

**IMEC/BSE/31/2019-20**

**August 31, 2019**

To,

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Rotunda Building, Dalal Street,  
Mumbai – 400 001

Dear Sir/Madam,

**Sub: Submission of Annual Report along with Notice of the 31<sup>st</sup> Annual General Meeting of the Company for the Financial Year 2018-19**

In compliance of Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report along with Notice of the 31<sup>st</sup> Annual General Meeting of IMEC Services Limited (formerly known as Ruchi Strips and Alloys Limited) to be held on Wednesday, September 25, 2019 at 3.00 P.M. at Orchid Hall, 2<sup>nd</sup> Floor, Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018 for the Financial Year 2018-19.

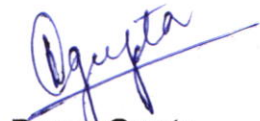
This is for the information of the Exchange and members thereof.

Thank you,

Yours truly,

**For IMEC Services Limited**

(formerly known as Ruchi Strips and Alloys Limited)



**Parag Gupta**  
Company Secretary  
M. No. A50725



Encl: a/a

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31<sup>ST</sup> ANNUAL REPORT 2018-19



**IMEC SERVICES LIMITED**  
(formerly known as Ruchi Strips and Alloys Limited)

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## CORPORATE INFORMATION

### **IMEC SERVICES LIMITED**

(formerly known as Ruchi Strips and Alloys Limited)

CIN: L74110MH1987PLC142326

<b>BOARD OF DIRECTORS</b>	<b>DESIGNATION</b>	<b>DIN</b>
Mr. Umesh Shahra	Non Executive Chairman (upto February 20, 2019)	00061312
Mr. Saket Barodia	Non Executive Director (w.e.f. February 19, 2019)	00683938
Mr. Ashutosh Mishra	Independent Director	00038320
Mr. Navin Khadelwal	Independent Director (upto July 10, 2018)	00134217
Mrs. Shivani Gupta	Independent Director (w.e.f. November 14, 2018)	08275256
Ms. Ishita Khandelwal	Independent Director (upto November 14, 2018)	06932629

#### **Chief Executive Officer**

Mr. Arvind Mishra

#### **Chief Financial Officer**

Mr. Ravi Deshmukh

(Upto July 20, 2019)

Mr. Nilesh Nagar

(w.e.f. August 8, 2019)

#### **Company Secretary**

Mr. Parag Gupta

M. No. A50725

#### **Auditors**

M/s. M.S. Singhatwadia & Co.,

Chartered Accountants

Firm R. No. 113954W

211, Trade Centre, 2nd Floor,

18, South Tukoganj, Indore

#### **Registered Office**

611, Tulsiani Chambers,

Nariman Point, Mumbai-400021

#### **Registrar & Share Transfer Agent**

Bigshare Services Private Limited

1<sup>st</sup> Floor, Bharat Tin Works Building,

Opp. Vasant Oasis, Makwana Road,

Marol, Andheri (E) Mumbai-400059

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**NOTICE** is hereby given that the 31st Annual General Meeting of the Members of IMEC Services Limited (Formerly Known as Ruchi Strips And Alloys Limited) will be held on Wednesday, September 25, 2019 at 3:00 P.M. at Orchid Hall, 2<sup>nd</sup> Floor, Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018 to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended March 31, 2019 together with the Report of Board's & Auditors thereon.
2. To consider and approve the re-appointment of Statutory Auditors of the Company to hold office for a period of five consecutive years till the conclusion of the 36<sup>th</sup> Annual General meeting of the Company 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 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modifications or any amendment or any substitution or re-enactment thereof, for the time being in force), M/s. M.S. Singhatwadia & Co., Chartered Accountants, Indore (FRN: 113954W) be and are hereby re-appointed as the Statutory Auditors of the Company for a period of five consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 36<sup>th</sup> Annual General Meeting of the Company, on a remuneration of Rs. 75,000/- (Rupees Seventy Five Thousand Only) per annum, subject to increase in the remuneration as may be approved by the Audit Committee in addition to the applicable taxes, out-of-pocket, travelling expenses, etc., if any, to be incurred by them in connection with the audit.

**RESOLVED FURTHER THAT** the Directors, Chief Executive Officer and Company Secretary of the Company be and are hereby severally authorized to file necessary forms/returns with the Registrar of Companies to give effect to the aforesaid resolution and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**SPECIAL BUSINESS:**

3. To approve the appointment of Mrs. Shivani Gupta (DIN: 08275256) as a Woman Independent Director of the Company 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 Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or any amendment or any substitution or re-enactment thereof, for the time being in force), the recommendation of the Nomination and Remuneration Committee, the Articles of Association of the Company and such other approvals as may be required, Mrs. Shivani Gupta (DIN: 08275256) who was appointed as an Additional Director of the Company pursuant to Section 161(1) of the Act with effect from November 14, 2018 to hold Office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a Member under Section 160 of the Act, proposing her candidature for the office of Director of the Company and who has given a declaration of independence under Section 149(6) of the Act, be and is hereby appointed as a Non-Executive Woman Independent Director of the Company for a period of five consecutive years with effect from November 14, 2018, not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Directors, Chief Executive Officer and Company Secretary of the Company be and are hereby severally authorized to file necessary forms/returns with the Registrar of Companies to give effect to the aforesaid resolution and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

4. To approve the appointment of Mr. Saket Barodia (DIN: 00683938) as a Non-Executive Director of the Company 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 Sections 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of

Directors) Rules, 2014 (including any statutory modifications or any amendment or any substitution or re-enactment thereof, for the time being in force), the recommendation of the Nomination and Remuneration Committee, the Articles of Association of the Company and such other approvals as may be required, Mr. Saket Barodia (DIN: 00683938) who was appointed as an Additional Director of the Company pursuant to Section 161(1) of the Act with effect from February 19, 2019 to hold Office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a Member under Section 160 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company, with effect from February 19, 2019, who shall be liable to retire by rotation in accordance with the provisions of the Act.”

**RESOLVED FURTHER THAT** the Directors, Chief Executive Officer and Company Secretary of the Company be and are hereby severally authorized to file necessary forms/returns with the Registrar of Companies to give effect to the aforesaid resolution and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

5. To approve the request received from Shashwat Trust for re-classification from Promoter & Promoter Group Category to Public Category 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 Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) the applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or any amendment or any substitution or re-enactment thereof, for the time being in force) and subject to the approval of BSE Limited and/or such other approval, if any, as may be required, the consent of the Members of the Company be and is hereby accorded to reclassify 'Shashwat Trust' holding 28,80,000 equity shares of the Company from the existing 'Promoter & Promoter Group Category' to 'Public Shareholder Category'.

**RESOLVED FURTHER THAT** that the Promoter seeking re-classification from the existing 'Promoter & Promoter Group Category' to 'Public Shareholder Category', shall continue to comply with the conditions

as specified under Regulation 31A of the Listing Regulations for a period of not less than three years from the date of such re-classification.

**RESOLVED FURTHER THAT** the Directors, Chief Executive Officer and Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

6. To approve the request received from Mr. Suyash Shahra for removal of his name from Promoter & Promoter Group Category 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 Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or any amendment or any substitution or re-enactment thereof, for the time being in force) and subject to the approval of BSE Limited and/or such other approval, if any, as may be required, the consent of the Members of the Company be and is hereby accorded for removal of name of Mr. Suyash Shahra holding Nil (Zero) equity share of the Company from the existing 'Promoter & Promoter Group Category'.

**RESOLVED FURTHER THAT** that the Promoter seeking removal of his name from the existing 'Promoter & Promoter Group Category', shall continue to comply with the conditions as specified under Regulation 31A of the Listing Regulations for a period of not less than three years from the date of such re-classification.

**RESOLVED FURTHER THAT** the Directors, Chief Executive Officer and Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**By order of the Board of Directors  
For IMEC Services Limited**

(formerly known as Ruchi Strips And Alloys Limited )

Date: August 8, 2019

Place: Indore

**Parag Gupta**  
Company Secretary  
M.No. A50725

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy shall however be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total Share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The relevant details as required by Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and by the Secretarial Standards issued by the Institute of Company Secretaries of India, New Delhi, of persons seeking appointment/re-appointment as Director is annexed to this Notice of AGM.
3. Members, Proxies and Authorised Representatives are requested to bring at the venue of the meeting, the Attendance Slip as enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
4. In case of joint holders attending the meeting, only the joint holder who is higher in the order of name will be entitled to vote at the meeting.
5. As per the provisions of Section 72 of the Companies Act, 2013 (the Act), the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website [www.imecservices.in](http://www.imecservices.in) (under 'Investors' section). Members holding shares in physical form may submit the same to the Registrar & Transfer Agent (RTA) of the Company. Members holding shares in electronic form may submit the same to their respective Depository Participant.
6. **To support the 'Green Initiative', Members of the Company who have not registered their e-mail addresses are requested to register the same with DPs/RTA. Members having shares in physical form may also send their e-mail address through SMS along with Name and Folio no. to the mobile no. i.e. +91 9755037584 and ensure that the same is also updated with RTA. The registered e-mail address will be used for sending future communications.**
7. The Audited Financial Statement of the Subsidiary company and the related detailed information shall be made available to Member of the holding Company i.e. IMEC Services Limited (formerly known as Ruchi Strips and Alloys Limited) on demand. The Audited Financial Statement of the subsidiary company shall also be available for inspection by any Member at the Registered Office of the Company by giving a seven days advance notice/intimation to the Company.
8. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended from time to time, and Regulation 44 of the Listing Regulations, the Members, being eligible to vote, are provided with the facility to cast their vote electronically, through remote e-voting services provided by Central Depository Services (India) Limited (CDSL) from any place other than the venue of AGM, on all the resolutions set forth in this Notice. The instructions for remote e-voting are given herein below. Resolution(s) passed by Members through remote e-voting is/are deemed to have been passed as if they have been passed at the Annual General Meeting.
9. The Items of Business given in the AGM Notice dated August 8, 2019 may be transacted through the remote e-voting facility which is provided to the Members of the Company whose names appear in the Register of Members/List of Beneficial owners as on the cut-off date i.e. Wednesday, September 18, 2019 to exercise their right to vote at the 31st Annual General Meeting of the Company by electronic means through remote e-voting platform provided by CDSL. Please note that the Members of the Company are requested to voluntarily opt the remote e-voting facility to vote on the resolution specified in the Notice of AGM, in case they are not able to attend the meeting.
10. Any person, who acquires the share(s) of the Company and becomes a Member of the Company after the dispatch of this Notice of AGM and holds the shares as on the cut-off date, can also cast their vote through remote e-voting facility.
11. The remote e-voting period begins on **Sunday, September 22, 2019 at 10.00 a.m. and ends on Tuesday, September 24, 2019 at 5.00 p.m.** During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, September 18, 2019, may cast their vote electronically. Thereafter the remote e-voting module shall be disabled by CDSL for voting.
12. The Members, who have cast their vote by remote e-voting prior to the AGM, may also attend the AGM but shall not be entitled to cast their vote again at the AGM.
13. The Company has appointed Mr. Anish Gupta (FCS No. 5733, COP No. 4092) of Anish Gupta & Associates, Practising Company Secretary, Mumbai, to act as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
14. **Members holding shares in physical form are requested to dematerialize their shares by approaching any of the Depository Participants (NSDL/CDSL).**

15. The Company had in compliance with the SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, sent letters dated July 13, 2018 (Initial Letter), August 20, 2018 (Reminder-1) and January 14, 2019 (Reminder-2) to the shareholders holding shares in physical form, requesting them to provide their details of PAN and bank account to update the Members' record in the Company.

In the same letters the Company had also informed the Members that as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and BSE Circular No. LIST/COMP/15/2018-19 dated July 5, 2018; **no transfer of shares would be processed w.e.f December 5, 2018 (which got extended till April 1, 2019) unless the shares are held in dematerialized form**, accordingly the Company requested the Members to dematerialize their physical share certificate(s) at the earliest.

Those shareholders who have not yet complied with the above are once again requested to comply with the above provisions.

16. The process/instruction and other information relating to remote e-voting are as follows:

**(A) In case of Members receiving an e-mail:**

**Note:** If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any Company, then your existing login id and password to be used for voting on the resolution of the Company.

- (i) Log on to the e - voting website i.e. [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on "Shareholders" tab to cast your votes.
- (iii) Now, fill up the following details in appropriate box:
- (iv) Now enter your User ID as given overleaf in the box
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID.
  - c. Members holding shares in Physical form should enter their Folio Number registered with the Company.
- (v) Thereafter enter the Image Verification as displayed and Click on Login.

<b>PAN</b>	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders and physical shareholders)</p> <p>Members who have not updated their PAN with the Company / Depository Participant are requested to use the <b>first two letters of their name</b> and the <b>8 digits</b> of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters.</p> <p>Eg. If your name is Rajesh Kumar with sequence number 1, then enter <b>RAMH000001</b> in the PAN field.</p>
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<b>Divided Bank Details</b>	Enter the Bank Details or Date of Birth (dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login
<b>OR</b>	OR
<b>Date of Birth or Date of Incorporation</b>	If both the details are not recorded with the depository or Company, please enter the member id / folio number in Dividend the bank details filed.

- (vi) After entering these details appropriately click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for IMEC Services Limited to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xiv) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) Members can also cast their vote using CDSL's mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone

Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xvi) Note for Non Individual Members and Custodians:

- (a) Non Individual Members /Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.co.in](http://www.evotingindia.co.in) and register themselves as Corporate.
- (b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- (c) After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- (d) The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- (e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

**(B) In case of members receiving the physical copy:**

Please follow all steps from sl. no. (i) to sl. no. (xvi) above, to cast vote.

**17. General Instructions for the Members to cast their:**

- (i) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Details of Contact Person for Grievance Redressal:

Name: Mr. Rakesh Dalvi

Designation: Manager

Address: A Wing, 25<sup>th</sup> Floor, Marathon Futurex,

Mafatlal Mill Compounds, NM Joshi Marg,

Lower Parel (E), Mumbai 400013

Email Id: [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

Phone Number: 1800225533

- (ii) 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, September 18, 2019 and a person who is not a member as on the cut-off date should treat this notice for information purpose only.

