



## Aanchal Ispat Limited

CIN : L27106WB1996PLC076866 | GSTN/UID : 19AAACV8542M1ZQ | UAN : WB10C0007296

An ISO 9001:2015 Company



Dated: 6<sup>th</sup> September, 2019

To,  
Department of Corporate Services  
BSE Limited  
PhirozeJeejeebhoy towers  
Dalal Street  
Mumbai – 400001

Dear Sir,

**Ref:-SCRIP CODE: 538812; ISIN: INE322R01014**

**Subject: 24<sup>th</sup> Annual Report of Aanchal Ispat Limited.**

With reference to the above captioned subject, please find attached a copy of the 24<sup>th</sup> Annual Report of the Company under Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

You are requested to take the above information on your records.

Yours Faithfully

For Aanchal Ispat Limited,

*Neha Sharma*

Neha Sharma  
(Company Secretary  
& Compliance Officer)



**Registered Office**

J.L. No. 5, National Highway No.6,  
Chamrail, Howrah 711114.  
Phone : 03212-246121 / 033 22510128 / 033 23230052  
Email : [info@aanchalispac.com](mailto:info@aanchalispac.com) | [aanchalispac1996@gmail.com](mailto:aanchalispac1996@gmail.com)  
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# Aanchal Ispat Limited

An ISO 9001 : 2015 Company

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## Annual Report 2018-19

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## Corporate Information

**CORPORATE IDENTITY NUMBER:L27106WB1996PLC076866**

### DIRECTORS

- |                                   |  |
|-----------------------------------|--|
| <b>1. Mr. Mukesh Goel</b>         | Managing Director  |
| <b>2. Mr. Manoj Goel</b>          | Non-Executive Director                                       |
| <b>3. Mr. Vijay Srivastava</b>    | Executive Director   |
| <b>4. Mr. Mukesh Agarwal</b>      | Independent Director   |
| <b>5. Ms. Nilu Nigania</b>        | Independent Director   |
| <b>6. Ms. Babita Kaur Bagga</b>   | Independent Director<br>(Appointed w.e.f. November 14, 2018) |
| <b>7. Ms. Preetee Agarwal</b>     | Independent Director<br>(Resigned w.e.f. May 30, 2018)       |
| <b>8. Mr. Sudhir Kumar Budhia</b> | Independent Director<br>(Resigned w.e.f. August 14, 2018)    |

### SECRETARIAL AUDITOR

Ms. Manisha Saraf  
11, Dacres Lane, 1st Floor,  
Kolkata- 700069

### CHIEF FINANCIAL OFFICER

Mr. A.S Nageswar Rao

### REGISTERED OFFICE

Mouza-Chamrail,  
National Highway-6  
Liluah, Howrah-711114  
Tel: 03212246121  
Fax: 03212246069  
E-Mail: cs@aanchalispac.com

### COMPANY SECRETARY

Ms. Neha Sharma

### REGISTRAR & SHARE TRANSFER AGENT

**Purva Sharegistry (India) Pvt. Ltd.**  
Unit no. 9, Shiv Shakti Ind.Esstt.  
J.R. Boricha Marg  
Opp. Kasturba Hospital Lane  
Lower Parel(E) Mumbai-400 011  
Email: busicomp@vsnl.com

### BANKERS

**The Karur Vysya Bank Ltd**  
43, Strand Road, Burra bazar  
(Off) 9, Ram Sevak Mullick Lane  
Kolkata-700001

### STATUTORY AUDITOR

**M/s Raj Chandra & Associates**  
Chartered Accountants  
9, Weston Street, 2nd Floor, Room No. 224,  
Kolkata- 700 013

### INTERNAL AUDITOR

**R. Modi & Co.**  
Jogendra Apartment, 1st Floor, Suite-1D,  
214 Shyam Nagar Road, Kolkata-700055

### COST AUDITOR

**A S & Associates**  
ILA Apartment, 2nd Floor  
102-Banerjee Para Road, Kolkata-700041



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## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### INDUSTRY STRUCTURE AND DEVELOPMENT

After strong growth in 2017 and early 2018, global economic activity slowed notably in the second half of last year, reflecting a confluence of factors affecting major economies. As a result of these developments, global growth is now projected to slow from 3.6 percent in 2018 to 3.3 percent in 2019, before returning to 3.6 percent in 2020. While global growth could surprise favorably if trade differences are resolved quickly so that business confidence rebounds and investor sentiment strengthens further, the balance of risks to the outlook remains on the downside. A further escalation of trade tensions and the associated increases in policy uncertainty could further weaken growth. (International Monetary Fund, April 2019).

#### World Steel Scenario In 2018

Global Crude Steel production increased by 4.51% to reach 1808.00 million tonnes (MT) compared to 2017. All major steel production regions registered an increase in Crude Steel output, except Japan, Germany, Turkey where output decreased marginally. Asia accounted for 1238.00 MT of Crude Steel production in 2018, up by 5.4% vis-à-vis 2017. China continued to dominate World Crude Steel production with an output of 928.3 MT, at a growth of 6.59% over 2017. In 2017, China increased its share of Global Crude Steel Production to 51.33% compared to 50.34% in 2018. India, which is currently the world's third largest steel producing nation in 2017, increased its annual Crude Steel Output by 4.93% and has reached to Second Largest steel Producing nation by producing 106.5 MT in 2018. Japan produced 104.3 MT of Crude Steel in 2018, a marginal decline by 0.38% compared to 2017. South Korea's Output of Crude Steel stood at 72.5 MT in 2018 at a growth of 2.10%. Crude Steel Production in the US in 2017 stood at 86.6 MT, up by 6.13% over 2017. The EU (28) also saw marginal growth in Crude Steel output by 0.18% to reach 162.50 MT in 2018. World Steel Association forecast that in 2019 and 2020 global steel demand was expected to continue to grow, but growth rates would moderate in tandem with a slowing global economy.

### INDIAN IRON & STEEL INDUSTRY OVERVIEW

#### Industry Profitability Outlook

For Indian steel industry, FY 2018-19 suffered from slowdown in demand from auto sector (particularly in second half), continued steel imports and highly leveraged balance sheets. Going forward, the industry profitability is expected to witness more challenges and risks as follows:

- **High and volatile Coke prices:** Prices of Metallurgical Coke remained consistently high (>USD 320/T) and quite volatile ranging from USD 324/ T to USD 408/T during the financial year 2018-19.

Further, in November, 2016, the Department of Commerce had imposed an anti-dumping duty on Low Ash Metallurgical Coke at 25.2 USD/T and 16.29 USD/T for imports from China and Australia respectively. Such anti-dumping duty coupled with rising global Coke & Coking coal prices has severely affected Indian steel Industry.

- **Chinese overcapacity:** As China shifts towards consumption led economy, Chinese steel industry is being forced to export more and more steel to maintain its capacity utilisation.

It is pertinent to note that even though there were various talks of China reducing its steel capacity, in reality, the Chinese crude steel production has increased by 6.6% in CY 2018.

Given the above scenario, it is becoming more and more important to focus on cost reduction and quality improvement to remain competitive in current market and to maintain margins.

#### Development of Indian Steel Sector

Indian Economic Environment GDP growth for the year 2018-19 has been estimated at 6.9% at constant market prices as per the provisional estimates of annual national income by the Central Statistics Office (CSO), compared to 6.7% in 2017-18.

The most important and the fastest growing sector of Indian economy are services. Trade, hotels, transport and communication; financing, insurance, real estate and business services and community, social and personal services account for more than 60 percent of GDP. Agriculture, forestry and fishing constitute around 12 percent of the output, but employs more than 50 percent of the labor force. Manufacturing accounts for 15 percent of GDP, construction for another 8 percent and mining, quarrying, electricity, gas and water supply for the remaining 5 percent.

GDP growth rates of Agriculture & allied, Industry, and Services sector are 2.92%, 6.86%, and 7.53% respectively. India has registered highest growth of 8.74% in 'Construction' sector and lowest 1.34% in 'Mining & quarrying' sector. The economic reforms initiated by the Government since 1991 added new dimensions to industrial growth in general and the steel industry in particular. Licensing requirement for capacity creation was abolished, except for certain locational restrictions and the steel industry was removed from the list of industries reserved for the public sector. Automatic approval of foreign equity investment up to 100% was granted. Price and distribution controls were removed with a view to make the



steel industry efficient and competitive. Restrictions on external trade, both in import and export, were removed with drastic reductions in import duty. General policy measures like reduction in import duty on capital goods, convertibility of rupee on trade account, permission to mobilise resources from overseas financial markets among others, also benefited the Indian steel industry.

India's economic growth is contingent upon the growth of the Indian steel industry. Consumption of steel is taken to be an indicator of economic

### Key Highlights

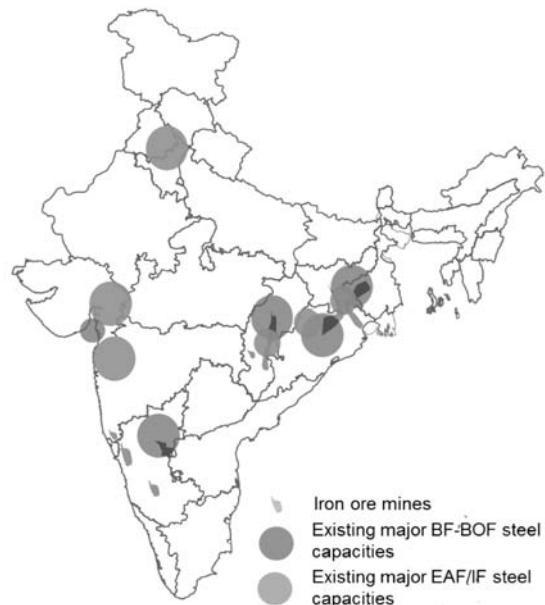
- At global level in 2018, the world crude steel production reached 1789 million tonnes (mt) and showed a growth of 4.94% over 2017.
- China remained world's largest crude steel producer in 2018 (928 mt) followed by India (106 mt), Japan (104 mt) and the USA (87 mt).
- Per capita finished steel consumption in 2017 is placed at 212 kg for world and 523 kg for China and for India it was 69 kg as published by World Steel Association.
- India is the largest producer of sponge iron in the world and the 2nd largest finished steel consumer in the world after China .
- The Government has taken various steps to boost the sector including the introduction of National Steel Policy 2017 and allowing 100 per cent Foreign Direct Investment (FDI) in the steel sector under the automatic route.
- The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

development. While steel continues to have a stronghold in traditional sectors such as construction, housing and ground transportation, special steels are increasingly being used in engineering industries such as power generation, petrochemicals and fertilizers. India occupies a central position on the global steel map, with the establishment of new state-of-the-art steel mills, acquisition of global scale capacities by players, continuous modernization and up gradation of older plants, improving energy efficiency and backward integration into global raw material sources.

Steel industry derives its demand from other important sectors like infrastructure, aviation, engineering, construction, automobile, pipes and tubes etc. With the Indian economy poised for its next wave of growth under the reforms being unleashed in the last one year, there lies tremendous opportunity for the Indian steel industry to prosper and grow exponentially.

The Indian steel industry is largely iron-based through the blast furnace (BF) or the direct reduced iron (DRI) route. Indian steel industry is highly consolidated. About 50% of the crude steel capacity is resident with integrated steel producers (ISP). But the changing ratio of hot metal to crude steel production indicates toward the increasing presence of secondary steel producers in the eco-system.

**Figure 1: Current steel footprint in India**



Source: Ministry of Steel, JPC

### Initiatives taken by the Company

The Company is in continuous pursuit of creating more value for all its stakeholders. The Company's various functional teams have taken some initiatives to not only strengthen its profitability in near future but also gain medium to long-term competitive advantage over its peers.



## OPPORTUNITIES AND THREATS

### Opportunities:

- India was a net exporter of total finished steel. Growth in exports ensures greater access to far out markets.
- Intention of Government to increase funding in infrastructure, affordable housing (Prime Minister Awas Yojana), strengthening of Real Estate norms through 'Real Estate (Regulation and Development) Act, 2016' etc. will generate positive demand for steel.
- In line with Central Government's announcement of various road/rail infrastructure projects, the market for local manufacturers is expected to improve.
- India's steel production is increased to 106.15 MT in year 2018 to 128.6 MT by 2021.
- The Government has taken various steps to boost the sector including the introduction of National Steel Policy 2017 and allowing 100 per cent Foreign Direct Investment (FDI) in the steel sector under the automatic route. Between April 2000 and December 2018, inflow of US\$ 11.18 billion has been witnessed in the metallurgical industries as Foreign Direct Investment (FDI).
- India's per capita consumption of steel grew to 68.9 kgs, during 2017-18. National Steel Policy 2017 aims to increase the per capita steel consumption to 160 kgs by 2030-31.

### Threats:

- Improper supply-demand balance
- Depletion of high quality raw materials required for production of steel.
- Environmental concerns.
- Dumping of excess inventory in other countries by countries producing steel in abundance.
- The glut in the global steel market, which led to an influx of cheap imports into India and a series of steps by the government to protect the domestic steel industry, might not end anytime soon. In what indicates that threats of low-priced imports are here to stay, the world capacity utilization ratio of the alloy climbed upwards in the current year. So only structural reforms that will help cut costs and improve productivity could enable the domestic steelmakers to acquire competitiveness in the domestic and global markets. Rising cost of raw material, fuel, power prices coupled with unforeseen general macro economic factors may affect the industry adversely.

## SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company has no other segments apart from steel business, details of which have been included in the financial performance. Hence, no separate details on segment wise or product wise performance are being reported.

## OUTLOOK

Analysts are upbeat over the expected above normal monsoon and higher GDP growth. The slow pace of public and private sector projects is expected to improve with the Government of India's thrust on infrastructure projects. Further, 'Make in India' initiative has got a boost by a slew of measures aimed at improving the ease of doing business in the Country. Small and medium industry a major employment generator for the economy has been liberated to participate in the Nation's development in accordance with its potential. Bold measures by the Government such as improved targeting of subsidy, broadening of the tax base and expected buoyancy in tax revenue are all aimed at achieving the fiscal consolidation which had been an area of concern in the recent past.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company employs an adequate and effective system of internal control commensurate with its size and nature of business that provides for assurance of the efficiency of operations, security of Company's assets, accurate and prompt recording of transactions, efficient Management Information Systems and compliance with prevalent statutes, accounting standards.

The internal control is supplemented by an extensive review by internal auditors. The prime objective of internal audit is to test the adequacy and effectiveness of the internal controls laid down by the management and to suggest improvements.

Observations of the internal auditors are subject to periodic review and compliance monitoring. The Audit Committee of Directors reviews the significant observations made by internal auditors along with status of action thereon.

## RISKS & CONCERNS

Here are some of the key risks which could emerge and the corresponding mitigation measures:

Sr.No.	Type	Impact	Mitigation Strategies
1.	Macroeconomic Risk	<ul style="list-style-type: none"> <li>•Overcapacity and oversupply in global steel industry may affect steel prices.</li> <li>•Newer developments in competitive global business.</li> <li>•Cheaper imports and raw material deficiencies may lead to low capacity utilization despite of the ability of Indian steel sector to work at full capacity level.</li> </ul>	<ul style="list-style-type: none"> <li>•Diversification of product portfolio.</li> <li>•Development of alternate techniques to ensure better capacity utilization.</li> </ul>
2.	Operational Risk	<ul style="list-style-type: none"> <li>•Risk of limitation or disruption in the supply of raw materials.</li> </ul>	<ul style="list-style-type: none"> <li>•Establishing sources of supplies from alternate geographies.</li> </ul>
3.	Market Related Risk	<ul style="list-style-type: none"> <li>•Excess volatility in steel and raw material markets may affect financial condition.</li> <li>•Competition from substitute materials may lead to change in demand pattern.</li> </ul>	<ul style="list-style-type: none"> <li>•Enhanced product development and focus on value addition.</li> </ul>
4.	Environmental Risk	<ul style="list-style-type: none"> <li>•Share of iron and steel industry in CO2 emissions is around 7%.</li> <li>•Stringent international and domestic regulations relating to climate control.</li> </ul>	<ul style="list-style-type: none"> <li>•Innovation in products and methods to ensure sustainable development.</li> <li>•Investment in environmental related projects.</li> </ul>
5.	Regulatory Risk	<ul style="list-style-type: none"> <li>•Non-compliance to increasing stringent regulatory norms.</li> <li>•Removal of favorable trade measures.</li> </ul>	<ul style="list-style-type: none"> <li>•Focus on compliance and fulfilling regulatory requirements.</li> </ul>

## FINANCIAL PERFORMANCE

The Company had prepared its financial statements based on Indian Accounting Standard (Ind AS). The financial statements were prepared under the historical cost convention on an accrual basis. Figures of the previous years were reclassified/ regrouped to confirm the presentation requirements under Ind AS and the requirements laid down under Schedule III of the Companies Act, 2013

The Company's revenues in FY 2018-19 following was 35,367.83 Lakhs. EBIDTA stood at Rs.1,070.23 lakhs compared to Rs. 769.24 lakhs in the previous year. The Company reported a post-tax profit of Rs. 279.94 Lakhs in FY 2018-19 compare to a post-tax profit of Rs. 132.72 Lakhs in the previous year.



**KEY FINANCIAL RATIOS**

Particulars	F.Y 2019	F.Y 2018
Inventory Turnover (months)	1.04	0.93
Interest Coverage ratio	1.75	1.47
Current Ratio	1.50	1.44
EBITDA/Turnover (%)	1.42	0.77
EBITDA/Net Interest ratio	1.88	1.63
Debt-equity ratio	1.24	1.49
Operating Profit Margin (%)	1.21	0.58
Net Profit Margin	0.81	0.34
Return on net worth	4.46	2.12
Earnings per share(Rs)	1.38	0.63

**HUMAN RESOURCE**

The Company recognises the importance of human resources in realising its growth ambitions and believes in nurturing talent within the organisation to take up leadership positions. The Company believes in investing in people development and process improvements, aligned with Company's vision and values. As on March 31, 2019 the Company has 95 employees.

**CAUTIONARY STATEMENT**

*Statements made in Management Discussion and Analysis Report describing the Company's objectives, estimates, expectations or predictions are "Forward looking Statement" within the meaning of applicable laws and regulations. They are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include global and Indian demand- supply condition, raw material availability, trained manpower, changes in Government regulations, tax regimes, economic development within India and the countries within which the Company conducts business and other incidental factors.*



## REPORT ON CORPORATE GOVERNANCE

### 1. CORPORATE GOVERNANCE PHILOSOPHY

Aanchal Ispat Limited has been practicing the principles of good Corporate Governance over the years and lays strong emphasis on transparency and proper disclosures. The Company believes that good Corporate Governance is critical for enhancing and retaining investor trust and always seeks to ensure that its performance goals are met accordingly. The Company has established systems and procedures to ensure that its Board of Directors are well informed and well equipped to fulfill its overall responsibilities and to provide management with the strategic directions needed to create and enhance a long-term shareholders value and commitment of high standard of business ethics.

The Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Corporate Governance, applicable for the Financial Year 2018-19.

This chapter of the report, along with the information given under Management Discussion and Analysis and Shareholder Information constitutes the compliance report of the Company on Corporate Governance.

### 2. BOARD OF DIRECTORS

In keeping with the commitment of the Management to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.

#### • Composition

The Company has a balanced mix of Executive, Non-Executive, including Independent Director which plays a crucial role in Board processes and provides independent judgement and helps the Company in improving corporate credibility and governance standards.

As on 31 March 2019, the Board of Directors of the Company comprises of 6 (Six) directors, of whom 2 (two) were Executive Director, and 4 (four) were Non-Executive, out of which 3 (three) were Independent Directors (including woman director). Independent directors are Non-Executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations. The maximum tenure of Independent Directors is in Compliance with the Companies Act, 2013.

None of the Directors of the Company's Board is a member in more in more than ten committees or act as chairperson of more than five committees across all listed entities in which he/she is a director (committees being Audit Committee, Nomination & Remuneration Committee & Stakeholders Relationship Committee). All the Directors have made necessary disclosures regarding Committee positions held by them in other Companies and do not hold office of Director in more than 10(ten) public companies as on 31st March, 2019 as specified in Section 165(1) of Companies Act, 2013.

In terms of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended w.e.f 1 April, 2019, none of the Directors of the Company held Directorships in more than 8 (eight) Listed Entities and none of the Independent Directors of the Company held Directorship in 7 (seven) Listed Entities.

The Managing Director does not serve as Independent Director in any other listed Company.

