	(0.01)	0.02	(0.01)	0.17	0.11	0.18	(0.09)
<b>Profit Available For Appropriation</b>	19.32	15.60	18.24	19.02	18.17	18.87	11.09	5.41	5.37	8.20
Appropriation										
(a) Dividend Amount & Dividend Tax	2.29	2.29	-	-	-	1.00	0.54	0.48	0.59	0.86
(b) Transfer to / from Reserves	5.00	5.00	5.00	5.00	5.00	4.20	3.60	3.60	3.60	4.00
<b>Surplus</b>	12.03	8.31	13.24	14.02	13.17	13.67	6.94	1.33	1.18	3.34
<b>What The Company Owned</b>										
<b>Fixed Assets</b>										
Gross Block	308.24	298.56	274.49	198.51	172.23	162.47	128.71	122.10	109.17	100.25
Less : Depreciation	116.50	100.57	84.28	71.70	62.65	53.56	46.08	39.08	30.86	21.27
Net Block	191.74	197.99	190.21	126.81	109.58	108.91	82.62	83.02	78.31	78.98
Capital Work-in-Progress	24.16	21.43	27.48	61.08	37.96	8.09	13.12	6.00	11.68	6.23
Investment	0.23	0.23	0.23	0.23	0.23	0.66	0.66	0.66	0.66	0.67
Current Assets & Advances	293.72	308.79	248.82	255.65	274.93	238.57	172.88	136.31	168.11	103.35
Non Current Assets	509.85	-	0.06	0.12	0.01	0.21	0.74	0.68	0.02	0.01
		528.44	466.80	443.89	422.71	356.44	270.03	226.66	258.78	189.24
<b>What The Company Owed</b>										
Secured Loans	126.25	116.70	131.51	114.38	101.14	98.20	82.49	74.44	92.83	45.78
Redeemable Preference Shares	-	-	-	-	-	-	1.20	1.80	2.40	3.00
Unsecured Loans	37.95	57.37	36.91	26.40	36.08	32.98	34.47	25.89	34.94	35.67
Deferred Tax Liability	30.48	29.72	27.61	18.59	15.10	14.52	11.44	10.69	9.48	9.33
Current/Long Term Liabilities & Provisions	117.83	144.32	103.78	135.76	140.65	119.16	66.73	50.66	60.88	41.99
	312.51	348.11	299.81	295.13	292.97	264.86	196.33	163.49	200.53	135.77
<b>Net Worth of the Company</b>										
Equity Share Capital	19.09	19.09	19.09	19.09	19.09	17.09	2.86	2.86	2.86	2.86
Share Suspense	-	-	-	-	-	-	-	-	-	-
Reserve & Surplus	178.25	161.24	147.90	129.67	110.65	74.49	70.84	60.30	55.38	50.61
	197.34	180.33	166.99	148.76	129.74	91.58	73.70	63.17	58.25	53.47
<b>Financial Indicators</b>										
Earning per Share (EPS)	10.13	8.18	10.00	10.00	10.00	11.00	39.00	19.00	18.00	31.00
Book Value per Equity Share (Rs.)	103.47	94.55	87.56	78.00	68.03	53.58	263.21	225.61	208.03	190.96



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