- (iii) Members can also download the Notice of the Meeting from the Company's website viz., [www.imecservices.in](http://www.imecservices.in) to exercise/cast their e-voting rights.
- (iv) At the end of the voting period Scrutinizer will download the entire voting data using its scrutinizer login.
- (v) The Scrutinizer shall after the conclusion of voting at the Annual 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.
- (vi) The Results will be declared within 48 hours after the AGM. The results declared along with the Scrutinizer's Report shall be uploaded on the website of the Company [www.imecservices.in](http://www.imecservices.in) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) and the same shall also be communicated to BSE Limited, where the shares of the Company are listed. The results shall also be displayed on the Notice Board at the Registered Office of the Company.
- (vii) The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection at the Annual General Meeting.
- (viii) The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the copy of PAN to their Depository Participants with whom they are maintaining their demat account(s). Members holding shares in physical form are requested to submit their PAN details to the Company or to the Registrar and Share Transfer Agents of the Company.
- (ix) The route map showing the direction to arrive at the venue of the 31<sup>st</sup> Annual General Meeting of the Company is attached to the Annual Report.

**Important Note:**

Relevant documents referred to in the Notice are open for inspection to the Members at the registered office of the Company during business hours on all working days upto the date of Annual General Meeting.



**STATEMENT PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 102 OF THE COMPANIES ACT, 2013:**

**Item No. 2**

**Brief Details of Statutory Auditor seeking re-appointment at the 31<sup>st</sup> Annual General meeting:**

{Pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}

<b>Name of Statutory Auditors</b>	M/s. M.S. Singhatwadia & Co., Chartered Accountants
<b>Firm Registration Number</b>	113954W
<b>Proposed fees payable</b>	Rs. 75,000/- (Rupees Seventy Five Thousand Only) per annum subject to increase in the remuneration as may be approved by the Audit Committee.
<b>Terms of Appointment</b>	The appointment will be from the conclusion of the 31 <sup>st</sup> AGM till the conclusion of 36 <sup>th</sup> AGM of the Company.
<b>Basis of recommendation for appointment</b>	M.S. Singhatwadia & Co., Chartered Accountants, Indore, the firm was established in 1955. The firm is engaged in providing comprehensive professional services which includes Audit & Assurance, Direct Taxation, Indirect Taxation, Finance Consultancy, Legal and Secretarial Support, Management Consulting, Accounting and Corporate Support.
<b>Details in relation to and credentials of the Statutory Auditors</b>	The firm has more than 63 years of rich experience and credibility which has always been able to meet the client's specific requirement. The firm is managed by 7 (Seven) qualified Chartered Accountants having rich experience and proving their services to various sectors and industries with a client base of more than 1000 clients. The firm is having Head office at Mumbai with branch offices at Indore and Delhi.

**Item No. 3**

The Board of Directors on the recommendation of the Nomination and Remuneration Committee had appointed Mrs. Shivani Gupta (DIN: 08275256) as an Additional and Woman Independent Director (Non-Executive) at its Meeting held on November 14, 2018, who holds office up to the date of this Annual General Meeting.

Mrs. Shivani Gupta holds Bachelor's Degree in Commerce from Devi Ahilya Vishva Vidyalyaya University and is also an Associate Member of the Institute of Company Secretaries of India, New Delhi. She has more than four years of experience in the field of Corporate Laws. Mrs. Gupta also serves on the Board of RSAL Steel Private Limited as an Independent Director.

Accordingly, the Board is of the opinion that she possesses appropriate balance of skills, experience and knowledge for being appointed as an Independent Director on the Board of the Company. Pursuant to Sections 149, 152, 160 and Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and the Articles of Association of the

Company, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other relevant provisions, Board of Directors proposed the name of Mrs. Shivani Gupta for appointment as a Woman Independent Director (Non-Executive) of the Company, not liable to retire by rotation, for a period of five consecutive years w.e.f. November 14, 2018.

Brief Resume of Mrs. Shivani Gupta is annexed separately in this Notice. A copy of the terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day upto the date of AGM and also available on the website of the Company i.e. [www.imecservices.in](http://www.imecservices.in).

The Board of Directors recommends the resolution as set out at Item No. 3 of the Notice for the approval of the Members as an Ordinary Resolution.

Except Mrs. Shivani Gupta, none of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested (financially or otherwise) in the proposed resolution as set out at Item No. 3 of the Notice.

**Item No. 4**

The Board of Directors on the recommendation of the Nomination and Remuneration Committee had appointed Mr. Saket Barodia (DIN: 00683938) as an Additional Director (Non-Executive) at its Meeting held on February 19, 2019, who holds office up to the date of this Annual General Meeting.

Mr. Saket Barodia holds Bachelor's Degree in Science and has rich experience of more than 25 years in the field of foreign trade, custom & excise and import & export in Ruchi Group. Mr. Barodia serves as a Director on the Board of various companies.

On the basis of his knowledge and experience in the field of foreign trade, custom & excise and import & export, the Board is of the opinion that he possesses appropriate balance of skills, experience and knowledge for being appointed as a Non-Executive Director on the Board of the Company. Pursuant to Sections 152, 160 of the Companies Act, 2013 and the Articles of Association of the Company, and all other relevant provisions, Board of Directors proposed the name of Mr. Saket Barodia for appointment as a Non-Executive Director of the Company, liable to retire by rotation, w.e.f. February 19, 2019.

Brief Resume of Mr. Saket Barodia is annexed separately in this Notice.

The Board of Directors recommends the resolution as set out at Item No. 4 of the Notice for the approval of the Members as an Ordinary Resolution.

Except Mr. Saket Barodia, none of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested (financially or otherwise) in the proposed resolution as set out at Item No. 4 of the Notice.

**Item No. 5**

Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') provides a mechanism regarding re-classification from "Promoter & Promoter Group" category to "Public" category. In terms of the said Regulation 'Shashwat Trust' holding 28,80,000 equity shares of the

Company had vide letter dated May 17, 2019, requested the Company for re-classification of their shareholding from the existing Promoter & Promoter Group Category to Public Shareholder Category in the Shareholding Pattern of the Company and/or at such other places wherever their name appears.

In accordance with the provisions of Regulation 31A(3)(b) of the Listing Regulations, Shashwat Trust have confirmed that:

- (i) they do not hold more than ten percent of the total voting rights in the Company;
- (ii) they do not exercise control over the affairs of the Company whether directly or indirectly;
- (iii) they do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- (iv) they do not represent on the Board of Directors (including not having a nominee director) of the Company;
- (v) they are not acting as a Key Managerial Person in the Company;
- (vi) they are not 'wilful defaulter' as per the Reserve Bank of India Guidelines;
- (vii) they are not a fugitive economic offender.

Further, Shashwat Trust have also confirmed to abide by those conditions specified under Regulation 31A (4) of the Listing Regulations post such re-classification from "Promoter & Promoter Group Category" to "Public Shareholder Category".

The said request for re-classification was considered and analyzed by the Board of Directors at its meeting held on May 30, 2019, which require approval of the Members of the Company by way of Ordinary Resolution, approval from BSE Limited and/or such other approval, if any, as may be required.

Consequent upon the receipt of necessary approvals and re-classification, the Promoter & Promoter Group shareholding in the Company would be 30.17% of the total equity paid up share capital of the Company.

The Board of Directors recommends the resolution as set out at Item No. 5 of the Notice for the approval of the Members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives are in any way whether, concerned or interested (financially or otherwise) in the proposed resolution as set out at Item No. 5 of the Notice.

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

Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') provides a mechanism regarding re-classification from "Promoter & Promoter Group" category to "Public" category. In terms of the said Regulation Mr. Suyash Shahra holding Nil (Zero) equity share of the Company had vide letter dated May 17, 2019, requested the Company for removal of his name from the existing 'Promoter & Promoter Group Category' in the Shareholding Pattern of the Company and/or at such other places wherever his name appears.

In accordance with the provisions of Regulation 31A(3)(b) of the Listing Regulations, Mr. Suyash Shahra has confirmed

that:

- (i) he does not hold more than ten percent of the total voting rights in the Company;
- (ii) he does not exercise control over the affairs of the Company whether directly or indirectly;
- (iii) he does not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- (iv) he does not represent on the Board of Directors (including not having a nominee director) of the Company;
- (v) he is not acting as a Key Managerial Person in the Company;
- (vi) he is not 'wilful defaulter' as per the Reserve Bank of India Guidelines;
- (vii) he is not a fugitive economic offender.

Further, Mr. Suyash Shahra has also confirmed to abide by those conditions specified under Regulation 31A (4) of the Listing Regulations post such removal of his name from Promoter & Promoter Group Category.

The said request for removal of name of Mr. Suyash Shahra from Promoter & Promoter Group Category was considered and analyzed by the Board of Directors at its meeting held on May 30, 2019, which require approval of the Members of the Company by way of Ordinary Resolution, approval from BSE Limited and/or such other approval, if any, as may be required.

Consequent upon the receipt of necessary approvals and removal of name of Mr. Suyash Shahra from Promoter & Promoter Group Category, the Promoter & Promoter Group shareholding in the Company would be 30.17% of the total equity paid up share capital of the Company.

The Board of Directors recommends the resolution as set out at Item No. 6 of the Notice for the approval of the Members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested (financially or otherwise) in the proposed resolution as set out at Item No. 6 of the Notice.

**By order of the Board of Directors  
For IMEC Services Limited**

(formerly known as Ruchi Strips And Alloys Limited )

Date: August 8, 2019

Place: Indore

**Parag Gupta**  
Company Secretary  
M.No. A50725

Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by The Institute of Company Secretaries of India, New Delhi, the following information is furnished about the Directors proposed to be appointed / re-appointed:

Name of Director	Mrs. Shivani Gupta	Mr. Saket Barodia
Age	27 Years	51 Years
Qualifications	- Bachelor's Degree in Commerce - Company Secretary	Bachelor's Degree in Science
Date of first appointment on the Board of the Company	November 14, 2018	February 19, 2019
Expertise in specific functional area	Has experience in the field of Corporate Laws.	Has rich experience in the field of foreign trade, custom & excise and import & export.
Relationship with other Directors and Key Managerial Personnel	Nil	Nil
Directorships held in other listed Companies	Nil	Nil
Memberships / Chairmanships of Committees of other listed Companies (includes only Audit Committee and Stakeholder Relationship Committee)	Nil	Nil
Number of Shares held in Company	Nil	Nil

**Registered Office:**  
611, Tulsiani Chambers,  
Nariman Point,  
Mumbai 400 021  
Maharashtra

**By order of the Board of Directors**  
**For IMEC Services Limited**  
(formerly known as Ruchi Strips And Alloys Limited )

Date: August 8, 2019  
Place: Indore

**Parag Gupta**  
**Company Secretary**  
**M.No. A50725**

**BOARD'S REPORT**

To,

The Members of  
 IMEC Services Limited  
 (formerly known as Ruchi Strips and Alloys Limited)

Your Directors have pleasure in presenting the 31<sup>st</sup> Annual Report together with Audited Financial Statements of the Company for the year ended March 31, 2019.

**1. FINANCIAL PERFORMANCE AND STATE OF COMPANY'S AFFAIRS:**
**(Rs. in Lac)**

Particulars	31.03.2019	31.03.2018
Sales & Other Income	120.73	52.65
Earning before finance cost and depreciation	57.65	(24.03)
Depreciation and Financial Charges	-	0.18
Profit/(Loss) before exceptional items & Tax	57.65	(24.21)
Exceptional items	-	-
Profit/(Loss) before Tax	57.65	(24.21)
Provision for Tax	-	-
Current Tax	11.09	-
Deferred Tax	41.63	(0.26)
Profit/(Loss) After Tax	4.93	(23.95)
Other Comprehensive Income/(Loss)	(118.46)	0.60
<b>Total Comprehensive Income/(Loss)</b>	<b>(113.53)</b>	<b>(23.35)</b>

The Company is engaged in providing management and consultancy services *inter-alia* engineering, information technology & technical. The Company's turnover stood at Rs. 120.73 Lac for the year ended March 31, 2019 as compared to Rs. 52.65 Lac in the previous year. The Company reported net profit of Rs. 4.93 Lac as compared to loss of Rs. 23.95 Lac in the previous year. Management is evaluating various propositions to improve the financial situation and is hopeful of arriving out of the distressed financial position.

**2. DIVIDEND:**

Considering the continued weak performance of the Company and the losses incurred by the Company during the financial year under review, the Board of Directors of your Company expresses their inability to recommend any dividend for the year under report.

**3. AMOUNT TRANSFERRED TO RESERVES:**

The Company has not transferred any amount to its reserves during the year.

**4. DEPOSITS:**

The Company has not accepted any Deposits within the meaning of Section 73 of the Companies Act, 2013 ("the Act") and the Rules framed thereunder. As on March 31, 2019, there were no deposits lying unpaid or unclaimed.

**5. SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANY:**

The Company has one Subsidiary i.e. RSAL Steel Private Limited (RSPL).

RSPL is engaged in manufacturing of Cold Rolled Close Annealed and other steel products and trading of Hot Rolled Coils, Cold Rolled Close Annealed, other steel products and Agro Commodities. The Consolidated Financial Statements presented by the Company includes the Financial Statements of its subsidiary company as well.

The Gross Revenue of the subsidiary company stood at Rs. 5,851.58 Lac as compared to Rs. 8,780.92 Lac in the previous year. The Net Loss after tax for the year stood at Rs. (3,239.63) Lac as compared to Rs. (6,242.80) Lac in the previous year.