The Composition of Board of Directors and number and the number of directorship and committee positions held by them as on 31st March, 2019 are as under:



Name of the Director	DIN	Category	No of Board Meetings		Number of other Directorships * (Other than AIL)	Committee membership held in other companies**		Attendance at Last AGM
			Held during the tenure	Attended		As member	As Chairman	
Mr. Mukesh Goel, Chairman	00555061	Promoter, Executive	4	4	4	NIL	NIL	Yes
Mr. Manoj Goel, Director	00554986	Promoter, Non-Executive	4	3	4	NIL	NIL	Yes
Mr. Vijay Srivastava, Director	03618949	Executive Non-Promoter	2	2	1	NIL	NIL	Yes
Mr. Mukesh Agarwal, Director	06954595	Non-Executive (Independent)	4	4	NIL	NIL	NIL	Yes
Ms. Nilu Nigania Director	08203037	Non-Executive (Independent)	2	2	NIL	NIL	NIL	Yes
Ms. Babita Kaur Bagga Director	08022280	Non-Executive (Independent)	1	1	1	NIL	NIL	No

- \*The Directorships held by the Directors, as mentioned above excludes alternate directorship, directorship in foreign companies, Companies under section 8 of the Companies Act, 2013 and Private Limited Companies which are not subsidiaries of Public Limited Companies.
- \*\*Represents Membership/Chairmanship of two committees' viz. Audit Committee and Stakeholder Relationship Committee as per Regulation 26 of SEBI Listing Regulation.
- Ms. Preetee Agarwal resigned as an Independent Director of the Company with effect from the close of business hours of 30th day of May, 2018, citing personal reasons.
- Mr. Sudhir Kumar Budhia resigned as an Independent Director of the Company with effect from the close of business hours of 14th day of August, 2018, citing preoccupation of works and other engagements.
- Ms. Nilu Nigania & Ms. Babita Kaur Bagga were appointed as the Independent Director of the Company w.e.f 14th August, 2018 & 14th November, 2018 respectively.
- Mr. Vijay Srivastava was appointed as the Executive Director of the Company w.ef. 14th August, 2018.

• **Board Meetings & Procedures**

All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations. This includes:

- Review of annual operating plans of business and updates.
- Capital budgets and any updates.





3. Quarterly results of the Company.
4. Minutes of the meetings of the Audit Committee and other committees of the Board.
5. Information on recruitment and remuneration of senior officers just below the Board-level including appointment or removal of Chief Financial Officer and the Company Secretary.
6. Materially important show causes, demands, prosecutions and penalty notices.
7. Fatal or serious accidents or dangerous occurrences, any materially significant effluent or pollution problems.
8. Any materially relevant default in financial obligations to and by the Company or substantial non payment for goods sold by the Company.
9. Any issue which involves possible public or product liability claims of a substantial nature.
10. Details of any joint ventures or collaboration agreements.
11. Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
12. Significant labour problems and their proposed solutions and significant developments in the human resources and industrial relations fronts.
13. Sales of material nature of investments, subsidiaries, assets, which have not materialised in the normal course of business.
14. Quarterly details of foreign exchange exposure and the steps taken by management to limit the risk of adverse exchange rate movement.
15. Non-compliance of any regulatory or statutory provision or listing requirements as well as shareholder services such as non payment of dividend and delays in share transfer.
16. Major Capital Expenditure during the period.
17. Capital expenditure programme and updates thereof.

The Board is regularly presented with all the information under the above heads whenever applicable and materially significant. These are submitted either as part of the agenda papers well in advance of the Board meeting or are tabled in the course of the Board meetings considering the nature of agenda.

Four meeting of the Board of Directors were held during the year 2018-2019, on the following dates:

30th May, 2018	14th August, 2018	14th November, 2018	14th February, 2019
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The Company has held at least one Board meeting in every quarter and the gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present in all the meetings.

• **Expertise & Skills of the Board of Directors**

The Board of Directors of the Company are required to uphold ethical standards of integrity and probity and are required to have expertise, experience and core knowledge in the sectors relevant for the growth of the Company. The Board members of the Company are holding such skills, expertise and competencies that allow them to make effective contribution to the Board and its Committees. The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

<b>Finance</b>	Leadership in Corporate/ business finance is an important and inevitable function and efficient financial management is crucial for success and sustenance. It results in proficiency in financial management, procurement and utilisation of funds and controlling the financial activities and management of financial resources.
<b>Strategy &amp; Planning</b>	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
<b>Global Business</b>	Understanding of global business dynamics, across various geographical markets with an understanding of industry verticals, regulatory jurisdictions, economic conditions, cultures and a broad perspective on global market opportunities.
<b>Leadership</b>	Leadership experience leads to maximize efficiency and to achieve Company goals by understanding the opportunities and threats, processes, strategic planning and risk management and discussing the financial performance and long-term growth.



<b>Procurement, Sales &amp; Marketing</b>	Experience in procurement of raw materials, production aspects, marketing technical aspect of production, quality control, purchase management and developing strategies to grow sales and market share, build brand awareness and enhance Company reputation.
<b>Governance</b>	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements, driving corporate ethics and values and observing appropriate governance practices.
<b>Administration</b>	Leadership in administration of a Company, results in long-term growth by planning, organising, directing and controlling the operations, creating rules and regulations and making decisions towards achieving a common goal or objective of the Company

• **Independent Directors Meeting**

The Independent directors met on the 18th day of March, 2019, without the attendance of Non-Independent Directors and members of the management. At this meeting, the Independent Directors inter alia evaluated performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company's Management and the Board.

• **Familiarization Programme of Independent Directors**

At the time of the appointment, the Independent Directors are informed about their role and responsibilities through a formal letter of appointment, which also stipulates their roles and responsibilities and various terms and conditions of their appointment and are given an overview of business, operations and business model of the Company including an overview on Iron & Steel Sector and Industry Sector. Immediately after appointment Independent Director are also provided with copies of the following documents:

- ❖ Annual Reports of the Company of the last three years;
- ❖ Criteria of Independence applicable on Independent Directors as per the Regulation 16(b) of the SEBI(LODR) Regulations, 2015 and the Companies Act, 2013;
- ❖ Copies of code of conduct and Ethics for Board Members, Code for Prevention of Insider Trading in ALL Equity Shares/Securities and other relevant policies;
- ❖ The Board members are provided with internal policies to enable them to familiarize with the Company's procedures and practices.

• **Regular Familiarization Modules:**

- ❖ Familiarization programmes are also proposed to be conducted on need basis during the term of the directors.
- ❖ The Board members are also made aware about the compliances applicable on the Company by way of quarterly compliances report.
- ❖ Independent Directors have the freedom to interact with the Company's management during the Board/ Committee of Directors meetings or otherwise.
- ❖ Need Based training is provided to the Board Members on various matters. The Board Members based on their requirement attend seminars, conferences, training programmes from time to time.
- ❖ Board Members are promptly updated on any change and new development with regard to relevant regulatory requirement such as SEBI regulations, Companies Act etc.

The Company familiarised the Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company, etc. from time to time. The familiarisation programme along with details of the same imparted to the Independent Directors during the year are available at the website of the Company and the web link thereof is **[www.aanchalispac.com](http://www.aanchalispac.com)**

**3. AUDIT COMMITTEE**

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor and the cost auditor and notes



the processes and safeguards employed by each of them. The Audit Committee has been constituted as per the requirements of Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

Four meeting of the Audit Committee were held during the year 2018-2019, on the following dates:

30th May, 2018	14th August, 2018	14th November, 2018	14th February, 2019
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The Composition of the Committee and the attendance of each member of the committee during the year 2018-2019 are given below:

S No	Name of the Committee Members	Designation in the Committee	No. of meetings held during the tenure	No. of meetings attended
1.	Ms. Nilu Nigania Chairman	Independent, Non-Executive Director	2	2
2.	Mr. Mukesh Agarwal Member	Independent, Non-Executive Director	4	4
3.	Mr. Manoj Goel Member	Non-Independent, Non-Executive Director	4	3
4.	Ms. Babita Kaur Bagga Member	Independent, Non-Executive Director	1	1

- During the year, Ms. Preetee Agarwal and Mr. Sudhir Kumar Budhia resigned from the membership in the committee at the Board meeting dated May, 30, 2018, and August, 14, 2018 respectively and Ms. Nilu Nigania & Ms. Babita Kaur Bagga were inducted as the member of the committee vide Board meeting dated 14th August, 2018 and 14th November, 2018 respectively and accordingly the Audit Committee was reconstituted.
- Ms. Neha Sharma, Company Secretary & Compliance Officer of the Company is the secretary to the committee. Minutes of the Audit Committee are placed and discussed in the next meeting of the Board. Members of the Audit Committee have requisite expertise in the field of Finance and Management and have held or hold senior positions in the reputed organizations. The internal auditor reports to the Audit Committee.
- The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 21st September, 2018.

All the members of the Committee are financially literate. The scope of the Audit Committee, inter alia, includes:

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

• **Terms & Reference**

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 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) Modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - 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;
  - Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - Approval or any subsequent modification of transactions of the listed entity with related parties;
  - Scrutiny of inter-corporate loans and investments;
  - Valuation of undertakings or assets of the listed entity, wherever it is necessary;
  - Evaluation of internal financial controls and risk management systems;
  - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - 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;
  - Discussion with internal auditors of any significant findings and follow up there on;
  - 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;
  - 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;
  - 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;
  - To review the functioning of the whistle blower mechanism;
  - approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  - Carrying out any other function as is mentioned in the terms of reference of the audit committee.

AIL has systems & procedures in place to ensure that the audit committee mandatorily reviews the following information:

- (1) Management discussion and analysis of financial condition and results of operations;
- (2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) Internal audit reports relating to internal control weaknesses;
- (5) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee;
- (6) Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).



#### 4. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee has been constituted as per Regulation 19 of the SEBI Listing regulations and Section 178 of the Companies Act, 2013.

Four meeting of the Nomination & Remuneration Committee were held during the year 2018-2019, on the following dates:

30th May, 2018	14th August, 2018	14th November, 2018	14th February, 2019
----------------	-------------------	---------------------	---------------------

The Composition of the Committee and the attendance of each member of the committee during the year 2018-2019 are given below:

S No	Name of the Committee Members	Designation in the Committee	No. of meetings held during the tenure	No. of meetings attended
1.	Mr. Mukesh Agarwal Chairman	Independent, Non-Executive Director	4	4
2.	Mr. Manoj Goel Member	Non-Independent, Non-Executive Director	4	3
3.	Ms. Nilu Nigania Member	Independent, Non-Executive Director	2	2
4.	Ms. Babita Kaur Bagga Member	Independent, Non-Executive Director	2	1

- During the year, Ms. Preetee Agarwal and Mr. Sudhir Kumar Budhia resigned from the membership in the committee as a member at the Board meeting dated May, 30, 2018, and August, 14, 2018 respectively and Ms. Nilu Nigania & Ms. Babita Kaur Bagga were inducted as the member of the committee vide Board meeting dated 14th August, 2018 and 14th November, 2018 respectively and accordingly the Nomination & Remuneration Committee was reconstituted.
- Ms. Neha Sharma, Company Secretary & Compliance Officer of the Company is the secretary to the committee. Minutes of the Nomination and Remuneration Committee are placed and discussed in the next meeting of the Board. The Chairman of the Nomination & Remuneration Committee attends the Annual General Meetings of the Company to answer shareholders queries.

- **Terms & Reference**

The terms of reference of the Committee includes:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

- **Performance Evaluation Criteria for Independent Directors**

The performance evaluation criteria for Independent Directors are determined by the Nomination & Remuneration Committee. An indicative list of factors that may be evaluated considers attendance and participations of Directors in the meetings; commitment (including guidance provided to senior management outside of Board/ committee meetings); Effective deployment of qualification, knowledge and expertise; effective management of relationship with stakeholders; Integrity and maintaining of confidentiality; Independence of behaviour and judgement and impact and influence.

The Nomination and Remuneration Committee shall have the authority to include any other parameters in addition to the above mentioned criterion for evaluation of performance of the Board its Committees and Directors. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.

The Board on the basis of the Performance Evaluation Policy of the company would evaluate the performance of Independent Directors (excluding the director being evaluated).



## 5. REMUNERATION TO DIRECTORS:

The Company has formulated a remuneration policy which determines the compensation structure of the Executive/Non-Executive Directors. The Company's Remuneration policy is in consonance with the existing industry practices and aims at attracting and retaining high caliber talent. The policy is reviewed and reassessed by the Nomination & Remuneration Committee from time to time and the Board is responsible for approving and overseeing implementation of the same.

The salient features of the remuneration policy is provided as an Annexure to the Board's Report and the detailed policy is available on the website of the Company at [www.aanchalispac.com](http://www.aanchalispac.com).

### • Remuneration to Non-Executive Directors

Non-Executive Directors are appointed by the Board on recommendations of the Nomination & Remuneration Committee for their expertise, advice and inputs. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestions and guidance to the management of the Company from time to time. The Non-executive Directors bring in a wider perspective in the deliberations and decision-making of the Board which adds value to the Company. They also play a crucial role in the Independent functioning of the Board. Contribution of the Non-Executive Directors in Board and Committee Meetings, time devoted by them, participation in strategic decision making, timely guidance to the Board on important policy matters of the Company, performance of the Company and industry practices and benchmarks forms the main criteria for determining payments to Non-Executive Directors.

The Non-Executive Directors do not have any pecuniary relationship/transaction with the Company in their personal capacity other than receiving the sitting fees for attending each meeting of the Board and of the Committees thereof, and such fees is not exceeding the limits as specified under the Companies Act, 2013. The Details of Sitting fees paid to Non-Executive and Independent Directors for the financial year 2018-2019 are as under:

(₹ in Thousand)

Name of the Director	Sitting fees paid	Performance Linked In-cenive
Mr. Manoj Goel	54	NIL
Ms. Nilu Nigania	60	NIL
Mr. Mukesh Agarwal	54	NIL
Ms. Babita Kaur Bagga	30	NIL

### • Remuneration to Executive Directors

The Company pays remuneration to executive directors by way of Salary, within the limits prescribed under the Companies Act, 2013 and there is no separate provision for payment of severance fees under the resolutions governing the appointment of Managing Director. During the year remuneration paid to executive directors were under the limits as specified under Regulation 197 read with Schedule V of the Companies Act, 2013.

(₹ in lacs )

Name of the Director	Salary	No. of Shares Held
Mr. Mukesh Goel	13.14	1,994,850
Mr. Vijay Srivastava	4.51	-

The Company has not granted any stock option plan to the executive director and employees of the Company.

### • Shareholding of Non-Executive Directors

As on March 31 2019, Shri Manoj Goel, Non Executive and Non Independent Director of the Company held 17,16,900 shares in the equity share capital of the Company. None of the other Non-Executive Directors hold any equity shares in the Company.

### • Disclosure of Relationships Between Directors Inter-Se

Mr Mukesh Goel, Managing Director of the company and Mr Manoj Goel, Non Executive Director of the company are related. None of the Other Directors are related to each other.





## 6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee has been constituted as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Four meeting of the Nomination & Remuneration Committee were held during the year 2018-2019, on the following dates:

30th May, 2018	14th August, 2018	14th November, 2018	14th February, 2019
----------------	-------------------	---------------------	---------------------

The Composition of the Committee and the attendance of each member of the committee during the year 2018-2019 are given below:

S No	Name of the Committee Members	Designation in the Committee	No. of meetings held during the tenure	No. of meetings attended
1.	Mr. Mukesh Agarwal Chairman	Independent, Non-Executive Director	4	4
2.	Mr. Manoj Goel Member	Non-Independent, Non-Executive Director	4	3
3.	Ms. Nilu Nigania Member	Independent, Non-Executive Director	2	2
4.	Ms. Babita Kaur Bagga Member	Independent, Non-Executive Director	2	1

- During the year, Ms. Preetee Agarwal and Mr. Sudhir Kumar Budhia resigned from the membership in the committee as a member at the Board meeting dated May, 30, 2018, and August, 14, 2018 respectively and Ms. Nilu Nigania & Ms. Babita Kaur Bagga were inducted as the member of the committee vide Board meeting dated 14th August, 2018 and 14th November, 2018 respectively and accordingly the Nomination & Remuneration Committee was reconstituted.
- Mr. Mukesh Agarwal, Non-Executive, Non-Independent Director is the chairman of the committee.
- Ms. Neha Sharma, Company Secretary is the Compliance officer of the Company.
- The Chairman of the Stakeholders Relationship Committee attends the Annual General Meetings of the Company to answer shareholders queries. The minutes of the Stakeholders Relationship committee are reviewed by the Board of Directors at its subsequent meeting.

### Shareholders' Complaints

- **Name and designation of Compliance Officer:**

Ms Neha Sharma, Company Secretary has been appointed as Compliance Officer of the Company as per regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to discharge all duties under the listing regulations.

- **Details of Shareholders Complaints**

The details of shareholders complaints received and resolved till March 31, 2019 areas under:

- o **No. of shareholders' complaints received during the year: 01**
- o **No. of complaints not resolved to the satisfaction of shareholders: NIL**
- o **No. of pending Complaints: NIL**
- o **No. of complaints resolved during the year: 01**

The number of shareholders' complaints received during the year 2018-19 is 1 and all have been satisfactorily resolved during the year, within a week. There were no unattended pending complaints as on 31st March, 2019.

- **Terms & Reference:**

- Noting transfer/transmission of shares;
- Review of dematerialized/rematerialized shares and all other related matter;
- Monitors expeditious redressal of queries/complaints received from members relating to non-receipt of annual report and non-receipt of declared dividends;
- Any other power specifically assigned by the Board of Directors of the Company.



## 7. GENERAL BODY MEETINGS

The details of Annual General Meeting held during last three years are as follows:

Financial Year	Day	Time	Venue	Special Resolution passed; if any
2017-18	21/09/2018	11.00 A.M	Oasis, National Highway-6, Kona Expressway, Post: Chamrail, P.S- Liluah, Howrah- 711114 West Bengal	Resolution passed for the following purpose: 1. To Regularize the appointment of Mr. Vijay Srivastava (DIN: 03618949) as the Executive Director of the Company and fix his remuneration. 2. To ratify the increase in remuneration payable to Mr. Mukesh Goel (DIN: 00555061), Managing Director of the Company
2016-17	21/09/2017	11.00 A.M		None
2015-16	28/09/2016	10.00 A.M		Resolution passed for the following purpose: 1. Migration of our Company from SME platform to Main Board of Bombay Stock Exchange. 2. Appointment of Ms. Preetee Agarwal as Independent Director

- **Postal ballot**

The Company has not conducted any business through Postal Ballot during the Financial Year 2017-2018. Further none of the business is being proposed to be transacted through Postal Ballot at the ensuing Annual General Meeting.

## 8. MEANS OF COMMUNICATION:

The Company recognizes the importance of two way communication with shareholders and of giving a proper reporting of results and progress and responds to questions/issues raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions in person at the Annual General Meeting.

- **Website:** Comprehensive information about the Company, and its business operations and investors information can be viewed at the Company website [www.aanchalispac.com](http://www.aanchalispac.com).
- **Financial result:** The quarterly, half-yearly and annual results are regularly posted by the Company on its website. These are also submitted to the Stock Exchanges in accordance with the SEBI (LODR) Regulations, 2015 and also be published in one English daily newspaper and in one Bengali (regional language) newspaper within 48 hours of approval thereof.
- **Annual Report:** Annual Report containing inter alia audited Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereof.
- **Corporate Filing:** Announcements, Quarterly Results, Shareholding Pattern, Corporate Governance Report etc. of the Company is regularly filed by the Company with BSE Limited and is also available on the website of the Company.



