



ANUP MALLEABLES LIMITED

Works & Corporate Office: G.T. Road Kandra, P.O. Bhitia, Govindpur, Dhanbad-826199

Tel:91-6540-283002, 283176 Fax : 91-6540-283163

Http://www.anupmalleables.com, email:sales@anupmalleables.com



ISO : 9001 - 2000

Directors' Report

To the Members,

Your Directors have pleasure in submitting their Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2019.

1. FINANCIAL SUMMARY

(Amount in `)

Particulars	As at the end of current reporting period	As at the end of previous reporting period
Total Revenue	39,93,75,414	20,12,35,785
Total Expenses	39,36,03,528	22,62,88,888
Profit or Loss before Exceptional and Extraordinary items and Tax	57,71,867	(2,50,53,103)
Less: Exceptional Items	--	3,12,19,704
Less: Extraordinary Items	--	--
Profit or Loss before Tax	57,71,867	61,66,601
Less: Current Tax	11,24,854	5,37,626
MAT Credit	(11,24,854)	(5,37,626)
Deferred Tax	(1,08,47,891)	58,81,342
Previous Year Taxes	--	--
Profit or Loss After Tax	1,66,19,778	2,85,259
Loss on Discontinuing Operation	--	38,55,556
Profit/(Loss) for the year	1,66,19,778	(35,70,297)
Add: Balance as per last Balance Sheet	1,34,14,853	1,69,85,150
Balance Transferred to Balance Sheet	3,00,34,631	1,34,14,853

2. COMPANY'S OPERATIONAL PERFORMANCE

Total Revenue

Total income of the Company for the financial year 2018-2019 comprises of Net Sales, work contract receipt and other income amounts to Rs.3,993.75 Lac which is increase of 96.46 % over last year's figure.

Profit Before Tax

Profit before tax for the year under review is Rs 57.72 Lacs, an decrease of 6.40 % over the last year's figure. This is attributable to exceptional increase of Rs.3,12,19,704/- during Financial Year 2017-18.

Profit after Tax

Profit after tax for the year under review is profit of Rs.166.20 Lacs, an increase of 57.26 % over the last year's figure.

Earnings per Share

Earnings per share for the year under review are Rs 2.45 as compared to Rs (0.53) for the last year.

Net worth

Net worth of the Company for the financial year 2018-19 is Rs.2210.86 Lac as against Rs 1622.75 Lac of the last year.



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3. DIVIDEND

No Dividend was declared for the current financial year.

4. TRANSFER TO GENERAL RESERVE

No amount was transferred to reserves during the financial year ended 31st March, 2019.

5. CORPORATE GOVERNANCE

A Report on the compliance of Corporate Governance Code along with certificate from Secretarial Auditor thereon as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 is annexed to this Report.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid during last year.

7. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors are optimistic about company's business and hopeful of better performance with increased revenue in next year. There was no change in the nature of business of company.

During the last Financial Year your Company had invested huge amount to manufacturing of Jigs, Fixtures & Dies for development of extra large fabricated items such as Bogie Frame Assembly, Side Wall Assembly, Roof Assembly, Complete Under frame Assembly central sill and Side sill etc. of different Diesel & Electric Locomotives and LHB Coaches. Your company had assured to develop all the pending products by the end of the year 2019-2020 and we have great pleasure to inform you that sincere efforts of management and workers we achieve the target of 80 bogies manufacture per month till date and following products successfully developed till date –

1. Bogie Frame for WAP-5 Locomotives
2. Bogie items for LHB Coaches
3. Front Part for LHB Coaches
4. Side Sill Assy for WAP/WAG-9
5. Bogie Frame for Train -18

Currently Company got development order of Train-18, Under frame for LHB Coaches. Company has started business with Railways Coach manufacturing division i.e. Modern Coach Factory, Rail Coach Factory and Integral Coach factory to manufacture fabrication items of LHB Coaches, to maintain its current dominance in the domestic market and to meet the future challenges, your Company is working on a long term strategic plan, which will steer the Company towards a target of manufacture all the product of LHB Coches and items of Vande Bharat Rake for Indian Railways, thereby meeting the strategic objectives of achieving leadership in market.

8. OPPORTUNITIES & THREATS

There is a huge demand for machined castings and fabricated items in Domestic as well as International Market. However, threats from small firms as well as Wagon manufacturers are still continuing. As their prices are very low, developed and established firms are not able to match their prices. In line with the aspirations of ongoing growth in the fiscal year 2018-19, company is integrating its resources and investing in new technologies to achieve greater performance and long term growth. Now Company got electrical power from DVC and to re-start its Foundry Division by end of this Financial Year. Once Steel Foundry Division gets started, your company is bound to take a quantum jump from its existing position.