The last few financial years have been very turbulent years for RSPL and it had suffered heavy losses, which had accumulated to Rs. 255 Crore as at March 31, 2019. Due to current losses and losses incurred in the earlier years, RSPL had defaulted in repayment of borrowing (term loan and working capital facilities) to the

Banks and the account of RSPL with Banks had turned into a Non Performing Asset (NPA). Since then, RSPL is in the process of settlement of dues to Banks and to come out of NPA. At present the discussions with the banks for settlement are in process and the Management of RSPL is hopeful that it will be able to settle the dues with the Banks in due course.

The performance of RSPL was primarily impacted due to stretched working capital cycle, lower level of liquidity impacting capacity utilization and business operations. Since last few years Low utilization of capacity of plant had adversely affected the fixed cost absorption for RSPL and had affected its profitability. RSPL had taken various steps to cut down the expenses in manpower cost and in other expenses as well. RSPL is also exploring various other opportunities of getting more Job Work and approaching various other manufacturers in the steel segment. RSPL is confident to continue its manufacturing operation in foreseeable future and hopeful to continue its going concern status and is exploring various other opportunities and also constantly coordinating with the Lenders to arrive at the best possible outcome for the revival of the outstanding dues.

Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the Financial Statement of the Company's subsidiary i.e. RSPL in Form AOC-1 is attached to the Financial Statements. The Company has no joint venture or associate company.

Further, pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, Consolidated Financial Statements along with relevant documents and separate Audited Financial Statements in respect of subsidiary of the Company, are available on the website of the Company viz, [www.imecservices.in](http://www.imecservices.in).

None of the companies which have become/ceased to be subsidiary(ies), joint ventures or associate companies during the year.

**6. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARDS' REPORT AND END OF FINANCIAL YEAR:**

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

**7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Your Directors have nothing to report on the aforesaid matters as your Company is not engaged in manufacturing activities and has no foreign collaboration and has not exported or imported any goods or services during the year.

**8. BUSINESS RISK MANAGEMENT:**

Pursuant to Section 134(3)(n) of the Act and Listing Regulations, the Company has framed a detailed Risk Management Policy for assessment of risk and determine the responses to these risks so as to minimize their adverse impact on the organization. The functional head of the Company is responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board/Audit Committee.

**9. DIRECTORS & KEY MANAGERIAL PERSONNEL:**

**A. DIRECTORS:**

The Board of Directors has subject to approval of the Members in the ensuing Annual General Meeting of the Company, appointed Mrs. Shivani Gupta (DIN: 08275256) as an Additional and Woman Independent Director (Non-Executive) of the Company for a period of five consecutive years w.e.f. November 14, 2018.

Further, the Board of Directors had at its Meeting held on February 19, 2019 appointed Mr. Saket Barodia (DIN: 00683938) as an Additional Director (Non-Executive) of the Company who holds office as a Director up to the date of the this Annual General Meeting of the Company.

The Board has recommended to the Members to appoint/confirm the above Directors at the ensuing Annual General Meeting of the Company.

During the year under review, Mr. Navin Khandelwal, Ms. Ishita Khandelwal and Mr. Umesh Shahra have resigned from the Directorship of the Company w.e.f. July 10, 2018, November 14, 2018 and February 20, 2019 respectively.

As on March 31, 2019 the Board of Directors of the Company consists of Mr. Saket Barodia (DIN: 00683938) - Non Executive Director, Mr. Ashutosh Mishra - (DIN: 00038320) - Independent Director (Non-Executive) and Mrs. Shivani Gupta (DIN: 08275256) - Woman Independent Director (Non-Executive).

In compliance with Regulation 36(3) of the Listing Regulations, brief resume, expertise and other details of the Director proposed to be appointed/reappointed is given in the Notice convening the ensuing Annual General Meeting.

Pursuant to provisions of sub-section (6) of Section 149 of the Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), each of the Independent

Directors of the Company have submitted a declaration that each of them continue to meet the criteria of independence as provided in the Act and Listing Regulations.

During the year under review, there was no re-appointment of any of the Independent Directors in the Company.

#### **B. KEY MANAGERIAL PERSONNEL:**

As on March 31, 2019, the office of Key Managerial Personnel's comprised of Mr. Arvind Mishra-Chief Executive Officer, Mr. Ravi Deshmukh-Chief Financial Officer and Mr. Parag Gupta-Company Secretary and Compliance Officer.

Further, the Board of Directors at its Meeting held on August 8, 2019 appointed Mr. Nilesh Nagar as the Chief Financial Officer of the Company w.e.f. August 8, 2019 in place of Mr. Ravi Deshmukh who resigned from the office of Chief Financial officer of the Company w.e.f. closure of business hours on July 20, 2019.

#### **10. BOARD EVALUATION:**

Pursuant to the provisions of the Act and corporate governance requirements as prescribed by the Listing Regulations, the Board of Directors had on the basis of manner specified by the Nomination and Remuneration Committee carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Board Committees. The manner in which the evaluation has been carried out, is explained in the Corporate Governance Report.

The performance evaluation of Independent Directors has been done by the Board of Directors excluding the directors being evaluated.

A meeting of Independent Directors was held to review the performance of the Chairman, Non-Independent Directors of the Company and the performance of the Board as a whole as mandated by Schedule IV of the Act and Listing Regulations. The Directors also discussed the quality, quantity and timeliness of flow of information between the Company management and the Board, which is necessary for the Board to effectively and reasonably perform their duties. The feedback of the meeting was shared with the Chairman of the Company.

#### **11. MEETINGS:**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year, five Board Meetings, four Audit Committee Meetings, four Stakeholders' Relationship Committee Meetings and four Nomination and Remuneration Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report to this Annual Report of the Company. The intervening gap between the two Meetings was within the period prescribed under the Act/Listing Regulations.

The details of composition of the Board of Directors and its Committees is given in the Corporate Governance Report to this Annual Report of the Company.

#### **12. POLICY FOR APPOINTMENT OF DIRECTORS, KMPs AND SENIOR MANAGEMENT AND THEIR REMUNERATION:**

The Board has adopted a policy for appointment of Directors, Key Managerial Personnel's and Senior Management and their remuneration. The extract of the said Policy is reproduced in the Corporate Governance Report.

#### **13. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 134 (5) of the Act, the Board of Directors of the Company hereby state and confirm that:

- i) In the preparation of the annual accounts for the financial year ended on March 31, 2018, the applicable accounting standards have been followed and no material departures have been made from the same;
- ii) we have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- iii) we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) we have prepared the annual accounts/financial statements on a going concern basis;
- v) we have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) we have devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

#### **14. STATUTORY AUDITORS:**

To conduct the Statutory Audit of the Company for the financial year ended March 31, 2019, M/s. M.S. Singhatwadia & Co. Chartered Accountants, Indore, the Statutory Auditors of the Company were appointed vide Special Resolution passed by the Members of the Company through Postal Ballot the results of the same was declared on February 19, 2019 in order to fill the casual vacancy caused by the resignation of M/s.

A. Gattani & Associates, Chartered Accountants, Indore. M/s. M.S. Singhatwadia & Co. holds the office as the Statutory Auditors of the Company till the conclusion of the this Annual General Meeting of the Company.

Further, the Company had received confirmation from M/s. M.S. Singhatwadia & Co., Chartered Accountants, Indore, regarding their consent and eligibility under Section 139 and 141 of the Act read with the Companies (Accounts) Rules, 2014 for re-appointment as Statutory Auditors of the Company for a period of five consecutive years from the conclusion of the ensuing Annual General Meeting. Your Board recommends their appointment as the Statutory Auditors at the ensuing Annual General Meeting of the Company.

The Standalone and Consolidated Auditors' Report issued by M/s. M.S. Singhatwadia & Co., Chartered Accountants, Indore for the financial year ended March 31, 2019, does not contain any qualifications, reservations or adverse remarks.

#### 15. SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Act, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Listing Regulations, the Board of Directors of the Company at its meeting held on February 19, 2019, had appointed Ms. Neha Jain, Practicing Company Secretary, Indore as the Secretarial Auditor of the Company to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report in the prescribed Form MR-3 is annexed to this report as "Annexure-A".

The said Secretarial Audit Report does not contain any qualifications or reservations except for the remarks as specified below on which the opinion of the Board is also mentioned:

- i) As per provision of Rule 8 of Companies (Accounts) Rules 2018, company has not made a disclosure in its Director's Report for the Financial Year 2017-18, as to whether maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required by the Company: *The provisions of Section 148 of the Companies Act, 2013 regarding appointment of Cost Auditor is not applicable to the Company, hence the Company did not make any disclosure in the Director's Report for the Financial Year 2017-18. The Company has from the Financial Year 2018-19 onwards started giving disclosure in its Director's Report about the non-applicability of appointment of Cost Auditor.*
- ii) As per Regulation 7(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company intimated to stock exchange about execution of tripartite agreement via mail, which was not a proper means of intimation, it shall be intimated through BSE Listing Centre: *Due to some technical issues the said intimation could not be sent through BSE Listing Centre.*
- iii) As per Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has not submitted the newspaper publications of financial results and notice of the Board meetings held for the quarter ended 31st March 2018 and 30th June 2018 to the stock exchange: *The Company has started submitting the copy of newspaper publications from the quarter June 30, 2018 onwards with the Stock Exchange.*
- iv) As per Regulation 33(3)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has submitted quarterly and year-to-date standalone financial results to the stock exchange for the quarter ended 31st December 2018, on 19th February 2019, which was due to be submitted on or before 14th February 2019. Therefore BSE has imposed fine during the year through letter dated 05.03.2019, for late submission of financial results for the quarter ended December 2018 of Rs. 5000 per day till the date of compliance i.e. Rs. 25000+ 4500(18% GST) = 29500/-: *The Company was in process of appointment of new Statutory Auditors of the Company due to the casual vacancy caused in the office of Statutory Auditors; through Postal Ballot and e-voting Process for which the last date of receiving the ballot forms / e-voting was February 18, 2019 and the results of the same were declared and intimated to the Stock Exchange on February 19, 2019. Accordingly the Financial Results for the quarter ended December 2018 were submitted to the Stock Exchange on February 19, 2019 instead of the due date i.e. on or before February 14, 2019 on which the Company was supposed to submit to the Stock Exchange. Hence a penalty (Rs. 5,000/- per day for delay till the date of submission of Results) for an amount of Rs. 29,500/- (inclusive of GST at 18%) was imposed on the Company and the same had been paid by the Company. The Company had also requested to BSE to waive off the penalty imposed due to the reasons which were beyond the control of the Company.*
- v) The Company has not intimated Securities and Exchange Board of India after change of its name and update new name of listed entity on SCORES website till 31st March 2019: *Inadvertently the said intimation was missed by the Company and the same had been complied with.*
- vi) As per provision of Section 7(3) of Payment of Gratuity Act 1972, the company has delayed payment of Gratuity to an employee (Director) which is required to be paid within 30 days from the date it becomes payable: *Due the some technical issue the payment was delayed in this case.*

Further, in accordance with provisions of SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 and the Listing Regulations, the Board of Directors of the Company had authorized Ms. Neha Jain Secretarial Auditor of the Company to issue the Secretarial Compliance Report for the financial year 2018-19.

In accordance with the provisions of the Listing Regulations, the Secretarial Compliance Report for the financial year 2018-19 issued by Ms. Neha Jain Practicing Company Secretary had been sent to the Stock Exchange within the statutory time limit.

**16. INTERNAL AUDITOR:**

Pursuant to the provisions of Section 138 of the Act and rules made thereunder, the Board of Directors at its meeting held on August 4, 2018, had appointed M/s. Nahata Mahajan & Co., Chartered Accountants as the Internal Auditor of the Company for the Financial Year 2018-19. The respective reports of the Internal Auditor were placed before the Audit Committee Meeting of the Board of Directors of the Company for their review and necessary action.

Further, the Board of Directors at its meeting held on May 30, 2019 re-appointed M/s. Nahata Mahajan & Co., Chartered Accountants as the Internal Auditor of the Company for the financial year 2019-20.

**17. MAINTENANCE OF COST RECORDS:**

Maintenance of cost records as specified by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013, is not applicable to the Company.

**18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY:**

During the year under review, the Company has not made any loans or investments or given any guarantees or provided any securities under the provisions of Section 186 of the Act.

The existing loans given, investments made, guarantees given and/or securities provided are in compliance with the provisions of the Act and Rules made thereunder and details thereof are given in the Notes to the Financial Statements of the Company.

**19. RELATED PARTY TRANSACTIONS:**

All transactions entered during the financial year into by the Company with the related party were in the ordinary course of the business and at arm's length basis. The Audit Committee grants omnibus approval for the transactions that are in the ordinary course of the business and repetitive in nature. For other transactions, the Company obtains specific approval of the Audit Committee before entering into any such transactions. Disclosures about the related party transactions which were in the ordinary course of business and at arm's length basis have been made in Note No. 23 to the Financial Statement. There are no materially significant related party transactions entered into by the Company.

The policy on related party transactions as approved by the Board of Directors is available on the website of the Company viz. [www.imecservices.in](http://www.imecservices.in).

**20. CORPORATE SOCIAL RESPONSIBILITY:**

The Company is not required to constitute a Corporate Social Responsibility Committee, as it does not fall within purview of Section 135(1) of the Act and hence it is not required to formulate policy on corporate social responsibility.

**21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

During the year under review, there has been no such significant and material orders passed by any Regulators or Courts or Tribunals impacting the going concern status of the Company or its operations in future.

**22. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies 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 recommendations along with corrective actions thereon are presented to the Audit Committee of the Board. The Internal financial controls with reference to the financial statements were adequate and operating effectively.

**23. WHISTLE BLOWER POLICY/VIGIL MECHANISM:**

The Company has a mechanism called the 'Vigil Mechanism' and a policy to facilitate its employees and Directors to voice their concerns or observations without fear or raise reports of instance of any unethical or unacceptable business practice or event of misconduct/ unethical behavior, actual or suspected fraud and violation of Company's Code of Conduct etc. to the Committee. The said Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. The Whistle Blower Policy is disclosed on the website of the Company viz. [www.imecservices.in](http://www.imecservices.in).