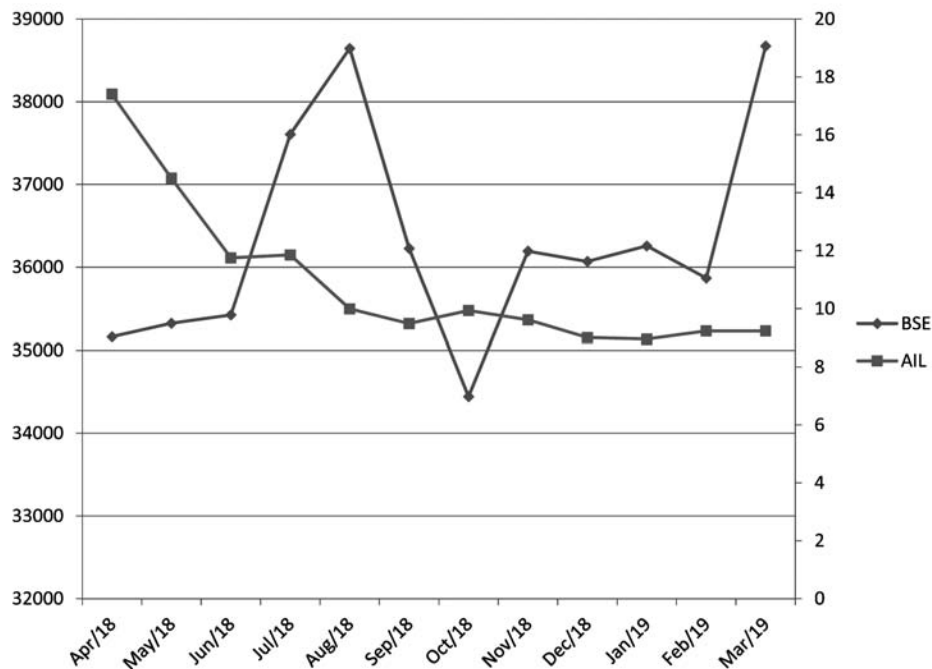
**9. GENERAL SHAREHOLDER INFORMATION:**

Annual General Meeting	
-Day	Monday
-Date	30th day of September, 2019
-Time	11.00 A.M
-Venue	Aanchal Ispat Limited, National Highway 6, Kona Express Way, Mouza Chamrail, Howrah 711114.
Financial Year	1st April to 31st March of every year.
Date of Book Closure	23rd September, 2019 till 30th September, 2019 (both days inclusive)
Dividend Payment Date	Not Applicable
Financial Results Calendar:	<b>2019-2020 (tentative)</b>
First Quarter Results by	By 14th August, 2019
Second Quarter Results by	By 14th November, 2019
Third Quarter Results by	By 14th February, 2020
Fourth Quarter Results by	By 30th May, 2020
Corporate Identification Number (CIN)	L27106WB1996PLC076866
Listing on Stock Exchange	<b>Bombay Stock Exchange India (BSE)</b> PhirozeeJeejeebhoy Towers Dalal Street, Mumbai-400 001
Stock Code	538812
ISIN	INE322R01014

➤ **Stock Market Price Data**

Month	High (Rs.)	Low (Rs.)	No. of Shares
Apr' 18	19.4	15.7	215,651
May' 18	18.6	12.3	206,400
Jun' 18	15.7	10.56	301,273
Jul' 18	16.34	10	376,264
Aug' 18	13.69	9.54	210,899
Sep' 18	11.74	8.73	276,260
Oct' 18	12.24	8.35	175,318
Nov' 18	12.5	9.5	151,150
Dec' 18	10.48	8.15	57,036
Jan' 19	10.28	7.77	81,989
Feb' 19	10.38	7.7	158,069
Mar' 19	10.44	8.6	217,780

❖ Performance in comparison to broad-based indices:



❖ Registrar to an issue and share transfer agents:

The Company's share transfers are handled by Purva Shareregistry Pvt.Ltd., Registrar and Share Transfer Agents (RTA). The details are as follows:

Address	No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011
Contact No. & Contact Person	Tel: +91 22 2301 6761/8261 Fax: +91 22 2301 2517 Contact Person: Mr. Rajesh Shah
Website	www.purvashare.com
Email	busicomp@vsnl.com
SEBI Registration No.	INR000001112

❖ Share Transfer System

The Company has appointed Purva Shareregistry Pvt. Ltd. (Registrar & Share Transfer Agent) to carry out share transfer for physical as well as electronic mode. The Company's shares are traded on stock exchanges in compulsory demat mode. Share transfers, which are received in physical form, are processed and the Share Certificates are returned within a period of 15 days from the date of receipt of request for transfer provided the documents being valid and complete in all respects. The dematerialised shares are transferred directly to the beneficiaries by the depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited.

❖ Reconciliation of Share Capital Audit

Ms Manisha Saraf, Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).





Shareholding as on 31st March, 2019

No. of Shares Slab	No. of Shareholders		No. of Shares	
	Number	% of Total Share holders	In Rs.	% of Total Shares
Upto 5000	579	46.47	864,910	0.41
5001 to 10000	140	11.24	1,238,760	0.59
10001 to 20000	86	6.90	1,447,280	0.69
20001 to 30000	47	3.77	1,186,590	0.57
30001 to 40000	19	1.52	683,650	0.33
40001 to 50000	32	2.57	1,535,490	0.74
50001 to 100000	205	16.45	13,242,130	6.35
100001 and above	138	11.08	188,338,690	90.32
<b>Grand Total</b>	<b>1246</b>	<b>100.00</b>	<b>20,85,37,500</b>	<b>100.00</b>

Categories of Shareholders:

SI No.	Description	No. of Shares	Percentage of Capital (%)
I.	Promoters & Promoters Group	13,586,704	65.15
II.	Public Shareholding	7,267,046	34.85
i.	Non Institutions		
a.	Bodies Corporate	3,089,021	14.82
b.	Individuals	3,739,162	17.93
c.	HUF	341,805	1.64
ii.	Institutional		
d.	Market Maker	-	-
e.	Non-Resident Individual	8,810	.04
f.	Clearing Member	88,248	0.42
	<b>TOTAL (I+II)</b>	<b>2,08,53,750</b>	<b>100</b>

❖ **Dematerialisation of shares**

The Company's Equity Shares are held in dematerialised form by National Securities Depository Ltd. (NSDL) and Central Depository Services India Ltd. (CDSL). As on 31st March, 2019, 99.99% of the Company's total shares were held in dematerialised mode.

❖ **Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity**

There were no outstanding GDR's/ADR's/ Warrants or any convertible instruments as on 31st March, 2019.

❖ **Commodity price risk or foreign exchange risk and hedging activities:**

The Company is not engaged in hedging activities.

❖ **Plant Locations**

National Highway No.6  
 Mouza- Chamrail,  
 Howah, Pin-711114,  
 Website: www.aanchalispac.com  
 Tel: +91321 2246121  
 Email: info@aanchalispac.com



### ❖ Address for Correspondence

For any assistance, queries regarding transfer or transmission of shares, dematerialization, non-receipt of dividend, non-credit of shares in demat account and any other query related to the shares of the Company and Annual Report, the Shareholders may write to the following:

<b>Ms. Neha Sharma</b> Company Secretary & Compliance Officer Aanchal Ispat Limited National Highway No. 6, Mouza- Chamrail, Howrah, Pin-711114, West Bengal Email: cs@aanchalispac.com Tel: +913212 246121 Fax: +913212 246069	<b>M/s PurvaSharegistry (India) Pvt. Ltd.</b> No.9, Shiv Shakti Ind. Estate, Gr. Floor, J.R Boricha Marg, Lower Parel, Mumbai, Pin-400 011, Maharashtra Email: busicomp@vsnl.com Tel: +91 22 2301 6761/ 8261 Fax: +91 22 2301 2517 Contact Person: Mr. Rajesh Shah
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### ❖ Credit Ratings

During the year under review there had been an Upward revision in the rating from BWR BB+(BWR Double B Plus) to BWR BBB-(pronounced as BWR Triple B Minus) for long term tenure and BWR A4+(BWR A Four Plus) to BWR A3 (BWR A Three) for short term tenure. The ratings have been issued by Brickworks Ratings India Private Limited.

### 10. OTHER DISCLOSURES:

#### • Related Party Transactions:

The Company did not enter into any materially significant related party transactions, which had potential conflict with the interest of the Company at large. The register of contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with the related parties are disclosed under Notes to Accounts 30 to the financial statements in the Annual Report. Further, the details of the policy are also posted on the website of the Company viz. [www.aanchalispac.com](http://www.aanchalispac.com)

#### • Strictures & Penalties

The Company has complied with all the requirements of the SEBI (LODR) Regulations, 2015, with the Stock Exchanges as well as the regulations and guidelines of SEBI and other regulatory authorities.

Consequently, no penalties were imposed or strictures passed against the Company by SEBI, Stock Exchanges or any other statutory authorities on any matter relating to capital markets since listing of its securities.

#### • Vigil Mechanism (Whistle Blower Policy)

The Company has a vigil mechanism called "Whistle Blower Policy" with a view to provide a mechanism for Directors and employees of the Company to raise concerns of any violations of any legal or regulatory requirement, incorrect or misrepresentation of any financial statement and reports, etc. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Company affirms that no employees have been denied access to the Audit Committee. Further, the details of the policy are also posted on the website of the Company viz. [www.aanchalispac.com](http://www.aanchalispac.com).

#### • Subsidiary Company

The Company has no material un-listed Subsidiary Company as on 31st March, 2019.

#### • Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;

The Company has complied with all mandatory requirements of Corporate Governance under the Regulation 17-27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As regards the Non-Mandatory requirements are being complied with the extent possible.

#### ➞ The Board

The Company has an executive Chairman; hence the need for this non-mandatory requirement does not arise.



### ⇒ Shareholders Rights

The complete Annual Report is sent to each and every Shareholder of the Company.

### ⇒ Audit Qualifications

Remarks and reply on the Audit qualifications, if any; are captured in the Directors Report. During the year under review there were no audit qualifications.

### ⇒ Reporting of Internal Auditor

The Internal Auditor of the Company reports to the Chairman of the Audit Committee and has direct access to the Audit Committee.

#### • Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)

Your company has not made any preferential allotment or Qualified Institutions Placement during the Financial Year 2018-19 and therefore there are no details of utilization of funds raised through preferential allotment or Qualified Institutions Placement as specified under Regulation 32(7A).

#### • A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority

The company has obtained a certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority and the same has been annexed to this report.

#### • Fees of statutory auditors paid by the Company:

The total fees for all services paid by the Company to the statutory auditor **M/s Raj Chandra & Associates (Firm Registration No. 326312E)**, Chartered Accountants was Rs. 3.50 lacs (Rupees Three Lacs Fifty Thousand only). M/s Raj Chandra & Associates is not apart of any entity/firm which is in the same network of the Company.

#### • Disclosure of Accounting Treatment

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards, notified under section 133 of the Companies Act, 2013 ("the Act") read together with paragraph 7 of the Companies (Accounts) Rules 2014.

### 11. CEO/CFO CERTIFICATION

The Managing Director and Chief Financial Officer of the Company have furnished the requisite Certificates to the Board of Directors as required under Regulation 26 of SEBI Listing Regulations, 2015. The same is being annexed to this report.

### 12. COMPLIANCE CERTIFICATE FROM THE AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The Company has obtained a certificate from the Auditors of the Company, Raj Chandra & Associates, Chartered Accountants, regarding compliance with the provisions of Corporate Governance as stipulated under Listing Regulations. The same is annexed to this report.

### 13. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

Disclosures required pursuant to Regulation 34(3) read with Clause F of Schedule V of the Listing Regulations are not applicable.

The above Report was adopted by the Board at their meeting held on 28th May, 2019.

For and on Behalf of the Board of Directors

Sd /-

MukeshGoel  
Managing Director  
(DIN:00555061)

Date: 28th May, 2019

Place: Kolkata



**CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT**

**Declaration of compliance of the Code of Conduct in terms of the Regulation 26(3) read with Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

In terms of Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per 'affirmation of compliance' letters received from the Directors and the members of senior managerial personnel of the Company, I hereby declare that members of board of directors and senior management personnel have affirmed compliance with the code of conduct of the Company for the Financial Year 2018-2019. Further the company had not made any allotment of shares to any Directors or any of the key managerial personnel during the year.

**For and on Behalf of the Board of Directors**

**Sd /-**

**MukeshGoel**

**Managing Director**

**(DIN:00555061)**

**Date: 28th May, 2019**

**Place: Kolkata**

**CERTIFICATE OF MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO)**

To,

The Board of Directors

**Aanchal Ispat Limited**

In terms of Regulation 17(8) of Securities & Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations, 2015, We, Mukesh Goel (Managing Director & Chairman) and A.S Nageswar Rao (Chief Financial Officer) certify that:

- A) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2019 and that to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the aforesaid period which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C) 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 such internal control systems, if any, of which we are aware, and that we have taken the required steps to rectify these deficiencies.
- D) We have indicated to the Auditors and the Audit Committee:
- (a) significant changes in internal control over financial reporting during the year;
  - (b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and
  - (c) that we have not come across any instances of significant fraud and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Aanchal Ispat Limited**

**Sd/-**

**Mr A.S. Nageswar Rao**

**(Chief Financial Officer)**

**Date: 28th day of May, 2019**

**Place: Kolkata**

**For Aanchal Ispat Limited**

**Sd/-**

**MukeshGoel**

**(Chairman & Managing Director)**

**DIN: 00555061**





## AUDITORS CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,  
The Members  
**Aanchal Ispat Limited.**

We have examined the compliance of conditions of Corporate Governance by Aanchal Ispat Limited ("the Company"), for the year ended on March 31, 2019, as stipulated in Regulation 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges.

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

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, during the year ended 31st March, 2019.

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

**For Raj Chandra & Associates**  
**Firm Registration No. 326312E**  
**Chartered Accountants**

Sd/-

**[Raj Kumar Agarwala]**  
**Partner**

**Membership No. 060921**

**Place: Kolkata**  
**Dated: 28th May, 2019**

**CERTIFICATE OF NON- DIS-QUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 31(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
**The Members,**  
**Aanchal Ispat Limited,**

I have examined the relevant registers, records, forms, returns, and disclosures received from the directors of Aanchal Ispat Limited having CIN:L27106WB1996PLC076866 and having its registered office at Mouza-Chamarail, National Highway 6, Lillah Howrah- 711114 (hereinafter referred to as 'the company'), produced before me by the company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the company & its officers, I hereby certify that none of the Directors on the Board of the company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory Authority.

S. No.	Name	Original Date of Appointment	DIN/PAN
1.	Manoj Goel	23/12/2009	00554986
2.	Mukesh Goel	23/12/2009	00555061
3.	Vijay Srivastava	14/08/2018	03618949
4.	Mukesh Agarwal	01/09/2014	06954595
5.	Babita Kaur Bagga	14/11/2018	08022280
6.	Nilu Nigania	14/08/2018	08203037

Ensuring the eligibility for the appointment/continuity of every Director on the board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For Manisha Saraf & Associates**  
**Practising Company Secretary**  
Sd/-  
**Manisha Saraf**  
**(Proprietor)**  
Membership No.: F7607  
Certificate of Practice No.: 8207

Date: 28th May, 2019  
Place: Kolkata



## BOARD'S REPORT

### Dear Shareholders,

Your Directors are pleased to present the 24th Annual Report of your company on the operations and performance along with the Audited Financial Statements for the year ended on 31st March, 2019.

### FINANCIAL HIGHLIGHTS

During the financial year 2018-19, the Company recorded an impressive performance by recording its highest EBITDA and Profit after tax (PAT). While EBITDA registered an increase by 39.12%, PAT improved by 110.92%. Improved productivity from our mills helped to generate more volume for sales revenue and lower manufacturing cost from more efficient operations. The Company continued to focus on important initiatives for improving safety and environmental compliance as well as improving the customer experience and operational efficiencies.

The Company's financial performance for the year ended 31st March, 2019 is summarised below:

(₹. in lacs)

PARTICULARS	2018-2019	2017-2018
Sales and other operating Income	35,367.83	38,510.31
<b>Earnings before Interest, Tax, Depreciation &amp; amortization (EBITDA)</b>	<b>1,070.23</b>	<b>769.24</b>
Finance costs	568.76	472.95
Depreciation and amortization expenses	74.93	73.42
<b>Profit/ (loss) before tax</b>	<b>426.54</b>	<b>222.87</b>
a) Current Tax	150.09	67.72
b) Current Tax Expense relating to Prior Year's	-	6.13
c) Deferred Tax	(3.49)	16.30
<b>Profit/(loss) for the period</b>	<b>279.94</b>	<b>132.72</b>

### RESULTS OF OPERATIONS AND STATE OF THE COMPANY'S AFFAIRS:

The Company's revenue in FY2018-19 was at Rs. 35,367.83 Lakhs. EBITDA stood at Rs.1,070.23 lakhs compared to Rs. 769.24 lakhs in the previous year. The Company reported post-tax profit of Rs. 279.94 Lakhs in FY2018-19 compared to a post-tax profit of Rs. 132.72 Lakhs in the previous year.

During the current financial year 2018-19, no amount has been appropriated to General Reserve.

### BUSINESS ACTIVITY

The company is engaged in manufacturing of wide range of TMT Bars, MS Rounds & Angulares, besides Trading of Steel Products etc. There has been no change in the nature of business of the Company.

### SHARE CAPITAL

The paid up Equity Share Capital as at March 31, 2019 stood at Rs. 20.85 cores. During the year under review, the Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants. As on March 31, 2019, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

### DIVIDEND

In order to conserve the resources for meeting future capital needs related to maintenance, regulatory, cost reduction and potential strategic projects, the Board of Directors have decided not to recommend dividend on the equity shares of the Company.

### DEPOSITS

The Company has not accepted any public deposit during the year under review and no amount against the same was outstanding at the end of the year.

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The company is not having holding or subsidiary company during the year and no other company has become holding / subsidiary/ joint venture.



## REGULATORY STATEMENT

In conformity with provision of regulation 34(2)(c) of SEBI (LODR), Regulations 2015, the Cash Flow Statement for the year ended 31.03.2019 is annexed hereto. The equity shares of the Company are listed on the BSE Ltd. The Company has paid listing fees for the year 2018-19 to above stock exchange

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

As required under Section 134 (3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, particulars relating to conservation of Energy, R & D, Technology absorption and foreign Exchange earnings / outgo are separately provided in the annexure to this report as **Annexure - A**.

## MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

As per the terms of Regulation 34(2) read with Schedule V of SEBI Listing Regulations, Management's Discussion and Analysis Report for the year under review, is presented in a separate section forming part of the Annual Report.

## DETAILS OF RELATED PARTIES TRANSACTIONS PURSUANT TO SECTION 188(1) OF THE COMPANIES ACT, 2013

During the financial year, all transactions entered into with the Related Parties as defined under Companies Act, 2013, were in the ordinary course of business on arm's length basis and as such did not attract provisions of Section 188 (1) of Companies Act, 2013. Company has formulated policy on related party transactions. Particulars of related party transactions pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is attached at **Annexure –B**.

Approvals from the Audit Committee are obtained even for transactions which are in ordinary course of business and repetitive in nature. Further, on quarterly basis, disclosures are made to the Audit Committee and to the Board in its meetings. Details of related party transactions are given in the notes to financial statements.

## DETAILS OF DIRECTORS OR KMPs' APPOINTMENT OR RESIGNATION

During the year under review there are changes in the Composition of the Board. In the year under review Ms. Preetee Agarwal and Shri Sudhir Kumar Budhia, Directors resigned from the post w.e.f. 30th May, 2018 and w.e.f 14th August, 2018 respectively. The Board appreciates the valuable services rendered by them during their tenure.

Shri Vijay Srivastava was appointed as Executive Director w.e.f. 14th August, 2018 and Ms. Nilu Nigania and Ms. Babita Kaur Bagga were appointed as the Independent director, w.e.f 14th August, 2018 and 14th November, 2018 respectively.

None of the Directors are disqualified from being appointed as Directors, as specified in Section 164 of the Companies Act, 2013.

### Director retiring by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Vijay Srivastava (DIN: 03618949) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors on recommendation of Nomination & Remuneration Committee has recommended for the approval of appointment/ re-appointment of the aforesaid Directors at the ensuing Annual General Meeting.

The brief details of the Directors to be appointed/re-appointed as required under Regulation 36 of the SEBI Listing Regulation are given in the Notice convening the ensuing Annual General Meeting.

## NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 4 (FOUR) times during the financial year, detailed information about dates of meetings and attendance of Directors thereat is given in the Corporate Governance Report annexed to this report. The intervening gap between any two meetings was not more than one hundred twenty days as mandated under the provisions of Section 173 of the Companies Act, 2013 and Regulation 17(2) of the SEBI Listing Regulations.

## BOARD DIVERSITY

A diverse Board enables efficient functioning through differences in perspective and skill, and also fosters differentiated thought processes at the back of varied industrial and management expertise, gender, knowledge and geographical background. The Company follows diverse Board structure.

## BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The Board's performance for the year under review was assessed on the basis of participation of directors, quality of information provided/available, quality of discussion and contribution etc. A structured questionnaire was prepared after taking into consideration inputs received from the directors, covering the aforesaid aspects of the Board's functioning. The overall performance of the Board and Committees of the Board was found satisfactory.



The overall performance of Chairman, Executive Directors and the Non-Executive Directors of the Company was found satisfactory. The review of performance was based on the criteria of performance, knowledge, analysis, quality of decision making etc. The manner and detail in which evaluation was carried out is stated in the Corporate Governance Report which forms a part of this annual report.