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9. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

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

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company as far as Conservation of Energy or Technology Absorption are concerned.

Foreign Exchange Outgo:

Nature of Expense	(Amount in `)	
	2018-19	2017-18
Purchase of Stores & Spares	7,60,845.00	Nil

11. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

12. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of loans, guarantee and investment covered under the provisions of 186 of the Companies Act, 2013 are given in the notes to Financial Statements.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All related party transactions that were entered into during the financial year ended 31st March, 2019 were on an arm's length basis and were in the ordinary course of business and that the provisions of section 188 of Companies Act, 2013 and rules made thereunder are not attracted. However, disclosure in Annexure I in form AOC-2 is enclosed. Further, there are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All RPTs are placed before the Audit Committee for approval. Prior omnibus approval of Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.



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15. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There are no qualifications, reservations or adverse remarks made by the Auditors in their report.

16. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

Your Company was in compliance of composition of Nomination and Remuneration Committee.

17. PARTICULARS OF EMPLOYEES

There is no employee in the Company drawing monthly remuneration of Rs.500000/- per month or Rs.6000000/- per annum. Hence the Company is not required to disclose any information as per Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

18. EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure II and is attached to this Report.

19. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company has conducted 13 (thirteen) Board Meetings during the financial year under review. The intervening gap between any two meetings was within the period prescribe by Companies Act, 2013

20. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts on a going concern basis;
- e) the Company being unlisted, sub clause (a) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company, and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



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21. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company during the year under review.

22. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

23. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board consist of optimum number of Executive and Non- Executive Director including Independent director who have wide and varied experience in the field of business, finance, Education. Pursuant to provision of Section 152(6)(d) of Companies Act, 2013, Mrs. Nikeeta Agarwalla and Mr Sunil Kumar retires by rotation and being eligible offers himself for reappointment.

24. DECLARATION OF INDEPENDENT DIRECTORS

Company received declaration from each independent directors under the provisions of Section 149(7) of Company Act 2013 that he/she meets

25. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The company has adequate internal Control System commensurate with the size and nature of the business. The system has been designed to ensure that, all assets are acquired economically, used efficiently and protected against loss, destruction or unauthorized use. All resources are used efficiently and effectively. Accounting, Financial and other operational information are accurate, reliable and provided timely and all applicable laws and internal policies are complied with true spirit.

26. STATUTORY AUDITOR

M/s Tulsyan N.K.& Compry, Chartered Accountants were appointed as Statutory Auditors of the Company for a period of 5 years in the Annual General Meeting held in the year 2017-18 and are eligible for reappointment, subject to ratification of members at ensuing Annual General Meeting of the company.

27. SECRETARIAL AUDITOR

During the year, the Company has appointed Mr. Nisha Saraff, Practicing Company Secretary as Secretarial Auditor of the Company. The Secretarial Audit Report for the Financial year 2018-19 is annexed herewith to this report, The Secretarial Audit Report does not contain any reservation, qualification or adverse comment.

28. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 regarding the Audit Committee and Vigil Mechanism are formed and works as per the portion of act.

29. AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT

The auditors' report and secretarial auditors' report does not contain any qualifications, reservations or adverse remarks. Report of the secretarial auditor is given as an annexure which forms part of this report.



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30. AUDIT COMMITTEE

The composition and terms of reference of the Audit Committee are in accordance with the requirements mandated under section 177 of the Companies Act, 2013 read with the rules made thereunder and Regulation 18 of SEBI (LODR) Regulations, 2015 has been furnished in the Corporate Governance report forming a part of this Annual report.

31. NOMINATION AND REMUNERATION COMMITTEE

The composition and terms of reference of the Audit Committee are in accordance with the requirements mandated under section 178(1) of the Companies Act, 2013 read with the rules made thereunder and Regulation 19 of SEBI (LODR) Regulations, 2015 has been furnished in the Corporate Governance report forming a part of this Annual report.

32. STAKEHOLDER RELATIONSHIP COMMITTEE

The composition and terms of reference of the Audit Committee are in accordance with the requirements mandated under section 178(5) of the Companies Act, 2013 read with the rules made thereunder and Regulation 20 of SEBI (LODR) Regulations, 2015 has been furnished in the Corporate Governance report forming a part of this Annual report.

33. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

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

34. LISTING AGREEMENT

The Securities and Exchange Board of India(SEBI) on September 02, 2015 issued SEBI(Listing Obligation and Disclosure Requirements, 2015 with the aim to consolidate and streamline the provisions of Listing Agreements

35. LISTING WITH STOCK EXCHANGES

The Company confirms that it has paid the Annual Listing Fees for the year 2018-19 to BSE and CSE where the Company's Shares are listed.

36. ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board of Directors

Ashok Khaitan
Managing Director
DIN: 00293871

Siddharth Agarwal
Director
DIN: 00349972

Place: Kolkata
Date: 30.05.2019

Independent Auditor's Report

To the Members of M/s ANUP MALLEABLES LIMITED

1. We have audited the accompanying financial statements of M/s Anup Malleables Limited, which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and statement of change in Equity for the year then ended, and a summary of Significant Accounting Policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind As) specified under Section 133 of the Act, read with rule 7 of Companies (Ind As standards) Rules, 2015 as amended. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are 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

3. Our responsibility is to express an opinion on these Ind AS 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, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the Ind AS financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

6. 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 31st March 2019, its Profit/Loss including other comprehensive income, Cash Flows and the change in equity for the year ended on that date.



Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order.
- B. As required by section 143(3) of the Act, we further 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 purpose of our audit;
 - in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - the Balance Sheet, Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and the statement of change in equity dealt with by this Report are in agreement with the books of account;
 - in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Ind AS) Rules 2015, as amended.
 - on the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, 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 B.
 - In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - The Company does not have any pending litigations which would materially impact its financial position
 - The Company did not have any long-term contracts including derivative contracts: as such the question of commenting on any material foreseeable losses thereon does not arise
 - There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For Tulsyan N K & Co.

Chartered Accountants

(Registration No. 017339)



Praveer Kant Kashyap

Partner

Membership No. 064945

Dhanbad, 30th May, 2019



ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' of our Report of even date to the members of M/s Anup Malleables Limited on the accounts of the company for the year ended 31st March, 2018.

i. In Respect of Fixed Assets:

- a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- b. As explained to us, the fixed assets were physically verified during the year by the management in accordance with a regular program of verification of all the fixed assets at reasonable intervals, which in our opinion is reasonable. No material discrepancies were noticed on such physical verification.
- c. In our opinion and according to information and explanations given to us, the company has not disposed off substantial part of the fixed assets during the year and going concern status of the company is not affected.
- d. All the title deeds of all immovable properties are in the name of the company. Building has been constructed by the company.

ii. In respect of its inventories:

- a. The inventories have been physically verified by the management during the year. In our opinion frequency of such verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- c. On basis of examination of the Company inventory records, in our opinion, the company is maintaining proper record of the inventory. As explained to us there were no material discrepancies noticed on physical verifications of inventory as compared to the book records.

iii. According to the information and explanations given to us, the Company has not granted unsecured loans to companies, firm, Limited liability partnerships or other parties covered in the register maintained under section 189 of Act. Therefore, the provisions of clause 3(iii), (iii) (a) (iii) (b) and (iii) (c) of the said order are not applicable to the company.

iv. The company has not granted any loans or provide any guarantees or security any party during the year. Hence provision of section 185 & 186 of the Act are not applicable to the company.



v. In respect of deposits accepted by the company:

The company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and the companies (Acceptance of deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the order are not applicable to the company.

vi. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.

vii. In respect of statutory dues:

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 including Provident Fund, Employees' State Insurance, Income tax, Sales-Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. No undisputed statutory dues were outstanding as at 31 March, 2019 for a period of more than six months from the date they became payable.

b. The particulars of dues of income tax as at March 31, 2019 which have not been deposited on account of a dispute, are as follows :-

Name of the Statute	Amount (In ₹ Lacs)	Period to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	4,48,770	AY 2012-13	Dy. Commissioner of Income Tax (Appeal)
The Income Tax Act, 1961	69,17,436	AY 2014-15	Commissioner of Income Tax (Appeal)

c. There is no amount required to be transferred to Investor Education And Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder

viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion, the company has not defaulted in repayment of dues to a financial institution bank, Government or dues to debenture holders.

ix. According to information and explanations given to us, during the year the 4 term loan has been raised by the Company and the same has been applied by the Company for the purposes for which they were obtained.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.



- x. Company has not paid any managerial remuneration during the year.
- xii. The company is not a Nidhi Company hence this clause is not applicable.
- xiii. According to the information and explanations given to us, the transaction with related parties has been entered as per arm's length price and therefore, the provisions of section 188 are not applicable. However provision of sub section 177 are applicable and are duly complied with.
- xiv. During the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of Paragraph 3 of Order is not applicable of the Company.
- xv. The company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Tulsyan N K & Co.

Chartered Accountants

(Registration No. 0112630)



Praveer Kant Kashyap

Partner

Membership No.064945

Dhanbad, 30th May, 2019

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of M/s Anup Malleables Limited as of 31 March 2019 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. 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 for Internal Financial Controls

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note 168 require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