**24. PARTICULARS OF EMPLOYEES:**

Disclosures pertaining to remuneration and other details 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 are provided in “Annexure-B” forming part of the Board's Report.

**25. CORPORATE GOVERNANCE:**

Your Company is committed to maintaining the standards of Corporate Governance and adhering to the Corporate Governance requirements as set out by the Securities and Exchange Board of India. The Report on Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report.

**26. SECRETARIAL STANDARDS:**

The Company complies with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

**27. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report for the year under review, as stipulated under the Listing Regulations, is provided in a separate section forming part of the Annual Report.

**28. DETAILS OF SEXUAL HARASSMENT COMPLAINTS:**

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (Sexual Harassment Act), the Company has formed a Policy for prevention, prohibition and redressal of sexual harassment of women at workplace. The provisions relating to the constitution of the Internal Complaints Committee are not applicable to the Company.

The status of complaints as on March 31, 2019 under the Sexual Harassment Act is as under:

1. Number of complaints pending as at the beginning of the year: NIL
2. Number of complaint received in the year: NIL
3. Number of complaint disposed off during the year: NIL
4. Number of complaints pending as at the end of the year: NIL

**29. EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in the prescribed Form MGT-9 is enclosed as “Annexure-C”.

**30. LISTING AT STOCK EXCHANGE:**

The Company's Equity Shares are continued to be listed on BSE Limited.

**31. SHARE CAPITAL:**

The paid up Equity Share Capital of the Company as on March 31, 2019 was Rs. 49.99 Crore. There was no change in the share capital during the year under review.

**32. CERTIFICATION BY CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER:**

The Board of Directors have received a certificate from Chief Executive Officer and Chief Financial Officer of the Company as specified in Part B of Schedule II of Regulation 17 (8) of the Listing Regulations.

**33. INDUSTRIAL RELATIONS:**

Relations with the employees continued to remain cordial throughout the year. Your Directors wish to place on record their appreciation for sincere and dedicated services rendered by the executives and staff at all levels.

**34. ACKNOWLEDGEMENT:**

The Directors wish to place on record their appreciation for the sincere cooperation extended by the Members, Bankers, Employees of the Company and all other Government Agencies in carrying out the business of the Company.

**By order of the Board of Directors  
For IMEC Services Limited  
(formerly known as Ruchi Strips And Alloys Limited)**

Date: August 8, 2019  
Place: Indore

Saket Barodia  
Director  
DIN : 00683938

Ashutosh Mishra  
Director  
DIN: 00038320

**Form MR-3  
SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED on 31<sup>st</sup> March, 2019[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
IMEC Services Limited  
611, Tulsiani Chambers, Nariman Point,  
Mumbai-400021

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IMEC Services 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, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 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, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- 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 there under;
- iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014-  
**There is no Share Based Employee Benefits in the Company;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008-  
**There is no Listed Debt Securities in the Company;**
  - (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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **No Equity Shares are delisted during the year;** and
  - (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998- **There is no event of Buyback of securities during the year.**

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

- i. Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.

We report that, during the year under review:

the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following remark:

1. *as per provision of Rule 8 of Companies (Accounts) Rules 2018, company has not made a disclosure in its Director's Report for the Financial Year 2017-18, as to whether maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required by the*

Company;

2. as per Regulation 7(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company intimated to stock exchange about execution of tripartite agreement via mail, which was not a proper means of intimation, it shall be intimated through BSE Listing Centre;
3. as per Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has not submitted the newspaper publications of financial results and notice of the Board meetings held for the quarter ended 31<sup>st</sup> March 2018 and 30<sup>th</sup> June 2018 to the stock exchange;
4. as per Regulation 33(3)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has submitted quarterly and year-to-date standalone financial results to the stock exchange for the quarter ended 31<sup>st</sup> December 2018, on 19<sup>th</sup> February 2019, which was due to be submitted on or before 14<sup>th</sup> February 2019. Therefore BSE has imposed fine during the year through letter dated 05.03.2019, for late submission of financial results for the quarter ended December 2018 of Rs. 5000 per day till the date of compliance i.e. Rs. 25000+ 4500(18% GST) = 29500/-;
5. the Company has not intimated Securities and Exchange Board of India after change of its name and update new name of listed entity on SCORE website till 31<sup>st</sup> March 2019."

#### **I further report that**

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

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

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

**I further report that** having regard to the systems and processes in place to monitor and ensure compliance with general laws like Labour laws, Competition laws and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following general laws applicable to the Company:

i. Labour Laws

- Payment of Bonus Act, 1965
- Payment of Gratuity Act, 1972
- The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- Minimum Wages Act, 1948
- The Employees' State Insurance Act, 1948
- The Sexual harassment of Women at Workplace (prevention, Prohibition and Redressal) Act, 2013

ii. Competition Act, 2002

We report that, during the year under review the Company has complied with the provisions of the above mentioned Laws subject to the following remark:

*"as per provision of Section 7(3) of Payment of Gratuity Act 1972, the company has delayed payment of Gratuity to an employee (Director) which is required to be paid within 30 days from the date it becomes payable."*

**I further report that** there are 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, there were no instances of:

- i. Public/Right/ Preferential issue of shares / debentures / sweat equity, etc.
- ii. Redemption / buy-back of securities.
- iii. Major decisions taken by the members in pursuant to section 180 of the Companies Act, 2013.
- iv. Merger / amalgamation / reconstruction etc.
- v. Foreign technical collaborations, etc.

Place: Indore

Date : 8<sup>th</sup> August, 2019

Signature

**CS Neha Jain**

Company Secretary

ACS No. 25862

C P No.: 20769

To,

The Members

**IMEC Services Limited**

611, Tulsiani Chambers Nariman Point,  
Mumbai-400021

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record 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 processes 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 processes 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. Where ever 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 procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Indore

Date : 8<sup>th</sup> August, 2019

Signature

**CS Neha Jain**

Company Secretary

ACS No. 25862

C P No.: 20769

**ANNEXURE-B**

**Details pertaining to remuneration including increased remuneration of Directors and KMP and details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014:**

- 1) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 are as under:

Name of Director and KMP	Designation	Remuneration for F.Y. 2018-19 (in Rs.)	Remuneration for F.Y. 2017-18 (in Rs.)	Increase in remuneration from previous year	Ratio to the median
Mr. Ravi Deshmukh	Chief Financial Office	3,26,931	2,51,460	30.01%	0.94:1
Mr. Parag Gupta	Company Secretary	3,48,226	1,96,769*	- *	1:1

*Note: The Company does not have any Managing Director/Whole Time Director during the year under review.*

*\*The Remuneration paid to Mr. Parag Gupta during the F.Y. 2017-18 was for 9 months, hence not comparable with the Remuneration paid to him for the F.Y. 2018-19.*

- 2) The median remuneration of employees of the Company during the financial year was Rs. 3,48,226/-.
- 3) The percentage increase in the remuneration is specified in the above table.
- 4) During the year, median remuneration decreased from the last financial year.
- 5) There are 3 permanent employees on the rolls of Company as on March 31, 2019.
- 6) Average percentile increase in salaries of employees other than managerial personnel for F.Y. 2018-19: Nil  
Percentile increase in salaries of managerial personnel for F.Y. 2018-19: Specified in the above table.  
The increase in the salaries of managerial personnel was on the basis of their individual performances.
- 7) It is hereby affirmed that the remuneration paid is as per the Policy for appointment of Directors, Key Managerial Personnel and senior management employees or their remuneration.

**FORM NO. MGT- 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended 31st March, 2019**  
*(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies*  
*(Management & Administration) Rules, 2014)*

**I. REGISTRATION & OTHER DETAILS**

1.	CIN	L74110MH1987PLC142326
2.	Registration Date	18/06/1987
3.	Name of the Company	IMEC Services Limited (formerly known as Ruchi Strips And Alloys Limited)
4.	Category/Sub-category of the Company	Company Limited By Shares/ Indian Non Government Company
5.	Address of the Registered office and contact details	611, Tulsiani Chambers, Nariman Point, Mumbai-400021, Maharashtra Tel: 022-22851303 Fax: 022-22823177 Email : investor@imecservices.in website : www.imecservices.in
6.	Whether listed company	Yes
7.	Name, Address and contact details of Registrar & Transfer Agent, if any.	<b>From July 1, 2018 -</b> <b>Bigshare Services Private Limited,</b> Bharat Tin Works Building, 1 <sup>st</sup> Floor, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai 400059 Tel: 022-62638200 / 62638222 Email : investor@bigshareonline.com website : www.bigshareonline.com <b>Till June 30, 2018 -</b> Sarthak Global Limited 170/10, Film Colony, R.N.T. Marg, Indore (M.P.) Tel : 0731-4279626

**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	% to total turnover of the Company
1.	Management Consultancy Activities	70200	98.88%

**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
1.	RSAL Steel Private Limited 611, Tulsiani Chambers, Nariman Point, Mumbai - 400021, Maharashtra	U28990MH2010PTC211581	Subsidiary Company	100 % of equity share Capital	2(87) of the Companies Act, 2013

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

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1 <sup>st</sup> April, 2018)				No. of Shares held at the end of the year (As on 31 <sup>st</sup> March, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	15,85,000	0	15,85,000	3.17	5,000	0	5,000	0.01	(3.16)
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0	0.00
d) Bodies Corp.	1,28,30,502	0	1,28,30,502	25.66	1,50,79,592	0	1,50,79,592	30.16	4.50
e) Banks / FI	0	0	0	0.00	0	0	0	0	0.00
f) Any other (Trust)	13,00,000	0	13,00,000	2.60	28,80,000	0	28,80,000	5.76	3.16
<b>Sub-total (A) (1):-</b>	<b>1,57,15,502</b>	<b>0</b>	<b>1,57,15,502</b>	<b>31.43</b>	<b>1,79,64,592</b>	<b>0</b>	<b>1,79,64,592</b>	<b>35.93</b>	<b>4.50</b>
<b>(2) Foreign</b>									
a) NRIs-Individual	0	0	0	0.00	0	0	0	0	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0	0.00
e) Any other	0	0	0	0.00	0	0	0	0	0.00
<b>Sub-total (A)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>1,57,15,502</b>	<b>0</b>	<b>1,57,15,502</b>	<b>31.43</b>	<b>1,79,64,592</b>	<b>0</b>	<b>1,79,64,592</b>	<b>35.93</b>	<b>4.50</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	79,500	79,500	0.16	0	79,500	79,500	0.16	0.00
b) Banks / FIs	200	100	300	0.00	200	100	300	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0	0.00
g) FIs	0	0	0	0.00	0	0	0	0	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0	0.00
<b>Sub-total (B)(1):-</b>	<b>200</b>	<b>79,600</b>	<b>79,800</b>	<b>0.16</b>	<b>200</b>	<b>79,600</b>	<b>79,800</b>	<b>0.16</b>	<b>0.00</b>

<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	2,44,84,091	1,31,100	2,46,15,191	49.24	2,23,72,826	1,31,100	2,25,03,926	45.01	(4.23)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	29,91,654	26,86,565	56,78,219	11.36	29,02,985	26,58,065	55,61,050	11.12	(0.24)
ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh	39,02,468	0	39,02,468	7.81	38,71,549	0	38,71,549	7.74	(0.07)
c) Others (specify) Clearing Member	4,521	0	4,521	0	14,784	0	14,784	0.02	0.02
<b>Sub-total (B) (2):-</b>	<b>3,13,82,734</b>	<b>28,17,665</b>	<b>3,42,00,399</b>	<b>68.41</b>	<b>2,91,62,144</b>	<b>27,89,165</b>	<b>3,19,51,309</b>	<b>63.91</b>	<b>(4.50)</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>3,13,82,934</b>	<b>28,97,265</b>	<b>3,42,80,199</b>	<b>68.57</b>	<b>2,91,62,344</b>	<b>28,68,765</b>	<b>3,20,31,109</b>	<b>64.07</b>	<b>(4.50)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>4,70,98,436</b>	<b>28,97,265</b>	<b>4,99,95,701</b>	<b>100.00</b>	<b>4,71,26,936</b>	<b>28,68,765</b>	<b>4,99,95,701</b>	<b>100.00</b>	<b>0.00</b>

**(ii). Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1 <sup>st</sup> April, 2018)			Shareholding at the end of the year (As on 31 <sup>st</sup> March, 2019)			% Change in share holding 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.	Param Foundation Pvt. Ltd.	64,28,987	12.86	94.17	86,78,077	17.36	69.76	4.50
2.	Ruchi Infotech Ltd	38,99,263	7.80	100.00	38,99,263	7.80	100.00	0.00
3.	Ruchi Soya Industries Ltd.	17,71,700	3.54	0.00	17,71,700	3.54	0.00	0.00
4.	APL International Pvt. Ltd.	6,75,000	1.35	0.00	6,75,000	1.35	0.00	0.00
5.	Nutrela Marketing Pvt. Ltd.	30,000	0.06	0.00	30,000	0.06	0.00	0.00
6.	Ruchi Acroni Industries Ltd.	13,852	0.03	0.00	13,852	0.03	0.00	0.00
7.	Ruchi Infrastructure Ltd.	11,700	0.02	0.00	11,700	0.02	0.00	0.00
8.	Shashwat Trust#	13,00,000	2.60	0.00	28,80,000	5.76	0.00	3.16
9.	Mr. Suyash Shahra#	15,80,000	3.16	0.00	0	0	0.00	(3.16)
10.	Mrs. Abhadevi Shahra	5,000	0.01	0.00	5,000	0.01	0.00	0.00
	<b>Total</b>	<b>1,57,15,502</b>	<b>31.43</b>	<b>-</b>	<b>1,79,64,592</b>	<b>35.93</b>	<b>-</b>	<b>4.50</b>

#Ordinary resolutions have been proposed at the ensuing AGM of the Company for reclassification of name of Shashwat Trust from 'Promoter and Promoter Group' category to 'Public' category and for removal of name of Mr. Suyash Shahra from 'Promoter and Promoter Group' category.