#### **AUDIT COMMITTEE**

The Audit Committee comprises of Ms. Nilu Nigania, Mr. Mukesh Agarwal, Mr. Manoj Goel and Ms. Babita Kaur Bagga. Ms. Nilu Nigania is the chairperson of the committee.

During the year, Ms. Preetee Agarwal and Mr. Sudhir Kumar Budhia resigned from the membership in the committee as a member at the Board meeting dated May, 30, 2018, and August, 14, 2018 respectively and Ms. Nilu Nigania & Ms. Babita Kaur Bagga were inducted as the member of the committee vide Board meeting dated 14th August, 2018 and 14th November, 2018 respectively and accordingly the Audit Committee was reconstituted.

The Committee, inter alia, reviews the Internal Control System and Reports of Internal Auditors and Compliance of various Regulations. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report. The Committee also reviews the Financial Statements before they are placed before the Board.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

In compliance with the provisions of Section 134(5) of the Companies Act, 2013 the Board of Directors to the best of their knowledge and hereby confirm the following:

- (a) in the preparation of the annual accounts for the financial year ended 31st March 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 as at 31st March, 2019 and profit and loss account of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) The directors of the company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) 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.

#### **KEY MANAGERIAL PERSONNEL**

The Following director/officials of the Company have been designated as Key Managerial Personnels (KMP's) of the Company by the Board of Directors in terms of provisions of Section 203 of the Companies Act, 2013 and the Regulations: (There is no change in the KMP's during the year under review)

1. Mr. Mukesh Goel, Managing Director;
2. Mr. A.S Nageswar Rao, Chief Financial Officer;
3. Ms. Neha Sharma, Company Secretary & Compliance Officer.

#### **DECLARATION FROM INDEPENDENT DIRECTORS**

The terms & condition for appointment of Independent Directors are as per the provisions of Section 149 & Schedule IV of the Companies Act, 2013. The Company has received necessary declarations from all Independent Directors confirming that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and under Regulation 16(1)(B) of the SEBI (Listing obligations and Disclosure requirements) Regulations, 2015. And there has been no change in the circumstances which may affect their status as Independent directors during the year.

#### **CODE OF CONDUCT**

The Code of Conduct of Directors, KMP's and Senior executive of the Company is already in force and the same has been placed on the Company's website [www.aanchalispate.com](http://www.aanchalispate.com) and the declaration for the affirmation with the same forms a part of this annual report.

#### **CORPORATE GOVERNANCE**

Your Company has practised sound Corporate Governance and taken necessary actions at appropriate times for enhancing and meeting stakeholders' expectations while continuing to comply with mandatory provisions of Corporate Governance. Your Company has complied with the requirements of all applicable regulations read with Schedule-V of SEBI Listing regulations as issued by SEBI and amended from time to time.





A report on Corporate Governance along with certificate from M/s Raj Chandra & Associates, Chartered Accountants, regarding compliance of conditions is presented in a separate section forming part of the Annual Report.

#### **POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, independence and other matters is as provided under subsection(3) of Section 178 of the Companies Act, 2013 is available on the company's website at [www.aanchalispac.com](http://www.aanchalispac.com).

#### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:**

The particulars of employees as required under Section 197 (12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (as amended) are given in separate annexure attached hereto as **Annexure-C** and forms a part of this report. Further stating there were no such employees drawing remuneration in excess of the limits set out in Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) & 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

##### **Statutory Auditors**

**M/s Raj Chandra & Associates**, Chartered Accountants (**Firm Registration No. 326312E**) were appointed as Statutory Auditors of the Company for a term of five years at the 21st Annual General Meeting held on 28th September, 2016, as per the provisions of Companies Act, 2013. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

The notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

##### **Cost Auditor**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Rules made there under **M/s. A.S. & Associates**, Cost Accountants (**Firm Registration no. 000523**) were appointed for auditing cost accounting records of the Company for the year ending 31st March, 2019. Board has further appointed **M/s. A.S & Associates**, Cost Accountants (**Firm Registration no. 000523**) as Cost Auditors for the year ending 31st March, 2020 subject to approval of remuneration in the forthcoming Annual General Meeting.

##### **Internal Auditor**

The Company has appointed **M/s R. Modi & Co.(FRN: 327727E)** an Independent firm of Chartered Accountants to act as an Internal Auditor as per suggestion of auditors and recommendation of the Audit Committee in order to strengthen the internal control system for the Company.

##### **Secretarial Auditor**

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed **Ms. Manisha Saraf, Company Secretary** in whole time practice (**Membership No. FCS-7607, Certificate of Practice No.-8207**) as the Secretarial Auditor of the Company for the Financial Year 2018-2019 to conduct the Secretarial Audit.

The Secretarial Audit Report for the financial year ended 31st March, 2019 has been annexed as **Annexure- D** and forms a part of this annual report.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer except some minor comments for which management is taking necessary steps to avoid the same in future.

#### **SECRETARIAL STANDARDS**

The directors state that applicable Secretarial Standards, i.e. SS-1 & SS-2, relating to 'Meeting of the Board of Directors' and 'General Meeting' respectively have been duly followed by the Company.

#### **RISK MANAGEMENT POLICY**

The risk management strategy of your Company is based on a clear understanding of various risks, and adherence to well-laid out risk policies and procedures that are benchmarked with industry best practices. The Company has developed robust systems and embraced adequate practices for identifying, measuring and mitigating various risks – business, strategic, operational, market, credit, liquidity, reputational and process risks and ensuring that they are maintained within pre-defined risk appetite levels.

#### **ANNUAL RETURN**

In terms of provisions of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management & Administration) Rules, 2014, a copy of the Annual return as prescribed under Section 92 of the Companies Act, 2013 forms a part of this report and is annexed as **Annexure-E** and the same can also be assessed at the website of the Company at [www.aanchalispac.com](http://www.aanchalispac.com)



#### **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 provisions of section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 as they are not applicable.

#### **VIGIL MECHANISM POLICY**

The Company had implemented a vigil mechanism, where by employees, directors and other stakeholders can report matters such as generic grievances, corruption, misconduct, fraud, misappropriation of assets and non-compliance of code of conduct to the Company. The policy safeguards the whistleblowers to report concerns or grievances and also provides a direct access to the Chairman of the Audit Committee. During the year under review none of the personnel has been denied access to the Chairman of Audit Committee.

The policy with the designation and address of the Competent Authority, Executive Chairman/Managing Director of the Company and Chairman of the Audit Committee has been communicated to the employees by uploading the same on the website of the Company.

#### **INTERNAL FINANCIAL CONTROLS**

The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's Policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and the timely preparation of financial disclosures.

The Company has an Internal Control System commensurate with the size, scale and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditor. Significant audit observations and corrective action are reported to the Audit Committee.

The concerned executives monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

During the year under review the Company has not made any inter corporate loans, investments, given any corporate guarantee to any other body corporate, subsidiary, associate or any other company.

#### **INSURANCE**

The Company has taken appropriate insurance for all assets against foreseeable perils.

#### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

There were no complaints pending for the redressal at the beginning of the year and no complaints received during the financial year.

#### **COURT/TRIBUNAL ORDERS**

There were no instances of any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

#### **MATERIAL CHANGES AFFECTING THE COMPANY**

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

There has been no change in the nature of business of the Company.

#### **APPRECIATION**

The Board of Directors thank the shareholders for their continued support and they would like to place on record their appreciation for the dedicated services rendered by the Employees at all levels.

We thank our customers, vendors, dealers, investors, business associates and bankers for their continued support during the year.

We place on record our appreciation of the contribution made by the employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support.

**For and on Behalf of the Board of Directors**

**Sd/-**

**Place: Howrah  
Date: 28th May, 2019**

**(Mukesh Goel)  
Managing Director  
(DIN: 00555061)**



## ANNEXURE -A TO THE BOARD'S REPORT

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

### A. CONSERVATION OF ENERGY:

Your company gives priority to Energy conservation. It regularly reviews measures to be taken for Energy Conservation/ Consumption and its effective utilization.

#### 1. The steps taken or impact on conservation of energy:

- Installation of Automatic Power Factor Correction Equipment;
- Using Energy Star Equipment;
- Became a paperless business;
- Unplug computers over the weekend;
- Good insulation;
- Proper use of compressors;
- Use of recuperator in rolling mill;
- Adoption of LED light for the entire plant lightening;
- Adoption of Solar Energy is in pipeline for Domestic Consumption and common pathway lightening;
- Rainwater Water Harvesting is being adopted for its water requirement for Manufacturing during the monsoon which will result in saving electrical energy for extracting ground water.

#### 2. The steps taken by the Company for utilising alternate sources of energy:

- Use of translucent sheets;
- Embrace natural lighting.

#### 3. The capital investment on energy conservation equipment: ₹ 4.14 Lacs

### B. TECHNOLOGY ABSORPTION:

#### 1. Efforts made towards technology absorption:

- Method improvements in manufacturing process;
- Increasing level of Automation in the production side;
- Improvement in safety measures for workers at the plant;
- Upgrading Pollution control equipment for air/water;
- The re-heating Furnace of Structural Unit and TMT Unit was rebuilt with latest engineering technology to get maximum yield of Heat with lesser consumption of Fuel.

#### 2. Benefits derived as a result of such efforts:

- Improvement in productivity;
- Cost Reduction;
- Improvement in profit;
- Energy conservation;
- Better quality products.



3. No fresh technology has been imported during the year.
4. The expenditure incurred on research or development: Rs.5,50,000/-

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflow is as follows:

Particulars	FY 2018-19 (Rs. In Crores)
Foreign Exchange earned in terms of actual inflows	NIL
Foreign Exchange outgo in terms of actual outflows	5.46



**ANNEXURE - B TO THE BOARD'S REPORT**

**Form No. AOC-2**

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.**

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

Sl.No.	Name(s) of the related party	Nature of transaction	Duration of the transaction	Salient terms of the transaction	Justification for transactions	Date of approval by the board	Amount paid as advances	Date of Special Resolution
1.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

Sl. No.	Particulars of Related Party	Nature of Transaction	Duration of the transaction	Transac-tions value in Rs.	Date of approval by the board	Balance as at 31st March, 2019 Dr./ (Cr.)
1.	Key Managerial Person (KMP)	-Director Remuneration -Sitting Fees	April, 2018 to March, 2019.	1,766,387 198,000	Since these RPTs are in the ordinary course of business and	(1,129,778) (108,000)
2.	Company in which KMP/ Relatives of KMP can exercise significant influence	- Sales of Goods -Purchase of Goods	April, 2018 to March, 2019.	160,225,975 255,411,563	are at arms length basis, approval of the Board is not applicable. However, these are reported to the Audit Committee / Board at their quarterly meetings.	75,176,703 465,378

**Related Parties:**

Description of Relationship	Names of Related Parties
Ultimate holding company	NIL
Holding Company	NIL
Subsidiaries	NIL
Fellow Subsidiaries (to be given only if there are transactions ) Associates	NIL
Key Managerial Personnel (KMP)	Mr. Manoj Goel, Director Mr. Mukesh Goel, Managing Director Mr. Vijay Srivastava, Director Mr. Mukesh Agarwal, Director Ms. Nilu Nigania, Director Ms. Babita Kaur Bagga, Director Mr. Sudhir Kumar Budhia, Director (till 14.08.2019) Ms. Preetee Agarwal, Director (till 30.05.19)
Company in which KMP/ Relatives of KMP can exercise significant influence	Aanchal Cement Limited Aanchal Iron & Steel Pvt. Ltd.



**ANNEXURE - C TO THE BOARD'S REPORT****DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULES 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2018-19 and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company are as under:

SL No.	Name of the Director/KMP	Remuneration of Director/KMP for the year (Rs in Lacs)	increase in Re- % muneration in the year	Ratio of Remuneration of each Director/to median remuneration of employees for the year
1	Mr. Mukesh Goel, Managing Director	13.14	33.33%	6.40:1
2	Mr. Vijay Srivastava, Executive Director	4.51	-	2.07:1
3	Mr. A.S Nageswar Rao, Chief Financial Officer	13.14	-	6.40:1
4	Ms. Neha Sharma, Company Secretary	3.37	28.00%	1.55:1

**Note:**

1. No other Director other than the Executive Director received any remuneration other than the sitting fees during the year.
2. It is hereby affirmed that the remuneration paid during the year ended 31st March, 2019 was as per the Remuneration Policy of the Company.
3. There were 95 permanent employees on the rolls of the Company as on 31st March, 2019.
4. There is an increase of 5.58 % increase in the median remuneration of the Company from last year.



**ANNEXURE – D TO THE BOARD'S REPORT**

**Form No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**AANCHAL ISPAT LIMITED**  
Mouza- Chamarail National Highway 6  
Liluah, Howrah-711114, West Bengal

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

Based on my verification of the company's books, papers, minute books, registers, 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 31st March, 2019 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, registers, forms and returns filed and other records maintained by Aanchal Ispat Limited ("the Company") as given in Annexure I, for the financial year ended on 31st March, 2019 according to the provisions of:-

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable to the company during the audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
  - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (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; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The sector specific and other list of head/groups of general Acts, Laws and Regulations as applicable to the Company is given in Annexure II.

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 Agreements entered into by the Company with Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent mentioned below:-

Sr. No.	Compliance Requirement	Deviations	Observations/Remarks
1	Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015	(i) Delay in submitting Outcome of Meetings of the board of directors for the quarter ended 31st December, 2018. (On 15th February, 2019, instead of 14th February, 2019). (ii) Penalty of Rs. 5,900/- was imposed.	The Board meeting was held on 14th February, 2019 and concluded at 8.45 P.M. As explained by the management the company tried to upload the outcome of the meeting on the same day but due to technical issue in the server it could not. Hence, therefore uploaded on 15.02.2019
2.	Regulation 47 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015	Delay in Publication of un-audited Financial Results for the quarter ended 30th June, 2018 approved in the Board Meeting held on 14th day of August, 2018	There was a delay of 1 day. Delay was due to National Holiday on 15th August, 2018
3.	Regulation 47 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015	Delay in Publication of un-audited Financial Results for the quarter ended 31st December, 2018 approved in the Board Meeting held on 14th day of February, 2019	There was a delay of 1 day. There was number of advertisements with the paper agency they have published on the next day.
4.	Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director	Penalty of Rs. 5,42,800/- imposed by SEBI	The company has clarified BSE Ltd vide letter dated 12.11.2018 regarding appointment of woman director and composition of the Board to be in compliance with the provisions of LODR Regulations. BSE Ltd made no further actions/comments on the composition of the board thereafter.

I further report that

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

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

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

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

I further report that during the audit period the company has not undertaken events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

This report is to be read with our letter of even date which is annexed as Annexure-III and forms an integral part of this report.

For Manisha Saraf & Associates  
Practising Company Secretary

Sd/-

Manisha Saraf  
(Proprietor)

Membership No: F7607

Certificate of Practice No: 8207

Date: 28th May, 2019

Place: Kolkata



#### **ANNEXURE-I**

##### **List of documents verified**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March, 2019.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. All Statutory Registers.
6. Agenda papers submitted to all the directors/members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013.
8. Intimations received from directors under the prohibition of Insider Trading Code.
9. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
10. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report.

#### **ANNEXURE-II**

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

1. Employees Provident Funds & Miscellaneous Act, 1952
2. Employees State Insurance Act, 1948
3. The Environment (Protection) Act, 1986
4. Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981
5. West Bengal Value Added Tax Act, 2003
6. Central Sales Tax Act, 1956
7. Profession, Trade, Callings and Employment Act, 1979
8. Central Excise Act, 1944
9. Factories Act, 1948
10. Bureau of Indian Standard
11. Industrial Disputes Act, 1947
12. Payment Of Wages Act, 1936 and Minimum Wages Act, 1948
13. The Payment of Bonus Act, 1965
14. Payment of Gratuity Act, 1972
15. Contract Labour (Regulation And Abolition) Act, 1970



**ANNEXURE-III**

**To,  
The Members  
Aanchal Ispat Limited**

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Date: 28th May, 2019  
Place: Kolkata**

**For Manisha Saraf & Associates  
Practising Company Secretary  
Sd/-  
Manisha Saraf  
(Proprietor)  
Membership No: F7607  
Certificate of Practice No: 8207**



**ANNEXURE – E TO THE BOARD'S REPORT****FORM MGT-9****EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019**

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

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	L27106WB1996PLC076866
ii.	REGISTRATION DATE	30/01/1996
iii.	NAME OF THE COMPANY	AANCHAL ISPAT LIMITED
iv.	CATEGORY/SUB-CATEGORY OF THE COMPANY	Company Limited By Shares
v.	ADDRESS OF THE REGISTERED OFFICE AND CONTACT DETAILS	Mouza- Chamrail National Highway-6, Liluah, Howrah-711114, West Bengal Email Id- cs@aanchalispac.com Website- www.aanchalispac.com TEL- 033 - 22510128 / 23230052
vi.	WHETHER LISTED COMPANY	Yes
vii.	NAME, ADDRESS AND CONTACT DETAILS OF REGISTRAR AND TRANSFERAGENT, IF ANY	<b>Purva Sharegistry(India) Pvt. Ltd.</b> Unit No.9, Shiv Shakti Ind. Estt. J.R Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E) Mumbai-400 011 Tel- 022- 23016761 / 23018261 ; Email- buscomp@vsnl.com Website- www.purvashare.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service
1	IRON & STEEL PRODUCTS	24105

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NIL					



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

**i. Category-wise Share Holding**

Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	38,01,750	-	38,01,750	18.23%	38,01,750	-	38,01,750	18.23%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp	95,65,974	-	95,65,974	45.87%	97,84,954	-	97,84,954	46.92%	1.05%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any Other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total(A) (1):-</b>	<b>1,33,67,724</b>	<b>-</b>	<b>1,33,67,724</b>	<b>64.10%</b>	<b>1,35,86,704</b>	<b>-</b>	<b>1,35,86,704</b>	<b>65.15%</b>	<b>1.05%</b>
<b>2) Foreign</b>									
g) NRIs- Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Other- Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
j) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
k) Any Other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total(A) (2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Total (A)</b>	<b>1,33,67,724</b>	<b>-</b>	<b>1,33,67,724</b>	<b>64.10%</b>	<b>1,35,86,704</b>	<b>-</b>	<b>1,35,86,704</b>	<b>65.15%</b>	<b>1.05%</b>
<b>B.Public shareholding/ Other than Promoters</b>									
<i>1. Institutions</i>									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%



Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Banks / FI		-		0.00%	-	-	-	0.00%	0.00%
c) Central Govt		-		0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)		-		0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds				0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies		-		0.00%	-	-	-	0.00%	0.00%
g) FII/S		-		0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds		-		0.00%	-	-	-	0.00%	0.00%
i) Others (Market Maker)		-		0.00%	-	-	-	0.00%	0.00%
<b>Sub-total(B) (1)</b>	<b>-</b>	<b>-</b>		<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>2. Non Institutions</b>									
a) Bodies Corp.									
(i) Indian	27,88,595	-	27,88,595	13.37%	30,89,021	-	30,89,021	14.80%	1.43%
(ii) Overseas		-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	18,31,419	-	18,31,419	8.78%	17,61,984	2	17,61,986	8.44%	-0.34%
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	24,13,774	-	24,13,774	11.57%	1,977,176	-	1,977,176	9.48%	-2.09%



Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (Specify)	-	-	-	0.0%	-	-	-	0.00%	0.00%
Non Resident Indians	8,155	-	8,155	0.04%	8,810	-	8,810	0.04%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members Trusts	84,526	-	84,526	0.41%	88,248	-	88,248	0.42%	0.01%
HUF	3,59,557	-	3,59,557	1.72%	3,41,805	-	3,41,805	1.64%	-0.08%
<b>Sub-total(B) (2)</b>	<b>74,86,026</b>	<b>-</b>	<b>74,86,026</b>	<b>35.90%</b>	<b>72,67,044</b>	<b>2</b>	<b>72,67,046</b>	<b>34.85</b>	<b>-1.05%</b>
<b>Total Public Share holding (B)=(B) (1)+(B)(2)</b>	<b>74,86,026</b>	<b>-</b>	<b>74,86,026</b>	<b>35.90%</b>	<b>72,67,044</b>	<b>2</b>	<b>72,67,046</b>	<b>34.85</b>	<b>-1.05%</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>2,08,53,750</b>	<b>-</b>	<b>2,08,53,750</b>	<b>100%</b>	<b>2,08,53,748</b>	<b>2</b>	<b>2,08,53,750</b>	<b>100%</b>	<b>0.00%</b>

ii. Share holding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Maina Securities Pvt. Ltd.	4,740,000	22.73%	NIL	4,740,000	22.73%	NIL	0.00%
2.	Pratik Suppliers Pvt. Ltd.	4,128,000	19.80%	NIL	4,128,000	19.80%	NIL	0.00%
3.	Aanchal Cement Limited	6,97,974	3.34%	NIL	916,954	4.39%	NIL	1.05%
4.	Mukesh Goel	1,994,850	9.57%	NIL	1,994,850	9.57%	NIL	0.00%
5.	Manoj Goel	1,716,900	8.23%	NIL	1,716,900	8.23%	NIL	0.00%
6.	Monika Goel	42,000	0.20%	NIL	42,000	0.20%	NIL	0.00%
7.	Rashmi Goel	33,000	0.16%	NIL	33,000	0.16%	NIL	0.00%
8.	Sitaram Goyal	15,000	0.07%	NIL	15,000	0.07%	NIL	0.00%
<b>Total</b>		<b>1,33,67,724</b>	<b>64.10%</b>	<b>NIL</b>	<b>13,586,704</b>	<b>65.15%</b>	<b>NIL</b>	<b>1.05%</b>