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

Sr. No.	Shareholder's Name	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
1.	<b>Param Foundation Private Limited</b>				
	At the beginning of the year i.e. April1, 2018	64,28,987	12.86	64,28,987	12.86
	Shares Increased				
	On 22.03.2019 (Purchase)	50,000	0.10	64,78,987	12.96
	On 26.03.2019 (Purchase)	21,99,090	4.40	86,78,077	17.36
	At the end of the year i.e. March 31, 2019	86,78,077	17.36	86,78,077	17.36
2.	<b>Shashwat Trust#</b>				
	At the beginning of the year i.e. April1, 2018	13,00,000	2.60	13,00,000	2.60
	Shares Increased:				
	On 29.12.2018 (Gift)	15,80,000	3.16	28,80,000	5.76
	At the end of the year i.e. March 31, 2019	28,80,000	5.76	28,80,000	5.76
3.	<b>Mr. Suyash Shahra#</b>				
	At the beginning of the year i.e. April1, 2018	15,80,000	3.16	15,80,000	3.16
	Shares Decreased:				
	On 29.12.2018 (Gift)	15,80,000	3.16	-	-
	At the end of the year i.e. March 31, 2019	-	-	-	-

#Ordinary resolutions have been proposed at the ensuing AGM of the Company for reclassification of name of Shashwat Trust from 'Promoter and Promoter Group' category to 'Public' category and for removal of name of Mr. Suyash Shahra from 'Promoter and Promoter Group' category.

**(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 of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. o shares	% of total shares of the company
1	<b>Top Seals India Private Limited</b>				
	At the beginning of the year i.e. April1, 2018	69,76,714	13.95	69,76,714	13.95
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year i.e. March 31, 2019	69,76,714	13.95	69,76,714	13.95
2	<b>Money Capfin Private Limited</b>				
	At the beginning of the year i.e. April1, 2018	42,35,796	8.47	42,35,796	8.47
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	--		
	At the end of the year i.e. March 31, 2019	42,35,796	8.47	42,35,796	8.47

3	<b>Joyful Developers Private Limited</b>				
	At the beginning of the year i.e. April1, 2018	38,06,075	7.61	38,06,075	7.61
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-			
	At the end of the year i.e. March 31, 2019	38,06,075	7.61	38,06,075	7.61
4	<b>Jush Developers And Erectors Private Limited</b>				
	At the beginning of the year i.e. April1, 2018	38,06,000	7.61	38,06,000	7.61
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year i.e. March 31, 2019	38,06,000	7.61	38,06,000	7.61
5	<b>Avirat Urja Private Limited</b>				
	At the beginning of the year i.e. April1, 2018	19,49,468	3.90	19,49,468	3.90
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year i.e. March 31, 2019	19,49,468	3.90	19,49,468	3.90
6	<b>Iron Global Limited</b>				
	At the beginning of the year i.e. April1, 2018	60,218	0.12	60,128	0.12
	Shares increased on March 29, 2019	10,93,134	2.19	11,53,352	2.31
	At the end of the year i.e. March 31, 2019	11,53,352	2.31	11,53,352	2.31
7	<b>Mr. Surya Prakash Heda</b>				
	At the beginning of the year i.e. April1, 2018	15,33,000	3.07	15,33,000	3.07
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year i.e. March 31, 2019	15,33,000	3.07	15,33,000	3.07
8	<b>Mr. Naresh Lalwani</b>				
	At the beginning of the year i.e. April1, 2018	5,99,000	0.97	4,83,200	0.97
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year i.e. March 31, 2019	5,99,050	1.20	5,99,050	1.20
9	<b>Mrs. Sangeeta Jhaver</b>				
	At the beginning of the year i.e. April1, 2018	1,98,000	0.39	1,98,000	0.39
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year i.e. March 31, 2019	1,98,000	0.39	1,98,000	0.39
10	<b>Ms. Pushpa Kishore Parikh</b>				
	At the beginning of the year i.e. April1, 2018	1,34,296	0.27	1,34,296	0.27
	Shares decreased on September 7, 2018	1490	0.00	1,32,806	0.27
	Shares decreased on September 14, 2018	30	0.00	1,32,776	0.27
	Shares increased on February 15, 2019	33,633	0.06	1,66,409	0.33
	At the end of the year i.e. March 31, 2019	1,66,409	0.33	1,66,409	0.33

**(v). Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	For each of the Directors and KMP	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	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-

**V. INDEBTEDNESS:**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Nil**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs.)
1	Gross salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	Total	-	-
	Ceiling as per the Act	-	Rs. 60,00,000 per annum as per Schedule V of the Companies Act, 2013.

**B. Remuneration to other Directors :**

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount (Rs)
		Mr. Navin Khandelwal #	Ms. Ishita Khandelwal#	Mr. Ashutosh Mishra	Mrs. Shivani Gupta	
1	Independent Directors					
	Fee for attending board / Committee Meetings	9,000	47,000	60,000	17,000	1,33,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>9,000</b>	<b>47,000</b>	<b>60,000</b>	<b>17,000</b>	<b>1,33,000</b>
2	Other Non-Executive Directors					
	Fee for attending Board / Committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (1+2)</b>	<b>9,000</b>	<b>47,000</b>	<b>60,000</b>	<b>17,000</b>	<b>1,33,000</b>

#Mr. Navin Khandelwal and Ms. Ishita Khandelwal ceased to be Directors with w.e.f. July 10, 2018 and November 14, 2018 respectively.

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (Rs)
		CEO	CFO	CS	
		Mr. Arvind Mishra	Mr Ravi Kumar Deshmukh #	Mr. Parag Gupta	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	3,26,931	3,48,226	6,75,157
	(b) Value of perquisites u/s 17(2) Income- tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	- - -	- - -	- - -	- - -
5	Others, please specify-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>3,26,931</b>	<b>3,48,226</b>	<b>6,75,157</b>

#Ceased to be Chief Financial Officer of the Company w.e.f. July 20, 2019.

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees impose	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

By order of the Board of Directors  
 For IMEC Services Limited  
 (formerly known as Ruchi Strips And Alloys Limited)

Date: August 8, 2019  
 Place: Indore

Saket Barodia  
 Director  
 DIN : 00683938

Ashutosh Mishra  
 Director  
 DIN: 00038320

## MANAGEMENT DISCUSSION AND ANALYSIS

### **Industry Structure and Development:**

The Company is engaged in providing Management and Consultancy Services inter-alia engineering, information technology & technical including other Management and Consultancy Services and it also in the business of trading of all kinds of goods including agricultural products, metal & metal alloys etc. All these activities are facing competitive, taxation, regulatory headwinds and game changing structural changes. Your Company is gearing up to face such developments and re-engineer its business strategy as required from time to time. Much awaited revival of economic growth and its resultant benefits, early signs of which are being felt, are likely to provide favorable business conditions for the Company.

India's economy appears to have slowed down slightly in 2018-19. The proximate factors responsible for this slowdown include declining growth of private consumption, tepid increase in fixed investment, and muted exports. The 2018-19 GDP growth of 7% is the lowest in five years.

### **Industry Outlook:**

The Government of India recognizes the importance of promoting growth in services sectors and provides several incentives in wide variety of sectors such as health care, tourism, education, engineering, communications, transportation, information technology, banking, finance, management, among others. Services sector growth is governed by both domestic and global factors. The Indian facilities management market is expected to grow at 17 per cent CAGR (Compound annual growth rate) between 2015 and 2020 and surpass the US\$19 billion mark supported by booming real estate, retail and hospitality sectors.

The services sector, which accounts for 54 per cent of country's gross value added (GVA), witnessed a growth rate moderated to 7.5 per cent in 2018-19 as compared to 8.1 per cent in 2017-18. While segments like tourism, trade, hotels, transport, communication and services related to broadcasting, public administration and defence saw deceleration, financial, real estate and professional services category accelerated.

### **Risk & Concerns and its mitigates:**

This section lists forward-looking statements that involve risks and uncertainties. Our outlook, risks and concerns are as follows:

The economic environment, pricing pressures and decreased employee utilization rates could negatively impact our revenues and operating results. Any inability to manage our growth could disrupt our business, reduce our profitability and adversely impact our ability to implement our growth strategy. Intense competition in the market for technology services could affect our revenues. Our success depends in large part upon our management team and key personnel and our ability to attract and retain them.

New and changing corporate governance and public disclosure requirements add uncertainty to our compliance policies and increase our costs of compliance changes in the policies of the Government of India or political instability may adversely affect economic conditions in India generally, which could impact our business and prospects.

### **Internal Control Systems and Adequacy:**

The Company as well as its subsidiary have good internal control systems. The adequacy of which has also been reported by the Auditors of both the Companies in their respective reports as required under the Companies (Auditor's Report) Order, 2016 issued by the Government of India. Adequate system of internal control is in place which assures:

Proper recording and safeguarding of assets.

Maintaining proper accounting records and reliability of financial information.

Review the process of identification and management of Business Risks.

**Environment Management System:**

The Company and its subsidiary are committed to demonstrate continual improvement in our environmental performance in line with corporate values and stakeholder's expectations.

**Development in Human Resources and Industrial Relation:**

The Industrial relations climate of the Company and its subsidiary continues to remain harmonious and cordial with focus on improving productivity quality and safety.

**Financial and Operating Performance:**

During the period under review, the total income including other income of the Company was stood at Rs. 120.73 Lac as against Rs. 52.65 Lac in the previous year. The Company reported net profit of Rs. 4.93 Lac as compared to loss of Rs. 23.95 Lac in its Financial Statement which are prepared in accordance with the provisions of the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

**Segment wise performance:**

During the year, the Company was engaged in providing management and consultancy services, therefore no separate segment for reporting.

Statements in this "Management Discussion Analysis" describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operation include globalization of services, improved business environment for services, reformed regulations in services to enhance performance and create new opportunities, adapting to innovative policies to the growth of services, tax regimes, economic developments in India and other incidental factors.

## CORPORATE GOVERNANCE REPORT

### INTRODUCTION:

IMEC Services Limited (formerly known as Ruchi Strips and Alloys Limited) (IMEC) has always believed in fair business and corporate practices while dealing with the shareholders, employees, customers, creditors, lenders and others. We have always aimed to build trust with shareholders, employees, customers, suppliers and diverse stakeholders and to meet expectations of various elements of corporate environment. We believe in transparent and fair corporate actions with adequate disclosure and total accountability.

IMEC has been discharging its statutory obligations and duties and has always complied with statutory and regulatory requirements. Given below are the Company's Corporate Governance policies and practices in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The Company is in compliance with the requirements on the Corporate Governance provisions stipulated under Chapter IV of the Listing Regulations, which prescribes the obligations of the listed entities which have listed its specified securities on any of the recognized Stock Exchanges.

A report on implementation of the Corporate Governance Code of the Listing Regulations by the Company is furnished below:

### I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Good Corporate Governance leads to long term shareholder value and enhances interest of other stake holders. It brings into focus the fiduciary and the trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

### II. BOARD OF DIRECTORS:

#### Composition of the Board of Directors:

The Board of Directors comprised of personalities with adequate experience, qualifications, knowledge and diversified expertise relevant to the diversified business operations of the Company.

As on March 31, 2019, the Board of the Company comprised of 3 (Three) Directors, with 2 (Two) Independent Directors and 1 (One) Non Executive Director.

During the year under review, Mr. Navin Khandelwal, Ms. Ishita Khandelwal and Mr. Umesh Shakra have resigned from the Directorship of the Company w.e.f. July 10, 2018, November 14, 2018 and February 20, 2019 respectively.

The composition of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI LODR Regulations and that they are independent of the management.



**Category of Directors, their Directorship in other companies, Committee Membership / Chairmanship in other companies including other listed companies as on March 31, 2019 are given below:**

Name of Director	Executive / Non-Executive / Independent	No. of other Directorship* (Chairman)	Membership of other Board Committees** (Chairman)	Directorship in other Listed Companies	Category of Directorship in other Listed Companies
Mr. Saket Barodia	Non-Executive Director	2	(1)	Nil	Nil
Mr. Ashutosh Mishra	Non-Executive Independent Director	2	(2)	Nil	Nil
Mrs. Shivani Gupta	Non-Executive Independent Director	1	1	Nil	Nil

\*This includes the Directorship held in Public Limited Companies and subsidiaries of Public Limited Companies and excludes the Directorship held by Director in Private Limited Companies, Foreign Companies and the Companies formed under Section 25 of the Companies Act, 1956 / Section 8 of the Companies Act, 2013.

\*\*Membership/Chairmanship in Audit Committee and Stakeholders' Relationship Committee has only been considered.

**Details of Director(s):**

In compliance with Regulation 36(3) of the Listing Regulations, the brief resume, expertise in specific functional areas, disclosure of relationships between directors inter-se, details of other Directorships, Membership in Committees of Directors of other listed companies and shareholding in the Company, of the Directors proposed to be appointed / re-appointed are given in the Notice convening the Annual General Meeting.

**Board Meetings:**

The Board meets at least four times in a year in accordance with the applicable laws. Additional meetings are held as and when required. The Company plans and schedules the meetings of the Board and its Committee(s) well in advance. Agenda and detailed notes on agenda are circulated to the Directors in advance along with detailed supporting documents. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meetings.

During the financial year 2018-19, the Board of Directors met five times on May 15, 2018, May 26, 2018, August 4, 2018, November 14, 2018 and February 19, 2019. As stipulated, the gap between two consecutive Board meetings did not exceed one hundred and twenty days. The attendance of the Directors at the Board Meetings and Annual General Meeting held during the financial year 2018-19 are as under:

Name of Director	Attendance at		
	Board Meetings		Last Annual General Meeting
	No. of Meetings for which entitled to attend	No. of Meetings Attended	
Mr. Umesh Shakra#	5	5	Yes
Mr. Ashutosh Mishra###	4	4	Yes
Mrs. Shivani Gupta##	1	1	N.A.
Mr. Saket Barodia##	-	-	N.A.
Mr. Navin Khandelwal#	2	1	N.A.
Ms. Ishita Khandelwal#	4	3	No

#Mr. Navin Khandelwal, Ms. Ishita Khandelwal and Mr. Umesh Shakra ceased to be Directors with w.e.f. July 10, 2018, November 14, 2018 and February 20, 2019 respectively.