**iii. Change in Promoters' Shareholding (please specify, if there is no change)**

Particulars	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
At the beginning of the year	1,33,67,724	64.10%	1,33,67,724	64.10%
Change in Shareholding during the year	2,18,980	1.05%	1,35,86,704	65.15%
At the End of the year	1,35,86,704	65.15%	13,586,704	65.15%

**iv. Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	For each of the Top 10 shareholders	Shareholding at the beginning (01.04.18)/ end of the year (31.03.19)		Cumulative Shareholding during the year (01.04.18 to 31.03.19)	
		No. of shares	% of total shares	No. of shares	% of total shares
<b>1. KHUSH ISPAT PRIVATE LIMITED</b>					
	At the beginning of the year	5,04,623	2.42%	5,04,623	2.42%
	Bought during the year	2,16,653	1.04%	7,21,276	3.46%
	Sold during the year	-	-	7,21,276	3.46%
	At the end of the year	7,21,276	3.46%	7,21,276	3.46%
<b>2. DURGA ALLOY AND STEEL PVT LTD</b>					
	At the beginning of the year	4,97,720	2.39%	4,97,720	2.39%
	Bought during the year	1,17,207	0.56%	6,14,927	2.95%
	Sold during the year	-	-	6,14,927	2.95%
	At the end of the year	6,14,927	2.95%	6,14,927	2.95%
<b>3. SOLEX FINANCE PVT LTD</b>					
	At the beginning of the year	3,06,000	1.47%	3,06,000	1.47%
	Bought during the year	-	-	3,06,000	1.47%
	Sold during the year	-	-	3,06,000	1.47%
	At the end of the year	3,06,000	1.47%	3,06,000	1.47%
<b>4. SWARAN FINANCIAL PVT LTD</b>					
	At the beginning of the year	3,66,000	1.76%	3,66,000	1.76%
	Bought during the year	-	-	3,66,000	1.76%





Sr. No	For each of the Top 10 shareholders	Shareholding at the beginning (01.04.18)/ end of the year (31.03.19)		Cumulative Shareholding during the year (01.04.18 to 31.03.19)	
		No. of shares	% of total shares	No. of shares	% of total shares
	Sold during the year	1,17,286	0.56%	2,48,714	1.20%
	At the end of the year	2,48,714	1.20%	2,48,714	1.20%
<b>5. WAYS VINIMAY PRIVATE LIMITED</b>					
	At the beginning of the year	-	-	-	-
	Bought during the year	2,16,000	1.03%	2,16,000	1.03%
	Sold during the year	-	-	2,16,000	1.03%
	At the end of the year	2,16,000	-	2,16,000	1.03%
<b>6. KEYNOTE COMMERCIAL PRIVATE LIMITED</b>					
	At the beginning of the year	-	-	-	-
	Bought during the year	1,30,800	0.63%	1,30,800	0.63%
	Sold during the year	-	-	1,30,800	0.63%
	At the end of the year	1,30,800	0.63%	1,30,800	0.63%
<b>7. NEWEDGE VINIMAY PRIVATE LIMITED</b>					
	At the beginning of the year	-	-	-	-
	Bought during the year	1,27,882	0.61%	1,27,882	0.61%
	Sold during the year	-	-	1,27,882	0.61%
	At the end of the year	1,27,882	0.61%	1,27,882	0.61%
<b>8. YOUTHVISION COMMODITIES PRIVATE LIMITED</b>					
	At the beginning of the year	1,14,000	0.55%	1,14,000	0.55%
	Bought during the year	-	-	1,14,000	0.55%
	Sold during the year	-	-	1,14,000	0.55%
	At the end of the year	1,14,000	0.55%	1,14,000	0.55%
<b>9. MANMOHAN OJHA</b>					
	At the beginning of the year	69,424	0.33%	69,424	0.33%
	Bought during the year	42,496	0.20%	1,11,920	0.53%
	Sold during the year	-	-	1,11,920	0.53%
	At the end of the year	1,11,920	0.53%	1,11,920	0.53%



Sr. No	For each of the Top 10 shareholders	Shareholding at the beginning (01.04.18)/ end of the year (31.03.19)		Cumulative Shareholding during the year (01.04.18 to 31.03.19)	
		No. of shares	% of total shares	No. of shares	% of total shares
<b>10. IL AND FS SECURITIES SERVICES LIMITED</b>					
	At the beginning of the year	-	-	-	-
	Bought during the year	1,07,000	0.51%	1,07,000	0.51%
	Sold during the year	-	-	1,07,000	0.51%
	At the end of the year	1,07,000	0.51%	1,07,000	0.51%

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1.	<b>Mukesh Goel (Executive Director)</b>				
	At the beginning of the year	19,94,850	9.57%	19,94,850	9.57%
	Changes during the year	-	-	19,94,850	9.57%
	At the end of the year	19,94,850	9.57%	19,94,850	9.57%
2.	<b>Vijay Srivastava (Executive Director)\$</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year	-	0.00%	-	0.00%
3.	<b>Manoj Goel (Non-Executive Director)</b>				
	At the beginning of the year	17,16,900	8.23%	17,16,900	8.23%
	Changes during the year	-	-	17,16,900	8.23%
	At the end of the year	17,16,900	8.23%	17,16,900	8.23%
4.	<b>Mukesh Agarwal (Independent Director)</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year	-	0.00%	-	0.00%



Sr. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
5.	<b>Sudhir Kr Budhia(Independent Director)**</b> At the beginning of the year Changes during the year At the end of the year	- - -	0.00% 0.00% 0.00%	- - -	0.00% 0.00% 0.00%
6.	<b>Preetee Agarwal (Independent Director)*</b> At the beginning of the year Changes during the year At the end of the year	- - -	0.00% 0.00% 0.00%	- - -	0.00% 0.00% 0.00%
7.	<b>Nilu Nigania (Independent Director)\$</b> At the beginning of the year Changes during the year At the end of the year	- - -	0.00% 0.00% 0.00%	- - -	0.00% 0.00% 0.00%
8.	<b>Babita Kaur Bagga (Independent Director)&amp;</b> At the beginning of the year Changes during the year At the end of the year	- - -	0.00% 0.00% 0.00%	- - -	0.00% 0.00% 0.00%
9.	<b>A.S. Nageswar Rao (Chief Financial Officer)</b> At the beginning of the year Changes during the year At the end of the year	1,836 - 3,525	0.00% 0.00% 0.02%	1,836 1,689 3,525	0.00% 0.00% 0.02%
10.	<b>Neha Sharma (Company Secretary)</b> At the beginning of the year Changes during the year At the end of the year	- - -	0.00% 0.00% 0.00%	- - -	0.00% 0.00% 0.00%

- \*Resigned w.e.f 30th May, 2018
- \*\*Resigned w.e.f 14th August, 2018
- \$ Appointed w.e.f 14th August, 2018
- & Appointed w.e.f 14th November, 2018

**V. INDEBTEDNESS**

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

(₹. in lacks)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	3,566.35	424.38	-	3,990.73
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>3,566.35</b>	<b>424.38</b>	<b>-</b>	<b>3,990.73</b>
<b>Change in Indebtedness during the financial year</b>				
- Addition	880.95	-	-	880.95
- Reduction	-	327.40	-	27.40
<b>Net Change</b>	<b>880.95</b>	<b>(327.4)</b>	<b>-</b>	<b>553.55</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	4,447.30	96.98	-	3,990.73
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>4,447.30</b>	<b>96.98</b>	<b>-</b>	<b>4,544.28</b>



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

(₹. In Lacs)

SI No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs/Lacs)
		Mr. MukeshGoel (Managing Director)	Mr. Vijay Srivastava (Executive Director)	
1.	Gross Salary	13.14	4.51	17.65
	(a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17 (3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	-as % of profit	-	-	-
	-others, specify	-	-	-
5.	Others, please specify	-	-	-
6.	<b>Total (A)</b>	<b>13.14</b>	<b>4.51</b>	<b>17.65</b>
	Ceiling as per the Act	5% of the net profit of the Company		

**REMUNERATION TO OTHER DIRECTORS:**

SI. No.	Particulars of Remuneration	Name of the Independent Directors			Total Amount (Rs/Lacs)
		Mr. Mukesh Agarwal	Ms. Nilu Nigania	Ms. Babita Kaur Bagga	
1.	<b>Independent Directors</b>	0.54	0.60	0.30	1.44
	•Fee for attending board/committee meetings				
	•Commission	-	-	-	-
	•Others, please specify	-	-	-	-
	<b>Total (1)</b>				<b>1.44</b>
2.	<b>Other Non-Executive Directors</b>	<b>Mr. Manoj Goel</b>			
	•Fee for attending board/committee meetings			0.54	<b>0.54</b>
	•Commission			-	-
	<b>Total (2)</b>				<b>0.54</b>
	<b>Total (B)= (1+2)</b>				<b>1.98</b>
	Overall Ceiling as per the Act	1% of the net profit, calculated as per Section 198 of the Companies Act, 2013			



**B. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD**

SL. No.	Particulars of Remuneration	Total Amount (Rs/Lacs)		
		A.S. Nageswar Rao (CFO)	Neha Sharma (Company Secretary)	
1.	(a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961	13.14	3.37	16.51
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17 (3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	as % of profit	-	-	-
	others, specify	-	-	-
5.	Others, please specify	-	-	-
6.	<b>Total</b>	<b>13.14</b>	<b>3.37</b>	<b>16.51</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD/NCLT/ Court]	Appeal made. If any(give details)
<b>A. Company</b>					
Penalty				NIL	
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty				NIL	
Punishment					
Compounding					
<b>C. Other Officers in Default</b>					
Penalty				NIL	
Punishment					
Compounding					





## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**AANCHAL ISPAT LIMITED,**

### Report on the Financial Statements

We have audited the accompanying IND AS financial statement of AANCHAL ISPAT LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

### 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 March 31, 2019; and of the profit for the year ended on that date;

### Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the IND AS financial statement section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the IND AS financial statement under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the IND AS financial statements of the current period. These matters were addressed in the context of our audit of the IND AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Revenue Recognition

See note 3.04, note 22 to the standalone financial statements

How the matter was addressed in our audit	The key audit matter
<p>We identified revenue recognition as a key audit matter because the Company and its external stakeholders focus on revenue as a key performance indicator..</p>	<p>Our audit procedures in this area included the following :</p> <ol style="list-style-type: none"> <li>1. We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards.</li> <li>2. We evaluated the design of key controls and operating effectiveness of the relevant key controls with respect to revenue recognition on selected transactions.</li> <li>3. We performed substantive testing by selecting samples of revenue transactions,</li> <li>4. We carried out analytical procedures on revenue recognised during the year to identify unusual variances.</li> <li>5. We tested, on a sample basis, specific revenue transactions recorded before and after the financial year end date to determine whether the revenue had been recognised in the appropriate financial period.</li> </ol>



**Related party transactions**

(See note 30 to the standalone financial statements)

How the matter was addressed in our audit	The key audit matter
<p>We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the standalone Ind AS financial statements as a key audit matter due to: the significance of transactions with related parties during the year ended March 31, 2019. Related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015.</p>	<p>Our procedures in relation to the disclosure of related party transactions included:</p> <ol style="list-style-type: none"> <li>1. Obtaining an understanding of the Company's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been disclosed in the standalone Ind AS financial statements.</li> <li>2. Obtaining an understanding of the Company's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors.</li> <li>3. Agreeing the amounts disclosed to underlying documentation and reading relevant agreements, evaluation of arms-length, on a sample basis, as part of our evaluation of the disclosure.</li> <li>4. Assessing management evaluation of compliance with the provisions of Section 177 and Section 188 of the companies Act 2013 and SEBI (LODR) 2015.</li> </ol>

**Tax litigations – provisions and contingencies**

(See note 31 to the standalone financial statements)

The key audit matter	How the matter was addressed in our audit
<p>The Company is involved in several ongoing direct and indirect tax litigations A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made. We have identified tax litigations, provisions and contingencies as a key audit matter because it requires the management to make judgements and estimates in relation to the exposure arising out of litigations. The key judgement lies in the estimation of provisions where they may differ from the future obligations. The Company operates under several tax laws and some of these have a significant impact on the financial statements of the Company.</p>	<p>We have applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ol style="list-style-type: none"> <li>1. We tested the effectiveness of key controls around the recording and assessment of tax provisions and contingent liabilities.</li> <li>2. We assessed the value of the provisions and contingent liabilities in light of the nature of the exposures, applicable regulations and related correspondences with the authorities.</li> <li>3. We assessed the relevant historical and recent judgments passed by the court authorities.</li> <li>4. Obtained Management's assessment of the open cases and compared to assess the reasonableness of the provision or contingency.</li> <li>5. Considered the adequacy of the Company's disclosures made in relation to taxation related provisions and contingencies in the financial statements.</li> </ol>

**Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the IND AS financial statements and our auditor's report thereon.

Our opinion on the IND AS financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the IND AS financial statement, our responsibility is to read the other information and, in doing so, consider whether



the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statement**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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.

In preparing the IND AS financial statement, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the IND AS financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ASs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these IND ASs financial statement.

As part of an audit in accordance with ASs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the IND AS financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the IND AS financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the IND AS financial statement, including the disclosures, and whether the IND AS financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the IND AS financial statement of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on the other Legal and regulatory Requirements

- 1) 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 Companies Act 2013, We give in the Annexure A on the matters specified in paragraph 3 & 4 of the order.
- 2) As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet and the Statement of Profit and Loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone 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 written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.

with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The company has no pending litigations in the current financial year.
- ii. The company did not have any material foreseeable losses on long-term contracts.
- iii. There are no amount required to be transferred, to the Investor Education and Protection Fund by the Company

**For Raj Chandra & Associates**

**Chartered Accountants**

**Sd/-**

**( R.K.Agarwala )**

**Partner**

**(Firm Registration No. : 326312E)**

**Place : Kolkata**

**Date : 28/05/2019**



**The Annexure A referred to in paragraph 1 of the Our Report of even date to the members of AANCHAL ISPAT LIMITED on the accounts of the company for the year ended 31st March, 2019.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- 1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available.  
(b) As explained to us, fixed assets have been physically verified by the management reasonable intervals; no material discrepancies were noticed on such verification.  
(c) In our opinion and according to the information and explanations given to us, no substantial part of fixed asset has been disposed off during the year and therefore does not affect the going concern assumption.
- 2) (a) As explained to us, the stock is regularly verified by the management at reasonable intervals.  
(b) In our opinion and according to the information and explanations given to us, the procedure for verification of stock followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its stocks. No discrepancies have been noticed on verification of stocks statement as compared to book records
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) According to the information and explanations given to us, the company has not advanced any loans to any of its directors or to any other person in whom the director is interested or given any guarantee or provided any security in connection with any loan taken by him or such other person. The company has not made any investments during the year. Therefore provisions of Clause 3(iv) of the Companies (Auditor's Report) Order 2016 are not applicable. The company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of Companies Act 2013.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) We have broadly reviewed the cost records maintained by the Company relating to its products pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 148(1) of the Act, and are of the opinion that prima facie the prescribed Cost Records have been made and maintained. We have, however, not made a detailed examination of the cost record with a view to determine whether they are accurate or complete.
- 7) a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, income tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, with the appropriate authorities.  
b) The particulars of dues of sales tax, income tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as applicable as at 31st March 2019 which have not been deposited on account of a dispute are as follows –



Name of the Statute	Nature of Dues	Amount Involved	Period to which the amount relates	Forum where Dispute is Pending
The Central Excise Act, 1944	Excise Duty	Rs. 7,986,754/-	FY 2007 - 08	Customs & Central Excise, Service Tax Tribunal
Income Tax Act, 1961	Income Tax	Rs. 19,278,200/-	FY 2011 - 12	CIT (A) – 1, Kolkata
Income Tax Act, 1961	Income Tax	Rs. 3,233,690/-	FY 2012-13	CIT(A)-1, Kolkata
West Bengal Value Added Tax Act, 2003	VAT	Rs.2,52,57,225/-	FY 2012 - 13	Senior Joint Commissioner, Howrah Circle

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks & financial institutions. The Company has not taken any loan either from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer during the year under review. The company had utilized the money raised by way of term loan during the year for the purpose for which they were raised.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, 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 and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Raj Chandra & Associates  
Chartered Accountants

Sd//-

( R.K.Agarwala )

Partner

(Firm Registration No. : 326312E)

Place : Kolkata

Date : 28/05/2019





## **“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of AANCHAL ISPAT LIMITED**

### **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 AANCHAL ISPAT LIMITED (“the Company”) as of March 31, 2019 in conjunction with our audit of the Ind AS 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**

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 require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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

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



### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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”

Place : Kolkata  
Date : 28/05/2019

For Raj Chandra & Associates  
Chartered Accountants  
Sd//  
( R.K.Agarwala )  
Partner  
(Firm Registration No. : 326312E)



**BALANCE SHEET AS AT 31ST MARCH, 2019**

(Amount in ₹)

Particulars	Note No.	As at March 31st, 2019	As at March 31st, 2018
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	4	268,184,445	268,144,975
(b) Capital work-in-progress		-	-
(c) Other Intangible assets		-	-
(d) Financial Assets			
(i) Investments		-	-
(ii) Other Financial Assets	5	636,600	17,578,533
(e) Deferred tax assets (Net)		-	-
(f) Other non-current assets	6	4,573,044	4,573,044
<b>Total-Non-current assets</b>		<b>273,394,089</b>	<b>290,296,552</b>
<b>2 Current assets</b>			
(a) Inventories	7	315,326,095	380,617,479
(b) Financial Assets			
(i) Trade receivables	8	674,251,554	774,541,546
(iii) Cash and cash equivalents	9	21,783,583	1,798,099
(iv) Bank Balances other than (iii) above	10	67,124,334	62,472,936
(v) Loans and Deposits	11	3,414,333	1,692,770
(vi) Others		-	-
(c) Other current assets	12	89,983,325	24,282,637
<b>Total-Current assets</b>		<b>1,171,883,223</b>	<b>1,245,405,468</b>
<b>TOTAL ASSETS</b>		<b>1,445,277,312</b>	<b>1,535,702,020</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share capital	13	208,537,500	208,537,500
(b) Other Equity	14	435,668,808	408,376,462
<b>Total-Equity</b>		<b>644,206,308</b>	<b>616,913,962</b>
<b>LIABILITIES</b>			
<b>1 Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	9,698,746	42,438,659
(ii) Other Financial liabilities		-	-
(b) Provisions	16	1,975,718	1,991,840
(c) Deferred tax liabilities (Net)	34	10,579,298	10,928,298
(d) Other Non-current liabilities		-	-
<b>Total-Non-current liabilities</b>		<b>22,253,762</b>	<b>55,358,797</b>
<b>2 Current liabilities</b>			
Short-term borrowings :			
(a) Financial Liabilities			
(i) Borrowings	17	444,730,025	356,634,911
(ii) Trade payables	18	299,464,251	420,640,339
(iii) Other financial liabilities	19	-	72,048,643
(b) Other current liabilities	20	16,647,974	7,139,375
(c) Provisions	21	17,974,993	6,965,993
<b>Total-Current liabilities</b>		<b>778,817,242</b>	<b>863,429,261</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,445,277,312</b>	<b>1,535,702,020</b>

Significant Accounting Policies and Notes to Accounts 1 to 38  
The accompanying notes are an integral part of the financial statements.  
This is the Balance Sheet referred to in our report of even date.