###Mr. Ashutosh Mishra and Mrs. Shivani Gupta have been appointed as Independent Directors of the Company and Mr. Saket Barodia has been appointed as an Additional (Non-Executive) Director of the Company w.e.f. May 15, 2018, November 14, 2018 and February 19, 2019 respectively.

A separate meeting of Independent Directors for the year 2018-19 was held in compliance with the requirements of Schedule IV of the Companies Act and the provisions of Listing Regulations inter-alia to review the performance of the Chairman, Non-Independent Directors of the Company and the performance of the Board as a whole. The Directors also discussed the quality, quantity and timeliness of flow of information between the Company management and the Board, which is necessary for the Board to effectively and reasonably perform their duties.

**Relationship between Directors inter-se:**

As on March 31, 2019 none of the Directors of the Company was related to any other Director on the Board of the Company in terms of the definition of 'relative' given under the Companies Act, 2013.

**Equity Shares held by the Directors:**

None of the Directors held any shares in the Company as on March 31, 2019.

**Familiarization Programme for Independent Directors:**

Upon appointment of a new Independent Director, the Company undertakes an orientation exercise to familiarize the Director about the Company's business operations, products, corporate objectives, financial performance, management structure, compliance etc., apart from explaining him/her about his/her role, responsibility, rights and duties. The Company's Policy of conducting the Familiarization Program has been disclosed on the website of the Company at <https://www.imecservices.in/Familiarization.html>

**Skills/Expertise/Competence of the Board:**

The Board comprises of qualified members who bring in the required skills, competence and expertise that allows them to make effective contribution to the Board and its Committees.

In view of the objectives and activities of our Business, the Company requires skill/expertise/competencies in the area of information technology & technical, Finance, Regulatory, Strategy, Business Leadership, Sales & Marketing, Hospitality, Human Resource, Risk & Governance etc.

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence required for it to function effectively.

**III. AUDIT COMMITTEE:**

During the financial year 2018-19, the Audit Committee met four times on May 26, 2018, August 4, 2018, November 14, 2018 and February 19, 2019. The composition of the Committee is in compliance with the requirements of Section 177 of the Act and Regulation 18(1) of the Listing Regulations. The Chairman of the Audit Committee was present at the 30<sup>th</sup> Annual General Meeting to answer shareholders' queries. The composition of the Committee and the attendance of each member of the Committee at the meetings of the Audit Committee held during financial year 2018-19 are given below:

Name of Director	Designation	Non-Executive / Independent	No. of Meetings for which entitled to Attend	No. of Meetings Attended
Mr. Ashutosh Mishra##	Chairman	Non-Executive Independent Director	4	4
Mrs. Shivani Gupta##	Member	Non-Executive Independent Director	1	1
Mr. Saket Barodia##	Member	Non-Executive Director	-	-
Mr. Navin Khandelwal#	Chairman	Non-Executive Independent Director	1	0
Ms. Ishita Khandelwal#	Member	Non-Executive Independent Director	3	3
Mr. Umesh Shaha#	Member	Non-Executive Director	3	3

#Mr. Navin Khandelwal, Ms. Ishita Khandelwal and Mr. Umesh Shaha ceased to be Directors with w.e.f. July 10, 2018, November 14, 2018 and February 20, 2019 respectively.

##Mr. Ashutosh Mishra and Mrs. Shivani Gupta have been appointed as Independent Directors of the Company and Mr. Saket Barodia has been appointed as an Additional (Non-Executive) Director of the Company w.e.f. May 15, 2018, November 14, 2018 and February 19, 2019 respectively.

Upon resignation of Mr. Navin Khandelwal the Audit Committee was re-constituted w.e.f. July 11, 2018 with following as its Members:

1. Mr. Ashutosh Mishra Chairman (Independent Director)
2. Ms. Ishita Khandelwal Member (Independent Director)
3. Mr. Umesh Shahra Member (Non-Executive Director)

Further, subsequent to appointment of Mrs. Shivani Gupta as an Additional and Non Executive Woman Independent Director of the Company w.e.f. November 14, 2018 the Audit Committee was again re-constituted w.e.f. November 15, 2018 with following as its Members:

1. Mr. Ashutosh Mishra Chairman (Independent Director)
2. Mrs. Shivani Gupta Member (Independent Director)
3. Mr. Umesh Shahra Member (Non-Executive Director)

Further, subsequent to appointment of Mr. Saket Barodia as an Additional and Non Executive Director of the Company w.e.f. February 19, 2019 the Audit Committee was again re-constituted w.e.f. February 20, 2019 with following as its Members:

1. Mr. Ashutosh Mishra Chairman (Independent Director)
2. Mrs. Shivani Gupta Member (Independent Director)
3. Mr. Saket Barodia Member (Non-Executive Director)

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

The role and terms of reference of Audit Committee together with its powers as specified by the Board, are in conformity with the requirements of Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

#### **Role of Audit Committee:**

1. 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;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to;
  - 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
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements; their legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.
21. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177 of Companies Act 2013 or referred to it by the Board.

**Information to be mandatorily reviewed by the Audit Committee:**

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; and
5. The appointment, removal and terms of remuneration of the chief 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).

**Powers of the Audit Committee:**

1. Investigating any activity within its terms of reference;
2. Seeking information from any employee;
3. Obtaining outside legal or other professional advice; and
4. Securing attendance of outsiders with relevant expertise, if it considers necessary.

**IV. NOMINATION AND REMUNERATION COMMITTEE:**

During the financial year 2018-19, the Nomination and Remuneration Committee of the Board of Directors met four times on May 15, 2018, August 4, 2018, November 14, 2018 and February 19, 2019. The constitution of the Committee and the attendance of members of the Committee during the Financial Year 2018-19 are given below:

Name of Director	Designation	Executive / Non-Executive / Independent	No. of Meetings for which entitled to Attend	No. of Meetings Attended
Mr. Ashutosh Mishra##	Chairman	Non-Executive Independent Director	3	3
Mrs. Shivani Gupta##	Member	Non-Executive Independent Director	1	1
Mr. Saket Barodia##	Member	Non-Executive Director	-	-
Mr. Navin Khandelwal#	Chairman	Non-Executive Independent Director	1	1
Ms. Ishita Khandelwal#	Member	Non-Executive Independent Director	3	2
Mr. Umesh Shahra#	Member	Non-Executive Director	4	4

*#Mr. Navin Khandelwal, Ms. Ishita Khandelwal and Mr. Umesh Shahra ceased to be Directors with w.e.f. July 10, 2018, November 14, 2018 and February 20, 2019 respectively.*

*##Mr. Ashutosh Mishra and Mrs. Shivani Gupta have been appointed as Independent Directors of the Company and Mr. Saket Barodia has been appointed as an Additional (Non-Executive) Director of the Company w.e.f. May 15, 2018, November 14, 2018 and February 19, 2019 respectively.*

Upon resignation of Mr. Navin Khandelwal the Nomination and Remuneration Committee was re-constituted w.e.f. July 11, 2018 with following as its Members:

1. Mr. Ashutosh Mishra Chairman (Independent Director)
2. Ms. Ishita Khandelwal Member (Independent Director)
3. Mr. Umesh Shahra Member (Non-Executive Director)

Further, subsequent to appointment of Mrs. Shivani Gupta as an Additional and Non Executive Woman Independent Director of the Company w.e.f. November 14, 2018 the Nomination and Remuneration Committee was again re-constituted w.e.f. November 15, 2018 with following as its Members:

1. Mr. Ashutosh Mishra Chairman (Independent Director)
2. Mrs. Shivani Gupta Member (Independent Director)
3. Mr. Umesh Shahra Member (Non-Executive Director)

Further, subsequent to appointment of Mr. Saket Barodia as an Additional and Non Executive Director of the Company w.e.f. February 19, 2019 the Nomination and Remuneration Committee was again re-constituted w.e.f. February 20, 2019 with following as its Members:

1. Mr. Ashutosh Mishra Chairman (Independent Director)
2. Mrs. Shivani Gupta Member (Independent Director)
3. Mr. Saket Barodia Member (Non-Executive Director)

**A) Terms of Reference in brief:**

The Nomination and Remuneration Committee ensures effective compliance of the Listing Regulations read with Section 178 of the Companies Act, 2013. Short particulars of terms of reference of the Committee is given below:

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;

Formulation of criteria for evaluation of performance of independent directors and the board of directors;

Devising a policy on diversity of board of directors;

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;

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

**B) Policy for Appointment of Directors, Key Managerial Personnel and Senior Management Employees and their Remuneration:****1. Objective**

The objective of the policy is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of the Company's stakeholders.

**2. The Nomination & Remuneration Committee**

The Nomination & Remuneration Committee (Committee) is responsible for formulating and making the necessary amendments to the Policy for appointment of Directors, Key Managerial Personnel (KMP) and Senior Management Employees & their Remuneration of the Company from time to time.

**3. Appointment**

The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively. The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

**In case of re-appointment of Non Executive Directors**, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

**Chief Executive Officer & Managing Director - Criteria for selection / appointment:** For the purpose of selection of the CEO & MD, the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

**4. Remuneration**

The Non Executive Directors shall be entitled to receive sitting fees and reimbursement of expenses for each meeting of the Board or Committee attended by him/her, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Remuneration for the CEO & Managing Director at the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the A&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the CEO & Managing Director may comprise only of fixed component. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits.

#### **5. Remuneration for the Senior Management Employees.**

In determining the remuneration of the Senior Management Employees (just one level below the board) the Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment (if any) and performance incentive to the Committee for its review and approval.

### **C) Details of Remuneration to Directors & Performance Evaluation:**

#### **1. Remuneration to Non- Executive Directors:**

The Non- Executive Directors are paid remuneration by way of Sitting Fees. The Non- Executive Directors are paid sitting fees for each meeting of the Board and Committee(s) of Board of Directors attended by them. The total amount of sitting fees paid during the financial year 2018-19 to the Non- Executive Directors of the Company was Rs. 1,33,000/-. The Non- Executive Independent Directors does not have any material pecuniary relationship or transactions with the Company. Details of the sitting fees paid to Directors for the year ended March 31, 2019, is given below:

<b>Sr. No.</b>	<b>Name of the Non- Executive Director</b>	<b>Sitting Fees Paid (Rs.)</b>
1	Mr. Navin Khandelwal #	9,000
2	Ms. Ishita Khandelwal#	47,000
3	Mr. Ashutosh Mishra##	60,000
4	Mrs. Shivani Gupta###	17,000

*#Mr. Navin Khandelwal and Ms. Ishita Khandelwal ceased to be Directors with w.e.f. July 10, 2018 and November 14, 2018 respectively.*

*#Mr. Ashutosh Misra and Mrs. Shivani Gupta have been appointed as Independent Directors of the Company w.e.f. May 15, 2018 and November 14, 2018 respectively.*

#### **2. Remuneration to Executive/Whole-Time Directors:**

During the Financial Year 2018-19 the Company did not have any Managing Director or Whole Time Director.

#### **3. Performance Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually.

A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Non-executive and Independent Directors was carried out by the entire Board. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

The performance evaluation of the Non Independent Director was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

**V. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

During the financial year 2018-19 the Stakeholders' Relationship Committee of the Board of Directors of the Company met four times on April 14, 2018, July 7, 2018, October 6, 2018 and January 5, 2019. The constitution of the Committee and the attendance of each members of the Committee during Financial Year 2018-19 are given below:

Name of Director	Designation	Executive / Non-Executive / Independent	No. of Meetings for which entitled to Attend	No. of Meetings Attended
Mr. Ashutosh Mishra##	Chairman	Non-Executive Independent Director	3	3
Mrs. Shivani Gupta##	Member	Non-Executive Independent Director	1	1
Ms. Ishita Khandelwal#	Member	Non-Executive Independent Director	1	1
Mr. Umesh Shakra#	Chairman	Non-Executive Director	3	3

*#Ms. Ishita Khandelwal and Mr. Umesh Shakra ceased to be Directors with w.e.f. November 14, 2018 and February 20, 2019 respectively.*

*##Mr. Ashutosh Misra and Mrs. Shivani Gupta have been appointed as Independent Directors of the Company w.e.f. May 15, 2018 and November 14, 2018 respectively.*

Subsequent to appointment of Mr. Ashutosh Mishra as an Independent Director of the Company, the Stakeholders Relationship Committee was re-constituted w.e.f. May 15, 2018 with following as its Members:

1. Mr. Ashutosh Mishra Chairman (Independent Director)
2. Ms. Ishita Khandelwal Member (Independent Director)

Further, subsequent to appointment of Mrs. Shivani Gupta as an Additional and Non Executive Woman Independent Director of the Company w.e.f. November 14, 2018 the Stakeholders Relationship Committee was again re-constituted w.e.f. November 15, 2018 with following as its Members:

1. Mr. Ashutosh Mishra Chairman (Independent Director)
2. Mrs. Shivani Gupta Member (Independent Director)

**Role of Stakeholders Relationship Committee are as follows:**

The Committee shall consider and resolve the grievances of the security holders of the listed entity including complaints related to transfer of shares, issue of duplicate share certificates, non-receipt of annual report and non-receipt of declared dividends.

1. Transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
2. Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
3. Non-receipt of declared dividends, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
4. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting,
5. Carrying out any other function contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.

During the year under review the Committee discussed the various reports placed before it regarding the investor complaints and queries.



**Status of Investor Complaints for the Financial Year ended March 31, 2019:**

Particulars	No. of Complaints
Complaints pending as on April 1, 2018	0
Complaints received during the financial year ended March 31, 2019	12
Complaints disposed of during the financial year ended March 31, 2019	12
Complaints unresolved as on March 31, 2019	0

During the year under review the Company did not received any complaint through SCORES.

There are no pending share transfers as on March 31, 2019.

**Name and Designation of Compliance Office:**

Mr. Parag Gupta - Company Secretary is the Compliance Officer of the Company.

The Company had in compliance with the SEBI Circular No. **SEBI/HO/MIRSD/DOP1/CIR/P/2018/73** dated April 20, 2018, through letters dated July 13, 2018 (Initial Letter), August 20, 2018 (Reminder-1) and January 14, 2019 (Reminder-2) requested the shareholders of the Company holding shares in physical form to provide the required information/details as specified in the SEBI Circular.

Further the Company in the said letters had also informed the shareholders that as per the SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and BSE Circular No. LIST/COMP/15/2018-19 dated July 5, 2018; no transfer of shares shall be processed w.e.f December 5, 2018 (which got extended till April 1, 2019) unless the shares are held in dematerialized form, accordingly the Company requested the shareholders to dematerialize their physical share certificate(s) at the earliest.

**VI. INFORMATION OF GENERAL BODY MEETINGS:**
**1. Location and time of Annual General Meetings held during the last three years are as follows:**

Year	Location	Date & Time	Whether Special Resolution(s) passed or not
2017-18	Orchid Hall, 2nd Floor, Sunville Banquets 9, Dr. Annie Besant Road, Worli Mumbai - 400018	19/09/2019 3.00 P.M.	Yes
2016-17	Rangswar Hall, Yashwantrao Chavan Pratisthan, Gen. Jagannathrao Bhonsle Marg, Mumbai - 400021	27/09/2017 4.00 P.M.	No
2015-16	Sunvile Deluxe Pavilion, Sunvile Building, 9, Dr. Annie Besant Road, Worli, Mumbai 400 018	14/09/2016 2:30 P.M.	No

**2. Special Resolutions passed in the previous three Annual General Meetings:**

- A. 30th Annual General Meeting held on September 19, 2018:
  - i. Change of Name of the Company.
  - ii. Adoption of Memorandum of Association as per the provisions of the Companies Act, 2013.
  - iii. Adoption of Articles of Association as per the provisions of the Companies Act, 2013.
- B. No special resolutions were passed in the Annual General Meetings held on September 27, 2017 and September 14, 2016.

**3. Special resolution passed last year through Postal Ballot:**

During the financial year 2018-19 no special resolution was passed through Postal Ballot.

Further, none of the businesses proposed to be transacted at the ensuing AGM require passing a Special Resolution through postal ballot.

**VII. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

During the year under review, no complaints of any nature were received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**VIII. MEANS OF COMMUNICATION TO SHAREHOLDERS:**

The quarterly, half yearly and annual financial results of the Company for the financial year 2018-19 (April 1, 2018 to March 31, 2019) were published in the newspapers namely Free Press Journal & Navshakti (both Mumbai Editions). The Company has its own website viz., [www.imecservices.in](http://www.imecservices.in) on which the important public domain information is posted/uploaded by the Company. All financial and other vital official news releases are also properly communicated to the concerned Stock Exchange as besides being placed on the website.

**IX. GENERAL SHAREHOLDER INFORMATION:**

- a. Annual General Meeting : Date : September 25, 2019  
 Time : 3.00 P.M.  
 Venue : Orchid Hall, 2nd Floor,  
 Sunville Banquets,  
 9 Dr. Annie Besant Road,  
 Worli, Mumbai 400018
- b. Financial Calendar 2019-20  
 Adoption of Quarterly Results of  
 First quarter : By 2<sup>nd</sup> week of August, 2019  
 Second quarter : By 2<sup>nd</sup> week of November, 2019  
 Third quarter : By 2<sup>nd</sup> week of February, 2020  
 Fourth quarter & Annual : By 4<sup>th</sup> week of May, 2020  
 Annual General Meeting  
 for the year ended March 31, 2019 : September 25, 2019
- c. Dividend Payment Date : No dividend is declared for the year 2018-19
- d. Listing on Stock Exchanges : BSE Limited  
 Phiroze Jeejeebhoy Towers, Dalal Street,  
 Mumbai 400 001  
*Annual listing fee for the year 2018-19 and 2019-20  
 has been paid by the Company to BSE.*
- e. Stock Code/ISIN / CIN : 513295 (IMEC)  
 ISIN - INE611C01012  
 CIN: L74110MH1987PLC142326
- f. Registrar & Transfer Agent : **Bigshare Services Private Limited**  
 (w.e.f July 1, 2018)  
 CIN: U99999MH1994PTC076534  
 Bharat Tin Works Building, 1st Floor,  
 Opp. Vasant Oasis, Makwana Road,  
 Marol, Andheri (E), Mumbai 400059  
 Phone : 022-62638200 / 62638222  
 E-mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
 Website : [www.bigshareonline.com](http://www.bigshareonline.com)
- Sarthak Global Limited**  
 (Upto June 30, 2018)  
 CIN: L99999MH1985PLC136835  
 170/10, Film Colony, RNT Marg, Indore 452001 (M.P.)  
 E-mail: [sgl@sarthakglobal.com](mailto:sgl@sarthakglobal.com)

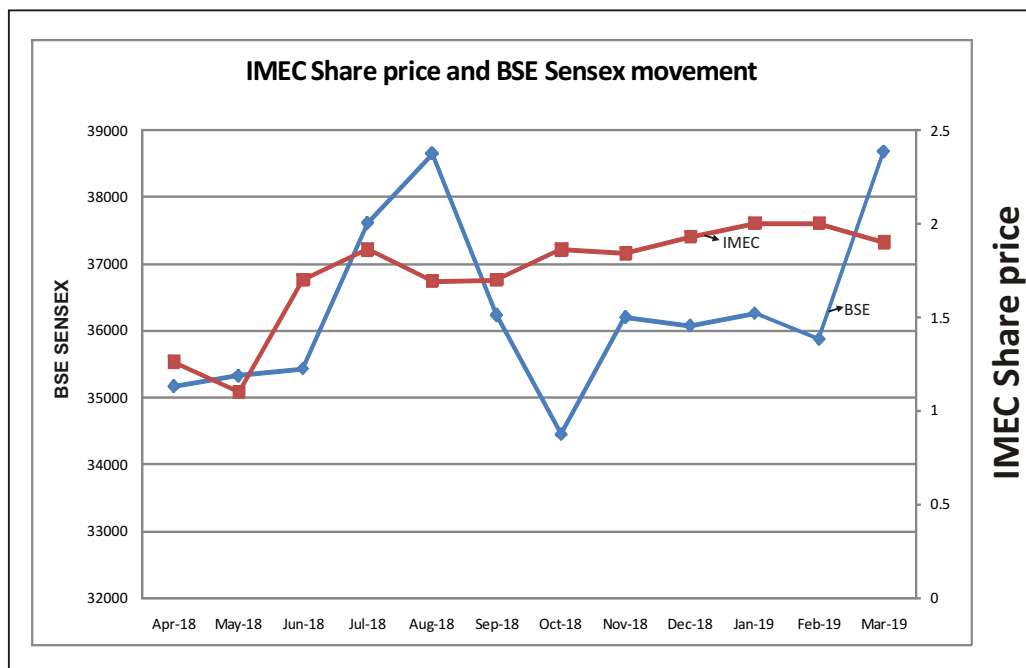
- g. Address of Correspondence : 611, Tulsiani Chambers,  
Nariman Point, Mumbai 400021  
E-mail: investor@imecservices.in  
Website : www.imecservices.in
- h. Dematerialization of shares : 94.26% of the total equity capital is held in  
Dematerialized form with National Securities  
Depository Limited and Central Depository  
Services (India) Limited as on March 31, 2019.
- i. Outstanding ADRs/GDRs : The Company does not have any ADRs/GDRs, Warrants or  
Convertible Instruments.

**j. Market Price Data :**

High and Low market price of equity shares of the Company at BSE Limited during each month in the financial year ended March 31, 2019 is given below:

Period / Month	High (Rs.)	Low (Rs.)
April, 2018	1.70	1.10
May, 2018	1.20	1.00
June, 2018	1.73	1.10
July, 2018	1.86	1.78
August, 2018	1.77	1.69
September, 2018	1.85	1.69
October, 2018	1.86	1.78
November, 2018	1.95	1.84
December, 2018	1.93	1.93
January, 2019	2.00	1.85
February, 2019	2.20	2.00
March, 2019	1.90	1.87

**k. Performance of the share price of the Company in comparison to BSE Sensex :**



**I. Distribution of Shareholding as on March 31, 2019:**

No. of Shares	No. of Shareholders	% of Total No. of Shareholding	Total No. of Shares held	% of Shareholders
Upto 500	20,197	92.50	33,82,188	6.76
501-1000	972	4.45	8,31,380	1.66
1001-2000	345	1.58	5,42,568	1.09
2001-3000	105	0.48	2,66,516	0.53
3001-4000	36	0.16	1,29,665	0.26
4001-5000	46	0.21	2,19,561	0.44
5001-10000	57	0.26	4,32,943	0.87
10001 and above	79	0.36	4,41,90,880	88.39
<b>Total</b>	<b>21,837</b>	<b>100.00</b>	<b>4,99,95,701</b>	<b>100.00</b>

**m. Share Transfer System:**

The Company has outsourced its share transfer function for shares held in physical form to Bigshare Services Private Limited which is registered with the Securities and Exchange Board of India having Registration No INR000001385. Share transfer is normally affected within a period of 15 days from the date of receipt of request, if all the required documentation is submitted.

**n. Distribution of Shareholding as on March 31, 2019 :**

Sr. No.	Category of Shareholder	No. of Shares held	Percentage of Shareholding
1	Promoters	1,79,64,592	35.93
2	NRIs/OCBs/FIIs	1,05,200	0.21
3	Banks, FIs, Mutual Funds	79,800	0.16
4	Indian Corporate Bodies	2,23,35,771	44.68
5	Indian Public	95,10,338	19.02
	<b>Total</b>	<b>4,99,95,701</b>	<b>100.00</b>

**o. Dematerialization of shares and liquidity:**

The shares of the Company are under compulsory demat segment and are listed on BSE Limited, Mumbai. The Company's shares are available for trading in both the depository systems i.e. National Securities Depository Limited and Central Depository Services India Limited. The details of Shares held in physical and dematerialized form as on March 31, 2019 are as under:

Category	No. of Holders	% of Holders	Total No. of Shares	%
Physical	14,662	67.14	28,68,765	5.74
NSDL	4,902	22.45	4,06,72,858	81.35
CDSL	2,273	10.41	64,54,078	12.91
<b>Total</b>	<b>21,837</b>	<b>100.00</b>	<b>49,995,701</b>	<b>100.00</b>

**X. OTHER DISCLOSURES:****a. Transactions with Promoters, Directors and their relatives, Management or their subsidiaries etc.:**

The Company has not entered into any transaction of material nature with the Promoters or Directors and/or their relatives or Management and/or their subsidiaries etc. that may have any potential conflict with the interests of the Company. The transactions of purchase and sale of goods, materials and services made in respect of above parties have been made at prices which are reasonable having regard to prevailing market prices for such goods, materials or services as available with the Company or the prices at which transactions for similar goods, materials or services have been made with other parties (Please refer Note No. 35 of Notes to the Consolidated Financial Statement, forming part of the Annual Report).

**b. Compliance by the Company:**

The Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authorities on all matters related to Capital Markets during last three years except that the Company was not able to submit the Un-audited Standalone Financial Results and Limited Review Report for the quarter and nine months ended December 31, 2018 by February 14, 2019 i.e. the due date for submission of Financial Results for the relevant quarter, as the Company was in process of appointment of new Statutory Auditors of the Company due to the casual vacancy caused in the office of Statutory Auditors; through Postal Ballot and e-voting Process for which the last date of receiving the ballot forms / e-voting was February 18, 2019. Accordingly the Financial Results for the quarter ended December 2018 were submitted to the Stock Exchange on February 19, 2019 instead of the due date i.e. on or before February 14, 2019 on which the Company was supposed to submit to the Stock Exchange. Hence a penalty (Rs. 5,000/- per day for delay till the date of submission of Results) for an amount of Rs. 29,500/- (inclusive of GST at 18%) was imposed on the Company and the same had been paid by the Company. The Company had also requested to BSE to waive off the penalty imposed due to the reasons which were beyond the control of the Company.

**c. Whistle Blower Policy:**

Your Company has established a Vigil Mechanism/ Whistle Blower Policy to enable stakeholders (including Directors and employees) to report unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Director(s)/employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman.

Your Company hereby affirms that no Director/ employee have been denied access to the Chairman of the Audit Committee and no complaints were received during the year.

The Whistle Blower Policy has been disclosed on the Company's website under the web link <https://www.imecservices.in/Vigil-Mechanism-IMEC.pdf>

**d. Compliance with Corporate Governance Requirements:**

The Company has complied with the requirements of Part C (Corporate Governance Report) of Schedule V of the Listing Regulations.

The Company has complied with the Corporate Governance Requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

**e. Subsidiary Company's Monitoring Framework:**

The Company is having one material unlisted subsidiary company i.e. RSAL Steel Private Limited as defined under Listing Regulations and is required to nominate an independent director of the Company on the Board of subsidiary company. Hence one of the Independent Directors of the Company is a Director on the Board of RSAL Steel Private Limited, Subsidiary of the Company.

The Company monitors performance of subsidiary Company inter alia by the following:

(a) Financial Statements of subsidiary company are reviewed by Audit Committee of the Company at regular intervals.

(b) All Minutes of Board Meetings of the Subsidiary Company are placed before the Company's Board

regularly.

The Company has formulated the Material Subsidiary Policy and uploaded on the website of the Company. The said Policy is available at [https://www.imecservices.in/Material\\_Subsiadiaries\\_IMEC.pdf](https://www.imecservices.in/Material_Subsiadiaries_IMEC.pdf)

**f. Related Party Transactions:**

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Listing Regulations during the financial year were in the ordinary course of business and on an arm's length basis.