**FOR RAJ CHANDRA & ASSOCIATES**  
Chartered Accountants  
[ Raj Kumar Agarwala ]  
Partner  
Kolkata, 28th May 2019

On behalf of the Board of Directors  
Mukesh Goel, Managing Director  
A.S.Nageswar Rao, Chief Financial Officer  
Neha Sharma, Company Secretary



**PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

(Amount in ₹)

Particulars	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
<b>INCOME</b>			
I Revenue from operations	22	3,529,923,869	3,845,131,046
II Other income	23	6,859,693	5,900,505
III <b>Total Income (I+II)</b>		<b><u>3,536,783,562</u></b>	<b><u>3,851,031,551</u></b>
<b>IV EXPENSES</b>			
Cost of materials purchased	24	3,188,096,853	3,605,432,319
Changes in inventories of finished goods and work in progress	25	86,833,984	(22,694,121)
Employee benefits expense	26	19,228,871	15,057,536
Finance costs	27	56,876,377	47,295,345
Depreciation and amortization expense	4	7,493,239	7,341,175
Other expenses	28	135,599,633	176,311,368
<b>Total expenses (IV)</b>		<b><u>3,494,128,957</u></b>	<b><u>3,828,743,622</u></b>
V <b>Profit/(Loss) before exceptional items and tax (III-IV)</b>		<b>42,654,605</b>	<b>22,287,929</b>
VI Exceptional items		-	-
VII <b>Profit/(Loss) before tax(V-VI)</b>		<b>42,654,605</b>	<b>22,287,929</b>
VIII <b>Tax expense:</b>			
Current tax/MAT		15,009,000	6,772,512
MAT Credit		-	-
Income Tax Expenditure For Earlier Year (Net)		-	613,298
Deferred tax		(349,000)	1,630,324
IX <b>Profit/(Loss) for the year (VII-VIII)</b>		<b>27,994,605</b>	<b>13,271,795</b>
X <b>Other Comprehensive Income (net of tax)</b>		739,993	(206,362)
Items that will not be reclassified subsequently to Profit and Loss			
Remeasurment of the net defined benefit liability/asset (net of tax)		-	-
<b>Total-Other Comprehensive Income (net of tax)</b>		<b><u>739,993</u></b>	<b><u>(206,362)</u></b>
XI <b>Total Comprehensive Income for the Year (IX-X)</b>		<b><u>28,734,598</u></b>	<b><u>13,065,433</u></b>
<b>Earnings per equity share</b>			
[Nominal Value per share: Rs. 10 (2018-19: Rs. 10)]			
Basic - Rs.		<b>1.38</b>	<b>0.63</b>
Diluted - Rs.		<b>1.38</b>	<b>0.63</b>

Significant Accounting Policies and Notes to Accounts

1 to 38

The accompanying notes are an integral part of the financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

**FOR RAJ CHANDRA & ASSOCIATES**  
Chartered Accountants  
Firm Registration No: 326312E  
[ Raj Kumar Agarwala ]  
Partner  
ICAI Membership No. 060921  
Kolkata, 28th May 2019

On behalf of the Board of Directors  
Mukesh Goel, Managing Director  
A.S.Nageswar Rao, Chief Financial Officer  
Neha Sharma, Company Secretary



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

(Amount in ₹)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before Tax and Extra Ordinary Items</b>	<b>42,654,605</b>	<b>22,287,929</b>
<b>Adjustment For:</b>		
Depreciation and amortisation expenses	7,493,239	7,341,175
Provision for bad & doubtful debts & advances	-	-
Interest Income	(5,364,948)	(5,900,505)
Finance Cost	56,876,377	47,295,345
<b>Operating Profit before working capital changes</b>	<b>101,659,273</b>	<b>71,023,944</b>
<b>Adjustment for increase/decrease in operating assets</b>		
Inventories	65,291,384	(28,735,914)
Trade Receivables	100,289,992	(187,237,636)
Other Financial Assets	15,220,370	(6,752,008)
Other Non-Financial Assets	(65,700,688)	33,837,561
<b>Adjustments for increase/decrease in operating liabilities</b>		
Trade Payable	(121,176,088)	136,260,765
Other Financial Liabilities	(72,048,643)	65,199,317
Other Non-Financial Liabilities	9,508,599	(9,965,366)
Short Term Provisions	11,009,000	(17,128,623)
Long Term Provisions	723,872	320,108
<b>Cash Generated from operations:</b>	<b>44,777,071</b>	<b>56,822,148</b>
Direct Taxes Paid	(15,009,000)	(7,385,810)
<b>Net Cash Generated from Operating Activities (A)</b>	<b>29,768,071</b>	<b>49,436,338</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipments (Net)	(8,974,961)	(16,661,327)
Interest Received	5,364,948	5,900,505
<b>Net Cash Used in Investing Activities (B)</b>	<b>(3,610,013)</b>	<b>(10,760,822)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Short Term Borrowings	88,095,114	(7,055,775)
Long Term Borrowings	(32,739,913)	17,186,889
Finance Cost	(56,876,377)	(47,295,345)
<b>Net Cash Generated/used in Financing Activities ©</b>	<b>(1,521,176)</b>	<b>(37,164,231)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>24,636,882</b>	<b>1,511,285</b>
<b>Opening Cash &amp; Cash Equivalents</b>	<b>64,271,035</b>	<b>62,759,751</b>
<b>Closing Cash &amp; Cash Equivalents</b>	<b>88,907,917</b>	<b>64,271,036</b>
* Comprises:		
(a) Cash in Hand	1,378,861	1,227,385
(b) Balance with banks		
(i) In Current Accounts	20,404,722	570,714
(ii) In Deposits Accounts	67,124,334	62,472,936
	88,907,917	64,271,035

\* As defined in AS 3 Cash Flow Statements

Notes:

(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discontinuing operations.

(ii) Previous Year's figures have been recast/restated where necessary

See accompanying notes forming part of financial statements

1 to 38

**FOR RAJ CHANDRA & ASSOCIATES**

**Chartered Accountants**

[ Raj Kumar Agarwala ]

Partner

Kolkata, 28th May 2019

On behalf of the Board of Directors  
**Mukesh Goel, Managing Director**  
**A.S.Nageswar Rao, Chief Financial Officer**  
**Neha Sharma, Company Secretary**



## AANCHAL ISPAT LIMITED

### Notes forming part of the Financial Statements

#### Note: 01 - GENERAL CORPORATE INFORMATION

M/s AANCHAL ISPAT LIMITED (the company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The shares of the company are listed on Bombay Stock Exchange. The company caters to domestic markets only. The company has been incorporated with the object of manufacturing of Mild Steel TMT Re-bars, Structural Re-bars, Round and other Sectional products.

The Company also engages in trading of Mild Steel Billets, Cement and Clinker and TMT and Structural Re-Bars.

The financial statements are presented in Indian Rupee (INR) which is also the functional currency of the company.

#### Note: 2: APPLICATION OF IND AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April 2017, with a transition date of 1st April 2016.

#### Note: 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### 3.01 Statement of compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standard) Rules, 2015. Upto the financial year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Section 133 of the Companies Act, 2013.

##### 3.02 Basis of preparation and presentation

These financial statements of the Company are prepared under the historical cost except for certain financial instruments that are measured at fair value at end of each reporting period. Historical cost is generally based on fair value of the consideration given in exchange for goods and services

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

In addition, for financial reporting purposes, fair value measurements are categorised in to Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

##### 3.03 Use of Estimates

The preparation of separate financial statements in conformity with the recognition and measurement principles of Ind AS requires the



management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the separate financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

### 3.04 REVENUE RECOGNITION

#### (I) Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have been passed, at which time all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### (ii) Dividend and Interest income

Dividend income is recognised when the company's right to receive dividend is established. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate applicable.

### 3.05 Foreign currencies

Transactions in currencies other than entity's functional currency (foreign currency) are recorded at the rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies remaining unsettled at the end of the each reporting period are remeasured at the rates of exchange prevailing at that date.

### 3.06 Employee Benefits

#### i) Short-term benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

#### ii) Defined contribution retirement benefits

Payments to defined contribution retirement benefits are recognised as an expense when employees have rendered services entitling them to the contributions. Defined contribution plans are those plans where the Company pays fixed contributions to funds/schemes. Contributions are paid in return for services rendered by the employees during the year. The contributions are expensed as they are incurred in line with the treatment of wages and salaries. The liability as on the balance sheet is ascertained by an independent actuarial valuation.

#### iii) Defined benefit retirement benefits

The cost of providing defined benefit retirement benefits are determined & recognised as per independent actuarial valuations report carried out at the end of each reporting period. The Company provides gratuity to its employees. All actuarial gains or losses are recognised in the statement of profit and loss in the period in which they occur.

### 3.07 Taxation



### **i) Current tax**

Current tax is payable based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates in accordance with the provisions of the Income Tax Act, 1961.

### **ii) Deferred tax**

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right to such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realizability.

### **iii) Minimum alternate tax**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is recognised as an asset in the balance sheet.

when there is convincing evidence that the Company will pay normal income tax during the specified period and it is probable that future economic benefit associated with it will flow to the Company.

## **3.08 Property, Plant and equipment**

a) Buildings and Roads, Plant and Equipment, Furniture and Fixtures and Vehicles held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes purchase cost of materials, including import duties and non-refundable taxes, any directly attributable costs of bringing an asset to the location and condition of its intended use and borrowing costs capitalised in accordance with the Company's accounting policy.

Depreciation is recognised so as to write off the cost of assets (other than properties under construction) less their residual values over the useful lives, using the straight-line method. Depreciation of assets commences when the assets are ready for their intended use. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes is accounted as change in estimate on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in the statement of profit and loss.

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

## **3.09 Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment (if any) losses. Amortisation is recognised over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquire separately are carried at cost less accumulated impairment losses. Estimated useful lives of the intangible assets are as follows:

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of intangible assets is recognised in the statement of profit and loss.

The Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

### **3.10 Impairment of assets**

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the Statement of Profit and Loss.

### **3.11 Inventories**

Raw materials, work-in-progress and finished products are valued at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes purchase price, non refundable taxes and duties and other directly attributable costs incurred in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Stores and spares are valued at cost comprising of purchase price, non refundable taxes and duties and other directly attributable costs after providing for obsolescence and other losses, where considered necessary.

### **3.12 Provisions, Contingent liabilities and Contingent assets**

#### **03.12.01 Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are not discounted to their present value are measured at the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

#### **03.12.02 Contingent liabilities and assets**

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised. In the normal course of business, contingent liabilities may arise from litigation and other claims against the company. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

### **3.13 Foreign exchange gain and losses**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

### **3.14 Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, Cash and cash equivalents includes cash on hand and short term deposits

with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **3.15 Trade and other payables**

These amounts represent liabilities for goods and services received by the Company prior to the end of reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.

### **3.16 Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are expensed in the period in which they are incurred.

### **3.17 Earnings per share**

Basic earnings per share is computed by dividing the profit after tax before other comprehensive income by the weighted average number of equity shares outstanding during the financial year. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year.



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

(Amount in ₹)

4	Property, Plant & Equipment	Land	Plant & Machinery (20 Years)	Plant & Machinery (15 Years)	Factory Shed & Building	Furniture & Fixtures	Office Equipments	Computers & Peripherals	Motor Vehicle	Motor Cycle	Total Tangible Assets
	<b>Cost or Deemed Cost</b>										
	Balance at April 1, 2017	149,200,000	58,613,998	592,400	78,602,002	10,570,870	2,252,217	1,359,226	12,260,203	340,189	313,791,105
	Additions	-	13,433,291	12,448	236,498	771,802	95,763	1,027,673	1,083,850	-	16,661,325
	Revaluation	-	-	-	-	-	-	-	-	-	-
	Disposals	-	-	-	-	-	-	-	-	-	-
	<b>Balance at March 31, 2018</b>	149,200,000	72,047,289	604,848	78,838,500	11,342,672	2,347,980	2,386,899	13,344,053	340,189	330,452,430
	Additions	-	1,069,208	-	5,178,938	499,039	649,235	421,554	706,000	450,990	8,974,964
	Disposals	-	-	-	-	-	-	-	-	-	-
	<b>Balance at March 31, 2019</b>	149,200,000	73,116,497	604,848	84,017,438	11,841,711	2,997,215	2,808,453	14,050,053	791,179	339,427,394
	<b>Accumulated Depreciation</b>										
	Balance at April 1, 2017	-	25,858,652	205,704	9,002,002	8,875,480	1,965,405	1,054,416	7,880,257	124,336	54,966,252
	Depreciation expenses	-	3,054,644	11,282	2,531,913	170,933	43,022	403,125	1,085,005	41,251	7,341,175
	Disposals	-	-	-	-	-	-	-	-	-	-
	<b>Balance at March 31, 2018</b>	-	28,913,296	216,986	11,533,915	9,046,413	2,008,427	1,457,541	8,965,262	165,587	62,307,427
	Depreciation expenses	-	3,878,087	54,855	1,319,121	283,788	122,188	824,424	944,990	65,786	7,493,239
	Disposals	-	-	-	-	-	-	-	-	-	-
	<b>Balance at March 31, 2019</b>	-	32,791,383	271,841	12,853,036	9,330,201	2,130,615	2,281,965	9,910,252	231,373	69,800,666
	Carrying Amount										
	Balance at April 1, 2017	149,200,000	32,755,346	386,696	69,600,000	1,695,390	286,812	304,810	4,379,946	215,823	258,824,823
	Additions	-	13,433,292	12,448	236,498	771,802.00	95,763	1,027,674	1,083,850	-	16,661,327
	Disposals	-	-	-	-	-	-	-	-	-	-
	Depreciation	-	3,054,644	11,282	2,531,913	170,933	43,022	403,125	1,085,005	41,251	7,341,175
	<b>Balance at March 31, 2018</b>	149,200,000	43,133,994	387,862	67,304,585	2,296,259	339,553	929,359	4,378,791	174,572	268,144,975
	Additions	-	1,069,208	-	5,178,935	499,039.	649,235	421,554	706,000	450,990	8,974,961
	Depreciation adjustment for revalued assets				(1,442,252)						1,442,252
	Disposals	-	-	-	-	-	-	-	-	-	-
	Depreciation	-	2,435,835	54,855	2,761,373	283,788	122,188	824,424	944,990	65,786	7,493,239
	<b>Balance at March 31, 2019</b>	149,200,000	41,767,367	333,007	68,279,895	2,511,510	866,600	526,489	4,139,801	559,776	268,184,445



(Amount in ₹)

5. Other: Financial Assets ( at amortised cost)	31st March, 2019	31st March, 2018
<b>( Unsecured , Considered good unless state otherwise )</b>		
Investment in Gold Bond	636,600	-
Balances With Bank in Recurring Deposit Accounts (Balance with KVB Bank Burrabazar Branch including Accrued Interest)	-	17,578,533
	<b>636,600</b>	<b>17,578,533</b>

(Amount in ₹)

6. Other Non Current Assets	31st March, 2019	31st March, 2018
<b>( Unsecured , Considered good unless state otherwise )</b>		
Other Advance	4,573,044	4,573,044
	<b>4,573,044</b>	<b>4,573,044</b>

(Amount in ₹)

7. Inventories	31st March, 2019	31st March, 2018
( At lower of cost and net realisable value )		
(a) Raw Materials (At lower of Cost and Net Realisable Value)	13,069,007	56,305,552
(b) Finished Goods (At lower of Cost and Net Realisable Value)	28,07,14,488	317,127,716
(c) Stores and Spares (At cost less write off for obsolescence)	21,542,600	7,184,211
	<b>315,326,095</b>	<b>380,617,479</b>

1. The mode of valuation of Inventory stated in note no.3.11

2. For details of carrying amount of inventories pledged as security for secured borrowings refer **note 17**.

(Amount in ₹)

8. Trade receivables	31st March, 2019	31st March, 2018
Outstanding for a period exceeding six months from due date of payment		
-Secured , considered good,	-	-
-Unsecured , considered good	102,579,602	92,944,986
	<b>102,579,602</b>	<b>92,944,986</b>
Other Receivables		
-Secured, Considered good	-	-
-Unsecured, Considered good	571,671,951	681,596,560
	<b>571,671,951</b>	<b>681,596,560</b>
Allowance for doubtful debts	-	-
	<b>674,251,554</b>	<b>774,541,54</b>

(a) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

(b) Trade receivables are pledged on pari passu first charge against working capital demand loans from Karur Vysya Bank refer **note 17**.



(Amount in ₹)

9. Cash and Cash Equivalents	31st March, 2019	31st March, 2018
<b>Cash and Cash Equivalent</b>		
Balance with Bank		
-On Current Accounts	20,404,722	570,714
- Cheques/Drafts on Hand	-	-
Cash In Hand	1,378,861	1,227,385
	<b>21,783,583</b>	<b>1,798,099</b>

(Amount in ₹)

10. Other Bank balances	31st March, 2019	31st March, 2018
<b>On Short Term Deposit including interest accrued</b> (Term deposit including Accrued Interest with KVB Bank Burrabazar Branch)	67,124,334	62,472,936
	<b>67,124,334</b>	<b>62,472,936</b>

(Amount in ₹)

11. Loans and Deposits	31st March, 2019	31st March, 2018
<b>Other Financial Assets</b>		
<b>Used, considered good :</b>		
<b>Inter Corporate Advances</b>		
- Related Parties	-	-
- Others	1,977,673	1,456,768
Advances to Others	1,436,660	236,002
	<b>3,414,333</b>	<b>1,692,770</b>

(Amount in ₹)

12. Other Current Assets:	31st March, 2019	31st March, 2018
<b>Other non financial assets</b> (Unsecured, considered good unless stated otherwise)		
<b>Advance other than Capital Advances</b>		
Other Advances	51,488,596	5,665,918
<b>Balances with Government Dept:</b>		
-Exise/VAT/CST/GST	36,951,269	17,637,377
-Income Tax	1,543,460	979,342
	<b>89,983,325</b>	<b>24,282,637</b>

(Amount in ₹)

13. SHARE CAPITAL	31st March, 2019	31st March, 2018
<b>Authorised</b>		
22,000,000 Equity shares of Rs.10 each	<b>220,000,000</b>	<b>220,000,000</b>
<b>Issued, Subscribed and Paid up</b>		
20,853,750 Equity Shares of Rs. 10/- each fully paid up	208,537,500	208,537,500
	<b>208,537,500</b>	<b>208,537,500</b>





Note :-

(Amount in ₹)

1. Reconciliation of the number of Equity Shares Outstanding	31st March, 2019	31st March, 2018
Number of Equity Shares Outstanding at the beginning of the year	20,853,750	20,853,750
Number of Equity Shares Outstanding at the end of the year	20,853,750	20,853,750

(Amount in ₹)

2. Shares held by each shareholders holding more than 5% Shares			
Name of shareholders	No. of Shares	%	No. of Shares
Mukesh Goel	1,994,850	9.57%	1,994,850
Manoj Goel	1,716,900	8.23%	1,716,900
Maina Securities Pvt Ltd	4,740,000	22.73%	4,740,000
Pratik Suppliers Pvt Ltd	4,128,000	19.80%	4,128,000

### 3. Terms/rights attached to Equity Shares

- The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of one equity share is entitled to one vote per share.
- In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts in proportion to their shareholding.
- No Equity shares have been reserved for issue under options and contracts/commitments for the sale of shares / disinvestment as at the Balance Sheet date.

(Amount in ₹)

14. Statement of Changes in Equity		
A. Equity Share Capital		
Issued, subscribed and paid up Number of Shares Value (Rs.)	No of Shares	Value (Rs.)
Equity Shares of Rs. 10 each		
<b>On April 1, 2017</b>	20,853,750	208,537,500
Equity share capital issued during the year	-	-
<b>Balance at March 31, 2018</b>	20,853,750	208,537,500
Equity share capital issued during the year	-	-
<b>Balance at March 31, 2019</b>	<b>20,853,750</b>	<b>208,537,500</b>

(Amount in ₹)

Particulars	Security Premium Reserve	Revaluation Reserve	General Reserve	Retained Earning	Other Comprehensive Income	Total
<b>Balance as at 31st March,2017</b>	<b>145,867,500</b>	<b>189,535,492</b>	<b>3,600,000</b>	<b>56,454,648</b>	<b>(146,611)</b>	<b>395,311,029</b>
Dividend Paid	-	-	-	-	-	-
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	(206,362)	(206,362)
Adjustment in Reserve for depreciation on revalued asset	-	(1,416,557)	-	1,416,557	-	-
Equity Instrument through other comprehensive income	-	-	-	-	-	-
Profit for the year	-	-	-	13,271,795	-	13,271,795
<b>Balance as at 31 March,2018</b>	<b>145,867,500</b>	<b>188,118,935</b>	<b>3,600,000</b>	<b>71,143,000</b>	<b>(352,973)</b>	<b>408,376,462</b>



Particulars	Security Premium Reserve	Revaluation Reserve	General Reserve	Retained Earning	Other Comprehensive Income	Total
Dividend Paid	-	-	-	-	-	-
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	739,993	739,993
Adjustment in Reserve for depreciation on revalued asset	-	(1,442,252)	-	-	-	(1,442,252)
Equity Instrument through other comprehensive income	-	-	-	-	-	-
Profit for the year	-	-	-	27,994,605	-	27,994,605
<b>Balance as at 31 March, 2019</b>	<b>145,867,500</b>	<b>186,676,683</b>	<b>3,600,000</b>	<b>99,137,605</b>	<b>387,020</b>	<b>435,668,808</b>

(Amount in ₹)

15. Borrowings	31st March, 2019	31st March, 2018
Secured:-		
Unsecured:-		
Loan from other Parties	9,698,746	42,438,659
Loan from Related Parties	-	-
	<b>9,698,746</b>	<b>42,438,659</b>

(Amount in ₹)

16. Provisions	31st March, 2019	31st March, 2018
Employee Benefits (Gratuity)	1,975,718	1,991,840
	<b>1,975,718</b>	<b>1,991,840</b>

(Amount in ₹)

17. Borrowings	31st March, 2019	31st March, 2018
Short term Borrowings:		
From Bank :-		
Secured		
Working Capital Loan from banks		
Cash Credit	444,730,025	356,634,911
	<b>444,730,025</b>	<b>356,634,911</b>



a) Cash credit facility (working capital loan) is payable on demand and effective interest rate of cash credit facility is 10.65% P.A. Working capital demand loans from bank is secured by hypothecation of movable raw material, stores and spares, book debts and other current assets. properties, finished Goods, semi Finished Goods.

(Amount in ₹)

18. Trade payables	31st March, 2019	31st March, 2018
a) Total outstanding dues of micro enterprises and small enterprises	-	-
b) Others		
i) Creditors for supply and service	299,464,251	420,640,339
	<b>299,464,251</b>	<b>420,640,339</b>

(Amount in ₹)

19. Other Financial Liabilities(at amortised cost)	31st March, 2019	31st March, 2018
Current Maturities of long term debts	-	941,739
Other Liabilities	-	71,106,904
	-	<b>72,048,643</b>

(Amount in ₹)

20. Other Current Liabilities	31st March, 2019	31st March, 2018
<b>Other Non Financial Liabilities</b>		
Other Current Liabilities	16,647,974	7,139,375
	<b>16,647,974</b>	<b>7,139,375</b>

(Amount in ₹)

21. Provisions	31st March, 2019	31st March, 2018
Employee Benefits (Gratuity)	53,578	53,758
Provision for Tax:		
Income Tax	17,921,415	6,912,235
	<b>17,974,993</b>	<b>6,965,993</b>

(Amount in ₹)

22. Revenue from operations	31st March, 2019	31st March, 2018
Sale of products	3,529,923,869	3,845,131,046
	<b>3,529,923,869</b>	<b>3,845,131,046</b>

(Amount in ₹)

23. Other income	31st March, 2019	31st March, 2018
Interest Income :		
- Bank	5,364,947	5,900,505
Discount Received	1,494,745	-
	<b>6,859,692</b>	<b>5,900,505</b>

(Amount in ₹)

24. Cost of Materials Purchased	31st March, 2019	31st March, 2018
Purchase	3,188,096,853	3,605,432,319
	<b>3,188,096,853</b>	<b>3,605,432,319</b>



(Amount in ₹)

25. Changes in Inventories of Finished Goods & Work-in-Progress	31st March, 2019	31st March, 2018
<b>Opening Stock</b>		
Finished Goods	380,617,479	350,739,147
	<b>380,617,479</b>	<b>350,739,147</b>
<b>Closing Stock</b>		
Finished Goods	293,783,495	373,433,268
	<b>293,783,495</b>	<b>373,433,268</b>
	<b>86,833,984</b>	<b>(22,694,121)</b>

(Amount in ₹)

26. Employee benefits expense	31st March, 2019	31st March, 2018
Salaries, Wages, Bonus and Allowances	14,920,323	11,748,774
Directors Remuneration & Sitting Fees	1,773,387	1,258,000
Contribution to Provident, Gratuity and other funds	1,357,974	1,246,960
Staff Welfare Expenses	1,177,187	803,802
	<b>19,228,871</b>	<b>15,057,536</b>

(Amount in ₹)

27. Finance costs	31st March, 2019	31st March, 2018
Interest Expenses		
Banks	49,932,144	47,295,345
Bank Charges and ancillary borrowing Cost	6,944,233	-
	<b>56,876,377</b>	<b>47,295,345</b>

(Amount in ₹)

28. Other Expenses	31st March, 2019	31st March, 2018
<b>Direct Expenses</b>		
Carriage Inward	23,350,581	76,521,010
Consumption of Stores and Spares	30,560,856	4,946,277
Electricity charges	47,628,009	42,122,084
Vehicle Maintenance	49,000	147,470
Labour Charges including loading & unloading charges	1,865,560	875,690
Security Expenses	859,316	760,515
Wastage and Handling Loss	-	488,952
Production & Supervision Charges	3,616,139	-
<b>Administrative Expenses</b>		
Auditors Remuneration:		
Audit Fee	275,000	275,000
Tax Audit	75,000	75,000
Advertisement Expense	130,290	78,667
Carriage-Out-Ward	4,474,149	27,233,016



Communication Cost	236,686	282,856
Computer Expenses	67,503	272,400
Discount Allowed	2,021	512,163
Filing fees	58,200	24,245
General Expenses	884,437	447,629
Insurance	101,625	434,892
Listing Expenses & Custodian Fees	400,000	465,000
Legal & Professional Fees	2,430,885	1,747,527
Import Expenses	7,414,750	6,591,265
Car Maintenance	255,328	811,411
Other Expense	103,377	2,658,905
Postage & Courier	20,131	19,152
Printing & Stationery	663,793	403,538
Rates & Taxes	476,066	52,589
Interest & Penalty on Statutory Dues	1,038,737	689,890
Rent including lease rent	-	2,452,062
Repair & Maintenance	1,879,256	1,591,717
Selling & Distribution Expenses	230,000	807,475
Subscription & Donation	433,974	564,610
Foreign exchange fluctuation loss	2,154,526	764,025
Travelling & Conveyance	1,989,319	1,194,336
Sundries Balance Written Off	1,875,119	-
	<b>135,599,633</b>	<b>176,311,368</b>

(Amount in ₹)

<b>29 (i) Income tax recognised in profit or loss :</b>	<b>31st March, 2019</b>	<b>31st March, 2018</b>
Current Tax		
- In respect of current year	150,090,00	6,772,512
- In respect of prior year	-	613,298
Deferred Tax in respect of current year	(349,000)	163,0324
<b>Total Income tax recognised in the current year</b>	<b>14,660,000</b>	<b>9,016,134</b>

(Amount in ₹)

<b>29(ii) Income tax recognised in other comprehensive income:</b>	<b>31st March, 2019</b>	<b>31st March, 2018</b>
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligations	1,104,466	(308,293)
Total income tax recognised in other comprehensive income	364,473	101,931
Comprehensive Income Net of Tax	<b>739,993</b>	<b>(206,362)</b>



(Amount in ₹)

30. Related Party Disclosure	Nature of Transaction	Amount of Transaction	Balance as at 31st March, 2019 Dr. / (Cr.)
Key Managerial Persons	Director Remuneration	1,766,387	(1,129,778)
	Sitting Fees	198,000	108,000
Relatives of KMP	Transactions on Current Account	Nil	Nil
	Transactions on Current Account	Nil	Nil
	Transactions on Current Account	Nil	Nil
Company in which KMP / Relatives of KMP can exercise significant influence	Sales of Goods	160,225,975	751,767,03
	Purchases of Goods	255,411,563	465,378
	Short Term Advances given/taken	Nil	Nil

**Related Parties:**

Description of relationship	Names of related parties
Ultimate Holding Company	Nil
Holding Company	Nil
Subsidiaries	Nil
Fellow Subsidiaries (to be given only if there are transactions)	Nil
Associates	Nil
Key Management Personnel (KMP)	Manoj Goel, Director Mukesh Goel, Managing Director Sudhir Kumar Budhia, Director Mukesh Agarwal, Director Preetee Agarwal, Director Nilu Nigania, Director Babita Kaur Bagga, Director Vijay Srivastava, Director
Relatives of KMP	Maina Devi Goel Monika Goel Rashmi Goel Manoj Goel HUF Mukesh Goel HUF Sita Ram Goyal Sita Ram Goyal HUF
Company in which KMP / Relatives of KMP can exercise significant influence	Aanchal Collection Limited Aanchal Cement Ltd Aanchal Iron & Steels Pvt Ltd Jaya Rice Mills Pvt Ltd Kalayani Rice Mills Pvt Ltd Penguin Creation Pvt Ltd Pratik Suppliers Pvt Ltd



(Amount in ₹)

31.Contingent Liability/commitment to the extent not provided for			As at 31st March, 2019	As at 31st March, 2018
(A) Contingent Liabilities				
(i) Unexpired Bank Guarantees			Rs. 5,700,000/-	Rs. 5,700,000/-
(ii) Claims against the company not acknowledged as debts				
Issuing Authority	Period	Action taken by the company		
Commissioner of Central Excise, Haldia, Commissionerate	FY 2007-08	Appeal filed by the company on 13.07.2012 before Customs Excise Service Tax Tribunal (The company has already deposited Rs. 2,500,000/-)	Rs. 7,986,754/-	Rs. 7,986,754/-
Demand Notice u/s 156 of the IT Act, 1961 raised by DCIT, Circle-3(1), Kolkata	FY 2011-12	Appeal filed by the company on 16.04.2015 before CIT(A)-1, Kolkata	Rs. 19,278,200/-	Rs. 19,278,200/-
Demand Notice u/s 156 of the IT Act, 1961 raised by DCIT, Circle-3(1), Kolkata	FY 2012-13	Appeal filed by the company on 04.04.2016 before CIT(A)-1, Kolkata	Rs. 3,233,690/-	Rs. 3,233,690/-
Joint Commissioner Commercial Taxes, Howrah Circle	FY 2012-13	Appeal filed by the company on 07/12/2015 before Senior Joint Commissioner, Haora Circle (The company has already deposited Rs. 21,10,094/-)	Rs.2,52,57,225/-	Rs.2,52,57,225/-
<b>(b) Commitments</b>			Nil	Nil

**32.1 Disclosures required under Section 22 the Micro, Small and Medium Enterprises Development Act, 2006:**

The Company is in the process of identifying the suppliers, who would be covered under the Micro, Small and Medium Enterprises Development Act, 2006. In this process the Company has given notice to its vendor/suppliers to inform about whether any of them are registered under the said Act. The Company has not yet received any information about such registration from the vendors. Such information will be provided as and when confirmation is received from them.

32.2 In the opinion of the Board, the current assets have value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

(Amount in ₹)

33.Foreign Currency Transaction during the year:	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Expenditure in foreign currency	21,54,526	8,06,43,220
Earnings in foreign exchange	Nil	Nil





(Amount in ₹)

34. Deferred Tax Assets/Liability	As at 31.03.2019 Timing Difference	As at 31.03.2018 Timing Difference
Deferred Tax Liability	10,579,298	10,928,298
Less: Deferred Tax Liability b/f	10,928,298	9,399,905
Add: Ind AS Adjustment	-	101,931
Deferred Tax Provision for the year	349,000	1,630,324
Deferred Tax Provision (Prior Period)	-	-

**35: Additional Information to the Financial Statements pursuant to Companies Act, 2013 requirements :**

35.01 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

	As at 31.03.2019	As at 31.03.2018
a). Principal amount remaining unpaid to the suppliers as at the end of the accounting year	Nil	Nil
b). Interest due thereon remaining unpaid to suppliers as at the end of the accounting year	Nil	Nil
c). Interest paid in terms of Section 16 along with the amount of payments made to suppliers beyond the appointment day during the year	Nil	Nil
d). Interest due and payable for the period of delays in making payment (which have been paid beyond the appointment date during the year but without adding interest specified under the act)	Nil	Nil
e). The amount of interest accrued during the year for the year remaining unpaid at the end of the accounting year.	Nil	Nil

The information above has been compiled to the best of knowledge and as per the information available with the management to the extent to which parties would be identified as Micro, Small and Medium Enterprises and relied upon by the auditors.

35.02 There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions in Companies Act 2013, and accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 made there under.

(Amount in ₹)

37.Reconciliation of total comprehensive income for the year ended March 31, 2019	As at 31.03.2019
Profit as per previous GAAP	27,994,605
Re classification of actuarial gains/losses, arising in respect of employees post employment benefit Schemes, to other Comprehensive Income (OCI)	1,104,466
Tax Effect	(364,473)
Total effect on transition to Ind AS	739,993
<b>Total comprehensive income under Ind AS</b>	<b>28,734,598</b>

Notes 38: Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

36. Earning Per Shares												
Year Ended 31.03.2019	Continuing Operations				Discontinuing Operations				Total Operations			
	Before Extraordinary and Exceptional Items		After Extraordinary and Exceptional Items		Before Extraordinary and Exceptional Items		After Extraordinary and Exceptional Items		Before Extraordinary and Exceptional Items		After Extraordinary and Exceptional Items	
	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted
Face Value of Shares	10	10	10	10	10	10	10	10	10	10	10	10
Profit	2,87,34,598	2,87,34,598	2,87,34,598	2,87,34,598	-	-	-	-	2,87,34,598	2,87,34,598	2,87,34,598	2,87,34,598
Weighted Average No of Shares	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750
<b>EPS (Rs)</b>	<b>1.38</b>	<b>1.38</b>	<b>1.38</b>	<b>1.38</b>	-	-	-	-	<b>1.38</b>	<b>1.38</b>	<b>1.38</b>	<b>1.38</b>

Year Ended 31.03.2018	Continuing Operations				Discontinuing Operations				Total Operations			
	Before Extraordinary and Exceptional Items		After Extraordinary and Exceptional Items		Before Extraordinary and Exceptional Items		After Extraordinary and Exceptional Items		Before Extraordinary and Exceptional Items		After Extraordinary and Exceptional Items	
	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted	Basic	Diluted
Face Value of Shares	10	10	10	10	10	10	10	10	10	10	10	10
Profit	1,32,71,795	1,32,71,795	1,32,71,795	1,32,71,795	-	-	-	-	1,32,71,795	1,32,71,795	1,32,71,795	1,32,71,795
Weighted Average No of Shares	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750
<b>EPS (Rs)</b>	<b>0.63</b>	<b>0.63</b>	<b>0.63</b>	<b>0.63</b>	-	-	-	-	<b>0.63</b>	<b>0.63</b>	<b>0.63</b>	<b>0.63</b>

**Statement of Utilization of funds raised through Initial Public Offering (IPO) as on March 31, 2019 as follows:**

<b>PARTICULARS</b>	<b>AMOUNT</b> (Rs. In Lakhs)
Issue Proceeds	1600.80
Less: Issue Expenses	49.51
Net Proceeds from IPO	1551.29
Less: Utilization of IPO proceeds upto March 31, 2019	1551.29
Funds to be utilized	Nil

**Object wise details of utilization are as under:**

<b>PARTICULARS</b>	<b>PROPOSED AMT AS PER PROSPECTUS</b>	<b>AMT UTILIZED UPTO MARCH 31, 2019</b>	<b>AMT UNUTILIZED AS ON MARCH 31, 2019</b>
	<b>(Rs. In lakhs)</b>	<b>(Rs. In lakhs)</b>	<b>(Rs. In lakhs)</b>
Expansion & Modernization by upgradation and automation of our TMT bar manufacturing facilities	536.29	536.29	Nil
Additional Working Capital Requirements	1,015.00	1,015.00	Nil
Public Issue Expenses	49.51	51.10	(1.59)
<b>Total</b>	<b>1,600.80</b>	<b>1,602.29</b>	<b>(1.59)</b>

**For Aanchal Ispat Limited**

Sd/-

Nilu Nigania

Chairman of the Audit Committee

Date: 28/05/2019



## NOTICE TO THE MEMBERS OF THE COMPANY

NOTICE is hereby given that the 24th Annual General Meeting (AGM) of the Members of Aanchal Ispat Limited will be held as scheduled below:

Day : Monday  
Date: 30th Day of September, 2019  
Time : 11.00 A.M  
Venue : Mouza-Chamarail, National Highway-6  
Liluah, Howrah- 711114

to transact the following business:

### ORDINARY BUSINESS

1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2019, THE STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON AND THE REPORT ON SECRETARIAL AUDIT.
2. TO APPOINT A DIRECTOR IN PLACE OF MR. VIJAY SRIVASTAVA (DIN: 03618949), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT
3. TO RATIFY APPOINTMENT OF M/S. RAJ CHANDRA & ASSOCIATES AS STATUTORY AUDITORS AND TO FIX THEIR REMUNERATION AND IN THIS REGARD, TO CONSIDER AND IF THOUGHT FIT TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, (including any statutory modifications or re-enactment thereof, for the time being in force) and pursuant to the resolution passed by Members at the 21st Annual General Meeting appointing M/s. Raj Chandra & Associates, Chartered Accountants, Kolkata (Firm Registration No.: 326312E), as the Statutory Auditors of the Company to hold office until the conclusion of the 26th Annual General Meeting to be held in the year 2021, the Company hereby ratifies and confirms the appointment of M/s. Raj Chandra & Associates, as Statutory Auditors of the Company for the financial year ending 31st March, 2020 on such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

### SPECIAL BUSINESS

4. REGULARIZATION OF MS. BABITA KAUR BAGGA (DIN:08022280) AS THE INDEPENDENT DIRECTOR

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, including any amendment, modification, variation or re-enactment thereof for the time being in force, Ms. Babita Kaur Bagga (DIN:08022280), who was appointed as an Additional Director (Independent) pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) years effective from the date of appointment by the Board and who is not liable to retire by rotation.

“RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and is hereby authorized to file necessary forms with ROC West Bengal and to do such other acts, deeds and things as may be considered necessary in connection with the above appointment.”

5. RATIFICATION OF REMUNERATION PAYABLE TO M/S A.S ASSOCIATES, THE COST AUDITOR OF THE COMPANY FOR THE FINANCIAL YEAR 2019-2020

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any of the Companies Act, 2013 and



rules made there under (including any statutory modification(s) or re-enactment thereof) and subject to applicable notification or circular as may be issued by the Ministry of Corporate Affairs (MCA) in this regard, the remuneration of Rs. 30,000/- plus applicable GST and reimbursement of out of pocket expenses as recommended by the Audit Committee and approved by the Board of Directors to be paid to M/s. A. S & Associates, Cost Accountants, Cost Auditor (Registration No. 000523) of the Company for the Financial Year 2018-2019, be and is hereby ratified, confirmed and approved.”

**“RESOLVED FURTHER THAT** any of the Directors or Company Secretary of the Company be and is hereby authorized to file necessary forms with ROC West Bengal and to do such other acts, deeds and things as may be considered necessary in connection with the above appointment.”

**6. REAPPOINTMENT OF MR. MUKESH GOEL (DIN: 00555061) AS THE MANAGING DIRECTOR OF THE COMPANY**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, as amended from time to time thereto and the Articles of Association of the Company, this meeting hereby approves the reappointment of Mr. Mukesh Goel (DIN: 00555061) as Managing Director of the Company, whose office will be not be liable to determination by retirement by rotation, for a period of five years from 12th August, 2019 to 11th August, 2024 on such remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

**“RESOLVED FURTHER THAT** any Director or the Company Secretary of the Company be and are hereby authorised to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution.”

**7. RE-APPOINTMENT OF MR. MUKESH AGARWAL (DIN: 06954595) AS AN INDEPENDENT DIRECTOR FOR A SECOND TERM OF FIVE CONSECUTIVE YEARS.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Mukesh Agarwal (DIN: 06954595), who was appointed as an Independent Director of the Company for a term of five years up to August, 31,2019 by the members in terms of Section 149 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a second term of five consecutive years commencing from September 1, 2019 up to August 31, 2024, not liable to retire by rotation.”

**“RESOLVED FURTHER THAT** any Director or the Company Secretary of the Company be and are hereby authorised to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution.”

For Aanchal Ispat Limited

Sd/-

Neha Sharma  
Company Secretary  
(ACS- 52532)

Date :14th day of August, 2019

Place : Howrah



## NOTES

1. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LATER THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS/AUTHORITY, AS APPLICABLE.**
3. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
4. The register of members and share transfer books of the Company will remain closed from Monday, September 23, 2019 to Monday, September 30th, 2019 (both days inclusive), in terms of the provisions of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges, where the equity shares of the Company are listed, for the purpose of Annual General Meeting.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
6. The Non-Resident Indian Shareholders are requested to inform the Company immediately about:
  - a. The change in residential status on return to India, for permanent settlement.
  - b. The particulars of NRO Bank Account in India, if not furnished earlier.
7. The change in address, nomination, etc, if any, to be effective must reach to the Registrar & Transfer Agent or the Registered Office of the Company by 23rd September, 2019 (relevant forms for nomination and updation of Shareholders information are enclosed at the end of Annual Report.
8. Members seeking any further clarification /information relating to the Annual Financial Statements are requested to write at the Registered Office of the Company at least one week before the date of the meeting i.e on or before 23rd September, 2019 to enable the management to keep the information ready at the meeting.
9. 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 at the Meeting.
10. The Companies Act, 2013 and SEBI Listing Regulations permits Companies to send soft copies of the Annual Report to all the shareholders who have registered their email address with the Company/depository participant(s). To support this green initiative the shareholders holding shares both in physical/demat form are requested to register/update their email address with the company/ depository participant(s). Accordingly, the Annual Report for the financial year ended 31st March, 2019, Notice for Annual General Meeting are being sent in electronic mode to those shareholders who have registered their e-mail address with the Company/ depository participant(s). For the shareholders who have not opted for the above, the same are being sent in physical form.
11. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
12. The Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act is available for inspection by the Members at the Registered Office on all working days except on Sundays, during business hours of the Company and the same will be open for inspection at the AGM.
13. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
14. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44(1) of SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).



15. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date on Monday, 23rd September, 2019 and as per the Register of Members of the Company.
16. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice of Annual General Meeting and holding shares as on the cut-off date, i.e., Monday, September 23, 2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
17. Voting at AGM: the facility of voting through Ballot paper will also be made available at the AGM and the Members, who have not cast their vote through remote e-voting, shall be able to exercise their voting rights at the AGM through the Ballot Paper. Members, who have cast their vote through remote e- voting prior to the AGM, may attend the AGM but shall not be entitled to cast their votes again.
18. The remote e-voting period commences on 27th September, 2019 (9:00 am IST) and ends on 29th September, 2019 (5:00 pm IST). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
19. Abridged and full version of the Annual Reports will also be available under the Investor section on the website of the Company:[www.aanchalispac.com](http://www.aanchalispac.com)
20. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

#### 21. **Updation of Members' Details:**

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the companies Act, 2013 requires the Company/ Registrars and Transfer Agents to record additional details of Members, including their Permanent Account Number details ("PAN"), email address, bank details for payment of dividend, etc. Further, the Securities and Exchange Board of India ("SEBI") has mandated the submission of PAN by every participant in the securities market.

A form for capturing the above details is appended to this Notice. Members holding shares in physical form are requested to submit the filled in form to the Company or its Registrars and Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective Depository Participant.

#### 22. **E- Voting :**

##### **I. The process and manner for remote e-voting are as under:**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

##### **Details on Step 1 is mentioned below:**

##### **How to Log-into NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following **URL: <https://www.evoting.nsdl.com/>** either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.





4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.



5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request [atevoting@nsdl.co.in](mailto:atevoting@nsdl.co.in).
4. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2018.
5. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 23rd September, 2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/ RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

6. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through Ballot Paper.
7. Ms. Manisha Saraf, Practicing Company Secretary (Membership No. 7607, C.P No.8207) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
8. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
9. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
10. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company i.e [www.aanchalispac.com](http://www.aanchalispac.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

Date :14th day of August , 2019  
Place : Howrah

For Aanchal Ispat Limited  
Sd/-  
Neha Sharma  
Company Secretary  
(ACS)- 52532



## Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, (The Act)

### Item No.4

Ms. Babita Kaur Bagga (DIN-08022280) was appointed as an Additional Non Executive Independent Director w.e.f. 14th November, 2018 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. Nomination and Remuneration Committee has recommended regularization of Ms. Babita Kaur Bagga as an Independent Non Executive Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013, She has furnished declarations to the Company under Section 149(7) of the Companies Act, 2013, confirming that she meets the criteria prescribed for independent directors under Section 149(6) of the said Act.

In the opinion of the Board she is a person of integrity, possesses the relevant expertise and experience, fulfils the conditions specified in the said Act and the rules made there under and is independent of the management of the Company. In terms of Section 149 of the Companies Act, 2013, an independent director shall hold office for two terms of up to 5 consecutive years each on the board of a company, but shall be eligible for re-appointment on passing of an Ordinary resolution by the company and disclosure of the same in the Directors' report. Further, in terms of Section 149(13) of the said Act, independent directors are not liable to retire by rotation.

Accordingly, the Board on recommendation of the Nomination & Remuneration Committee proposes to appoint Ms. Babita Kaur Bagga as Independent Directors of the Company for a period of 5 years with effect from November, 14, 2018, as set out at Item Nos. 4 of this Notice. Upon the confirmation of the appointment of Ms. Babita Kaur Bagga as Independent Directors by the Members of the Company, the appointment shall be formalised by the issue of a letter of appointment by the Company to her.

Except Ms. Babita Kaur Bagga, the appointee none of the Directors or Key managerial Personnel and their relatives, are concerned or interested (financially or otherwise), in the resolution.

The Board commends the **Ordinary Resolution** set out at Item No. 4 for the approval of Members.

### Item No.5

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. A. S & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors or Key managerial Personnel and their relatives, are concerned or interested (financially or otherwise), in the resolution.

The Board commends the **Ordinary Resolution** set out at Item No. 5 for the approval of Members.

### Item No. 6

Mr. Mukesh Goel, aged 41 years is presently designated as Managing Director of the Company. He is a Commerce Graduate from University of Calcutta. He has been affiliated with the Company as a member of the Board of Directors since 2009 and from then the Company has been taking the advantage of his guidance and supervision the Company is growing its turnover on continuous basis and posting net profits. Because of his sustained efforts, the Company has sustained a growth pattern and has achieved success in creating a brand image in the Iron & Steel Industry. He has wholesome exposure on all aspects of business of the Company and is engaged in supervision & conduct of business of all the areas of Company, along with a team of senior management personnel, who assist him in carrying out his activities, subject to the overall supervision & control of the Board.

The Board of Directors of the Company in its meeting held on 28th May, 2019 approved the re-appointment of Mr. Mukesh Goel as the Managing Director of the company, as recommended by the Nomination and Remuneration Committee in its meeting held on 28th May, 2019 along with a remuneration as agreed by the Board with subject to approval of shareholders in General Meeting w.e.f. August 12, 2019 in terms of Section 197, 198, Schedule V and any other applicable provisions of the Companies Act, 2013, at the terms and conditions as set out below:



SI No.	Particulars	Description
1.	Salary	Rs 15,00,000/- per annum (Rs. 1,25,000 p.m) (Minimum) Rs.21,00,000/ per annum (Rs. 1,75,000 p.m) (Maximum)
2.	Entertainment Allowance	Reimbursement of Rs 1,20,000/- p.a. inclusive of entrance fees/subscription fees etc. for two clubs
3.	Subscription to Newspapers/Journals	As may be required by the MD.
4.	Gratuity	Gratuity payable shall be in accordance with the provisions of payment of Gratuity Act, 1972
5.	Medical Aid	Medical Aid: Reimbursement of Medical Expenses for self and dependent family upto Rs. 1,00,000 p.a. on declaration basis
		Hospitalisation Scheme-Reimbursement of hospitalization charges to the extent of 100% in the case of MD and his dependent family members. OR Health Insurance Floater Policy for self and family dependents for Rs 20 Lacs.
6.	Personal Accident Insurance Cover	Personal Accident Insurance Cover upto Rs 20,00,000/- for journey by Air/Road/Rail for official purposes

The above remuneration is subject to condition that:

a. the total remuneration payable in any financial year by way of salary, perquisites, commission and other allowances shall not exceed the overall limit of five percent (5%) of the net profits of the Company as applicable to each of the Managing/Whole time Directors of the Company and/or ten percent (10%) of the net profits of the Company for all Managing/ Whole-time Directors in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V including any statutory amendments, modifications or re-enactment thereof, as may be made thereto and for the time being in force or;

b. if the Remuneration exceeds the limits as prescribed in the provisions of Section 197, 198 of the Companies Act, 2013, the remuneration payable shall be within the maximum permissible limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 without obtaining the approval of the Central Government in case of no profits/inadequate profits.

Except Mr. Mukesh Goel, himself, none other Directors or Key managerial Personnel and their relatives, are concerned or interested (financially or otherwise), in the resolution.

Therefore, the Board of Directors of your Company recommends the passing of **Special Resolution** as set out at Item No. 06 of the Notice.

#### Item No. 7

Mr. Mukesh Agarwal (DIN: 06954595) was appointed as an Additional Director on the Board of the Company on 1st September, 2014. Members of the Company at the Extra-Ordinary General Meeting held on 1st September, 2014 approved the appointment of Mr. Mukesh Agarwal (DIN: 06954595) as an Independent Director for a period of 5 years up to August, 31, 2019. As per the provisions of Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment, for another term of upto five years, on passing of a special resolution by shareholders. Mr. Mukesh Agarwal, has given declaration that he is not disqualified from being reappointed as an Independent Director in terms of Section 164 of the Act, declaration that he meets with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI Listing Regulations and his consent to continue as an Independent Director. The resolutions set-forth in Item No. 7 seek the approval of members for continuance of Directorship of Mr. Mukesh Agarwal, as a Non- Executive Independent Director of the Company and for re-appointment as an Independent Director of the Company commencing from 1st September, 2019 up to 31st August, 2024 in terms of Section 149 and other applicable provisions of the Act and Rules made there under. He is not liable to retire by rotation. In the opinion of the Board, Mr. Mukesh Agarwal fulfills the conditions for his re-appointment as an Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management.

Except Mr. Mukesh Agarwal, himself, none other Directors or Key managerial Personnel and their relatives, are concerned or interested (financially or otherwise), in the resolution.

Therefore, the Board of Directors of your Company recommends the passing of **Special Resolution** as set out at Item No. 07 of the Notice.



**Information of Director to be appointed and the Director seeking re-appointment at the forthcoming Annual General Meeting pursuant to Secretarial Standard 2 issued by ICSI and Regulation 36(3) of Securities & Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 as on the date of Notice.**

<b>Name of the Director</b>	<b>Mr. Mukesh Goel</b>	<b>Mr. Vijay Srivastava</b>	<b>Mr. Mukesh Agarwal</b>	<b>Ms. Babita Kaur Bagga</b>
<b>Directors Identification Number (DIN)</b>	00555061	03618949	06954595	08022280
<b>Date of Birth</b>	01/10/1977	18/10/1970	20/04/1972	18/05/1990
<b>Original date of appointment</b>	August 12, 2014	August 14, 2018	September 1, 2014	November 14, 2018
<b>Qualifications</b>	Mr. Mukesh Goel, 41 years, is Promoter-Managing Director of our Company. He has done Bachelors in Commerce from Calcutta University.	Mr. Vijay Srivastava, 48 years, Executive Director of our Company, is Commerce Graduate and holding a Master degree in MCA and M. tech as well.	Mr. Mukesh Agarwal, aged 47 years, is a non-executive and independent director of our Company. He is a graduate from Calcutta University.	Ms. Babita Kaur Bagga, 28 years, Independent Director of our Company, is a graduate in Commerce, Company Secretary by profession. She is an associate member of the Institute of Company Secretaries of India.
<b>Experience and expertise in specific functional area</b>	He has experience of over 18 Years in Iron & Steel, Cement and allied industries. He started his career as iron & steel broker and was involved in trading. He also has experience in cement, women's garment retailing and whole selling. He was instrumental in the acquisition of our Company from earstwhile promoters in the year 2009. He takes care of day to day business of our Company. He provides the required strategic guidance to our Company.	He is having an experience of about 16 years in Rolling Mill Industry and Project Management. He has worked with Vishwaroopa Group and has also been Centre Manager for Aptech Computer Education & informatics. He has also been guest faculty at BIT, Meshra (Jharkand) and Government Polytechnic, Ranchi.	He is having an experience of more than a decade in the field of trading and marketing of Iron and Steel and is involved in Iron & Steel Industry itself. He helps in bringing judgement on the Board of Directors deliberations especially on issues of Finance, performance, resources, and standards of conduct.	She has an experience of over 5 years in Secretarial and Company Law matters. Currently she is a practising Company Secretary.
<b>Shareholding in Aanchal Ispat Limited</b>	1,994,850 Equity Shares	NIL	NIL	NIL
<b>Remuneration last drawn</b>	15 lacs p.a	7.20 lacs p.a	N.A	N.A
<b>Terms and conditions of re-appointment and remuneration</b>	As per the Nomination & Remuneration Policy of the Company.	As per the Nomination & Remuneration Policy of the Company.	As per the Nomination & Remuneration Policy of the Company.	As per the Nomination & Remuneration Policy of the Company.
<b>Relationship with other Directors or KMPs</b>	Brother to Mr. Manoj Goel (Non-Executive Director)	None	None	None



<b>Directorships held in other public companies in India</b>	4	1	NIL	1
<b>Membership / Chairmanship of committees in other public limited companies in India</b>	Membership – Nil Chairmanship – Nil	Membership – Nil Chairmanship – Nil	Membership – Nil Chairmanship – Nil	Membership – NIL Chairmanship – Nil

Date :14th day of August , 2019  
Place : Howrah

For Aanchal Ispat Limited  
Sd/-  
Neha Sharma  
Company Secretary  
(ACS)- 52532

**Form No. MGT-11**

**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

<b>Name of the Member(s) :</b>		
<b>Registered Address :</b>		
<b>E-mail Id :</b>	<b>Folio No /Client ID :</b>	<b>DP ID :</b>

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company. Hereby appoint

<b>Name :</b>	<b>E-mail Id:</b>
<b>Address:</b>	
<b>Signature , or failing him :</b>	

<b>Name :</b>	<b>E-mail Id:</b>
<b>Address:</b>	
<b>Signature , or failing him :</b>	

as my/ our proxy to attend and vote( on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the company, to be held on the 30th day of September at 11.00 am. at Registered Office of the company at **Mouza-Chamrail, National Highway- 6, , P.S : Liluah, Howrah – 711114** and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.**

Sl. No.	Resolution(S)	Optional*	
		For	Against
1.	To receive, consider and adopt the audited financial statements of the company for the year ended 31st march, 2019, the statement of profit and loss account for the year ended on that date together with the reports of the board of directors and auditors thereon and the report on secretarial audit;		
2.	To appoint a director in place of Mr. Vijay Srivastava ( <b>DIN: 03618949</b> ), who retires by rotation and being eligible, offers himself for re-appointment;		
3.	To ratify appointment of M/s. Raj Chandra & Associates as Statutory Auditors;		
4.	Regularization of Ms. Babita Kaur Bagga ( <b>DIN:08022280</b> ) as the Independent Director;		
5.	Ratification of remuneration payable To M/S A.S Associates, the Cost Auditor of the Company for the Financial Year 2019-2020;		
6.	Reappointment of Mr. Mukesh Goel ( <b>DIN: 00555061</b> ) as the Managing Director of the Company;		
7.	Re-Appointment Of Mr. Mukesh Agarwal ( <b>DIN: 06954595</b> ) as an Independent Director for a second term of five consecutive years.		

\* Applicable for investors holding shares in Electronic form.

Signed this \_\_\_\_ day of \_\_\_\_ 20\_\_

Affix Re. 1 Revenue Stamp
---------------------------------

Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder across Revenue Stamp

Note:

- 1) 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.
- 2) The proxy need not be a member of the company.
- 3) It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.





## AANCHAL ISPAT LIMITED

CIN: L27106WB1996PLC076866

MOUZA-CHAMARAIL, NH-6, LILUAH, HOWRAH, WB 711114

Email: [info@aanchalispac.com](mailto:info@aanchalispac.com), Tel: 03212-246121, Website: [www.aanchalispac.com](http://www.aanchalispac.com)

### ATTENDANCE SLIP

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

24th Annual General Meeting on: Monday, 30th day of September, 2019

Full name of the members attending \_\_\_\_\_  
(In block capitals)

Ledger Folio No./Client ID No. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 24th Annual General Meeting of **Aanchal Ispat Limited, at Registered Office of the Company at Mouza-Chamrail, National Highway - 6, P.S : Liluah, Howrah - 711114, on Monday, the 30th of September, 2019 at 11:00 AM**

#### (Member's /Proxy's Signature)

##### Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHTHOURS before he commencement of the meeting.
- 3) A Proxy need not be a member of the Company
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

#### ELECTRONIC VOTING PARTICULARS

Electronic Voting Sequence Number	111714
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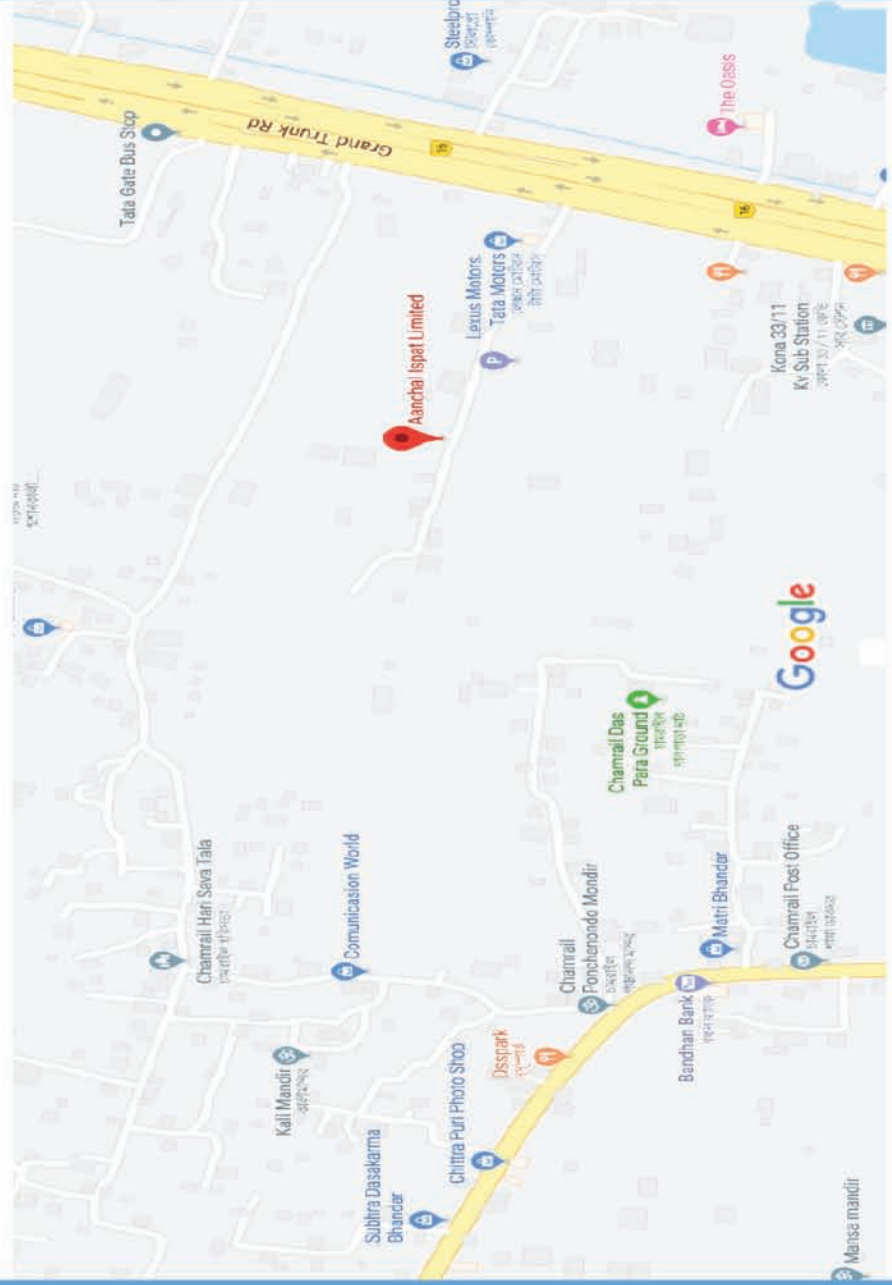


[ROUTE MAP TO THE VENUE OF THE AGM OF ANCHAL ISPAT LIMITED](#)



Aanchal Ispat Limited

ROUTE MAP TO THE VENUE OF 24TH AGM OF ANCHAL ISPAT LIMITED



# Aanchal Ispat Limited

*Registered Office*

National Highway No. 6, J.L. No. 5, Mouza Chamrail  
Howrah— 711 114 Phone No: 033 2251 0128, 033 2323 0052

CIN : L27106WB1996PLC076866

Website: [www.aanchalispac.com](http://www.aanchalispac.com)