There were no material significant transaction with related parties during the financial year. As required under Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company at [https://www.imecservices.in/Related\\_PartyTransaction\\_IMEC.pdf](https://www.imecservices.in/Related_PartyTransaction_IMEC.pdf)

The Company does not have transactions with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company.

**g. Certificate from Company Secretary in practice:**

A certificate from M/s. Anish Gupta & Associates, Company Secretaries, 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 SEBI/Ministry of Corporate Affairs or any other statutory authority is annexed to this report.

**h. Fees paid to Statutory Auditors**

Total fees paid by the Company and its subsidiary company during the financial year 2018-19 on a consolidated basis to M/s. M.S. Singhatwadia & Co. Chartered Accountants, the Statutory Auditors is given below:

Sr. No.	Particulars	Amount Paid (Rs. in Lacs)
1	Statutory Audit	1.50
2	Tax and GST Audit	1.00
	<b>Total</b>	<b>2.50</b>

**i. Demat suspense account:**

There are no unclaimed shares/securities of the Company in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**XI. CODE OF CONDUCT:**

The Company has laid down a Code of Conduct for all Board Members and senior management personnel of the Company. The Code of Conduct is available on the website of the Company viz., [www.imecservices.in](http://www.imecservices.in). The declaration of the Chief Executive Officer of the Company is given below:

To,  
 The Members  
 IMEC Services Limited  
 (formerly known as Ruchi Strips And Alloys Limited)

Sub : Compliance with Code of Conduct

I, Arvind Mishra Chief Executive Officer of IMEC Services Limited (formerly known as Ruchi Strips and Alloys Limited) ("the Company") hereby declare that all the Board Members and Senior Management Personnel have affirmed their compliance with the Code of Conduct as adopted by the Board of Directors, for the year ended March 31, 2019.

Place : Indore  
 Dated : May 15, 2019

**Arvind Mishra**  
**Chief Executive Officer**

## Independent Auditor's Certificate on Corporate Governance

To  
The Members of  
IMEC Services Limited  
(formerly known as Ruchi Strips and Alloys Limited)

1. We have examined the compliance of conditions of Corporate Governance by IMEC Services Limited (formerly known as Ruchi Strips and Alloys Limited) ("the Company") for the year ended March 31, 2019 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

### **Managements' Responsibility**

2. The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

### **Auditor's Responsibility**

3. Our responsibility is limited to examining 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.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Opinion**

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2019.
8. 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 M.S. Singhatwadia & Co.**  
**Chartered Accountants**  
**Firm Registration No. 113954W**

**CA Neel Khandelwal**  
**Partner**  
**Membership No. 181251**

Place : Indore  
Date : August 7, 2019

**CERTIFICATE****Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)**

To  
The Members of  
IMEC Services Limited  
611, Tulsiani Chambers,  
Nariman Point, Mumbai 400021.

We have examined the relevant books, papers, minutes books, forms and returns filed, notices received from the Directors for the financial year 2018-19, and other records maintained by the Company and also the information provided by the officers, agents and authorised representatives of IMEC Services Limited, CIN: L74110MH1987PLC142326 (hereinafter referred to as 'the Company') having its registered office at 611, Tulsiani Chambers, Nariman Point, Mumbai 400021 for the purpose of issue of Certificate, in accordance with Regulation 34(3) read with Schedule V, Para-C, sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide notification no SEBI/LAD/NRO/GN/2018/10 dated 09th May 2018 issued by SEBI.

In our opinion and to the best of our knowledge and based on such examination as well as information and explanations furnished to us, we hereby certify that none of the Directors of the Company stated below who are on the Board of the Company as on 31st March 2019, have been debarred or disqualified from being appointed or continuing to act as Directors of the Company by Securities and Exchange Board of India or the Ministry of Corporate Affairs, Government of India or any such other statutory authority:

Sr. No.	Director Identification Number (DIN)	Name of the Directors	Designation	Date of Appointment in the Company
1.	00038320	Mr. Ashutosh Mishra	Independent Director	15/05/2018
2.	08275256	Mrs. Shivani Gupta	Independent Director	14/11/2018
3.	00683938	Mr. Saket Barodia	Non-Executive Director	19/02/2019

We further state that such compliance 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 Anish Gupta & Associates,  
Company Secretaries**

Place : Mumbai  
Date : August 8, 2019

**Anish Gupta  
Proprietor  
FCS 5733 / C P No. : 4092**



## Independent Auditors Report

To,  
The Members of IMEC Services Limited  
(Formerly known Ruchi Strips & Alloys Limited)

### Report on the Audit of Standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone Financial Statements of IMEC Services Limited (Formerly known Ruchi Strips and Alloys Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and Notes to the Standalone Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis of Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements 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 (ICAI) together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr No.	Key Audit Matter
1	<p><b>Assessment of Contingent Liability and Related Disclosures</b></p> <p>[Refer to Note B (iii) to the Standalone Financial Statements - "Use of Estimates, Judgements and Assumptions-Provisions and contingent liabilities", Note 19 to the Standalone Financial Statements - "Contingent Liabilities and Commitments"]</p> <p>As at March 31, 2019, the Company has contingent liabilities amounting to Rs 24,148 Lacs.</p> <p>Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised, or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate.</p> <p>As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws/regulations, it is considered to be a Key Audit Matter.</p>

**Auditor's Response**

**Principle Audit Procedures**

Our audit procedures included the following:

We understood, assessed and tested the design and operating effectiveness of key controls surrounding contingent liability relating to the relevant laws and regulations;

We performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities made in the Standalone Financial Statements;

We evaluated management's assessments by understanding precedents set in similar cases and assessed the reliability of the management's past estimates/judgements;

We evaluated management's assessment around those matters that are not disclosed or not considered as contingent liability, as the probability of material outflow is considered to be remote by the management;

We assessed the adequacy of the Company's disclosures.

Based on the above work performed, management's assessment in respect of disclosures relating to contingent liabilities in the Standalone Financial Statements is considered to be reasonable.

**2. Key Audit Matter**

**Assessment of carrying value of equity investments in subsidiaries and fair value of other investments**

[Refer to Note B (iii) to the Standalone Financial Statements - "Use of Estimates, Judgements and Assumptions-Fair Value Measurements of Financial Instruments ", Note B (v) to the Standalone Financial Statements-"Investments in subsidiary", Note B (xvii- A) to the Standalone Financial Statements "Financial assets", Note 2 to the Standalone Financial Statements - "Investments in subsidiary", and Note 34 (A) to the Standalone Financial Statements "Fair value hierarchy"]

The Company has equity investments in a subsidiary company. It also has made investments in preference shares in subsidiary company.

The Company accounts for equity investments in subsidiary at cost (subject to impairment assessment) and other investments at fair value.

For investments carried at cost where an indication of impairment exists, the carrying value of investment is assessed for impairment and where applicable an impairment provision is recognised, if required, to its recoverable amount.

For investments carried at fair values, a fair valuation is done at the year-end as required by Ind AS 109. In case of certain investments, cost is considered as an appropriate estimate of fair value since there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range as permitted under Ind AS 109.

The accounting for investments is a Key Audit Matter as the determination of recoverable value for impairment assessment/fair valuation involves significant management judgement.

The impairment assessment and fair valuation for such investments have been done by the management in accordance with Ind AS 36 and Ind AS 113 respectively.

The key inputs and judgements involved in the impairment/fair valuation assessment of unquoted investments include:

Forecast cash flows including assumptions on growth rates

Discount rates

Terminal growth rate

Economic and entity specific factors are incorporated in valuation used in the impairment assessment.

**Auditor's Response****Principal Audit Procedures**

Our audit procedures included the following:

We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the impairment assessment and fair valuation of material investments.

We evaluated the Company's process regarding impairment assessment and fair valuation by involving auditor's valuation experts to assist in assessing the appropriateness of the valuation model including the independent assessment of the underlying assumptions relating to discount rate, terminal value etc.

We assessed the carrying value/fair value calculations of all individually material investments, where applicable, to determine whether the valuations performed by the Company were within an acceptable range determined by us and the auditor's valuation experts.

We evaluated the cash flow forecasts (with underlying economic growth rate) by comparing them to the approved budgets and our understanding of the internal and external factors.

We checked the mathematical accuracy of the impairment model and agreed relevant data back to the latest budgets, actual past results and other supporting documents.

We assessed the Company's sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment or material change in fair valuation

We had discussions with management to obtain an understanding of the relevant factors in respect of certain investments carried at fair value where a wide range of fair values were possible due to various factors such as absence of recent observable transactions, restrictions on transfer of shares, existence of multiple valuation techniques, investee's varied nature of portfolio of investments for which significant estimates/judgements are required to arrive at fair value.

We evaluated the adequacy of the disclosures made in the Standalone Financial Statements.

Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment in relation to the carrying value of equity investments in subsidiaries and fair value of other investments.

**Emphasis of Matter**

The Company has given Corporate guarantee of Rs 24,148 Lacs to its subsidiary company i.e. RSAL Steel Private Limited for loans taken from various banks. Banks have classified these loans as Non-Performing Assets and have taken Symbolic Possession of Factory on 20<sup>th</sup> June 2019 under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and Rule 8(1) of said act. Banks have issued recall notice demanding outstanding amount to the Company and Subsidiary.

**Information Other than the Standalone Financial Statements and Auditor's 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, 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 Responsibilities for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, 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 responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements 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 SAs 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 Standalone Financial Statements.

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

- i. Identify and assess the risks of material misstatement of the Standalone Financial Statements, 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.
- ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. 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 Standalone Financial Statements 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.
- v. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 Standalone Financial Statements 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 Other Legal and Regulatory Requirements.**

1. As required by Section 143(3) of the Act, based on our audit we report that :
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us :
    - i. The Company has no pending litigation as on March 31, 2019 its financial position in its Standalone Financial Statements.
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For M.S. Singhatwadia & Co.**  
**Chartered Accountants**  
**(Firm Reg. No. 113954W)**

**CA Neel Khandelwal**  
**(Partner)**  
**M. No. 181251**

**Place : Indore**  
**Date: May 30, 2019**

**Annexure - A to the Independent Auditor's Report of even date on the Standalone Financial Statements of IMEC Services Limited (Formerly known Ruchi Strips and Alloys Limited)**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of IMEC Services Limited (Formerly known Ruchi Strips and Alloys Limited) of even date.

**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 IMEC Services Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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

The Board of Directors of the Company 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 respective 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 internal financial controls system with reference to Standalone Financial Statements.

**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, to the best of our information and according to the explanations given to us, 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.

**For M.S. Singhatwadia & Co.**  
**Chartered Accountants**  
**(Firm Reg. No. 113954W)**

**CA Neel Khandelwal**  
**(Partner)**  
**M. No. 181251**

**Place : Indore**  
**Date: May 30, 2019**

**Annexure - B to Independent Auditor's Report**

**Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the members of IMEC Services Limited(Formerly known Ruchi Strips& Alloys Limited)**

- i. In respect of the Company's Fixed Assets :
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. As explained to us, the fixed assets of the Company have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
  - c. There are no immovable property held in the name of the Company.
- ii. The Company is in the business of providing consultancy services and does not have any physical inventories. Accordingly reporting under clause 3 (ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence the provisions of para 3 clauses (iii) of the said Order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, with respect to the investments made and guarantee given / issued. However the company has not granted loan to any party. Company has provided Corporate Guarantee amounting to Rs 24,148 Lacs to banks for loans taken by its subsidiary- RSAL Steel Private Limited as on March 31, 2019.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules, framed there under. As informed to us no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vi. The maintenance of cost records has not been specified by the Central Government under Section 148 (1) of the Companies Act, 2013 for the business activities carried out by the company. Thus reporting under clause 3 (vi) of the Order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of Statutory dues :
  - a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - b) There were no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
  - c) There are no dues of Provident Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess which have not been deposited with appropriate authorities on account of any dispute.



- viii. According to the records of the Company examined by us and as per the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution, bank or government as on the balance sheet date. The Company has not issued any debenture.
- ix. In our opinion and according to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the Company has not raised any term loans during the period under audit.
- x. During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to information and explanation given to us, the company is not a Nidhi Company therefore, the provision of para 3 (xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, therefore the provision of para 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year, hence the provision of para 3 (xv) of the Order is not applicable to the Company.
- xiv. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 therefore, the provision of para 3 (xvi) of the Order is not applicable to the Company for the year under audit.

**For M.S. Singhatwadia & Co.**  
**Chartered Accountants**  
**(Firm Reg. No. 113954W)**

**CA Neel Khandelwal**  
**(Partner)**  
**M. No. 181251**

**Place : Indore**  
**Date: May 30, 2019**

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2019**

(Rs. In Lacs)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>I. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	1	0.04	0.04
(b) Financial Assets			
Investment	2	-	167.71
<b>Total Non-Current Assets</b>		<b>0.04</b>	<b>167.75</b>
<b>(2) Current Assets</b>			
(a) Financial assets			
(i) Trade Receivables	3	32.01	245.56
(ii) Cash and Cash equivalents	4	25.00	12.64
(iii) Bank balances other than (ii) above	5	10.61	10.05
(b) Other Current Assets	6	137.53	83.95
<b>Total Current Assets</b>		<b>205.15</b>	<b>352.20</b>
<b>TOTAL ASSETS</b>		<b>205.19</b>	<b>519.95</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>(1) EQUITY</b>			
(a) Share Capital	7	5,001.28	5,001.28
(b) Other Equity	8	(4,822.30)	(4,708.76)
<b>Total Equity</b>		<b>178.98</b>	<b>292.52</b>
<b>(2) LIABILITIES</b>			
<b>(I) Non-Current Liabilities</b>			
Provisions	9	0.27	0.24
<b>Total Non-Current Liabilities</b>		<b>0.27</b>	<b>0.24</b>
<b>(II) Current Liabilities</b>			
(a) Financial liabilities			
Trade payables	10	13.74	211.87
(b) Other Current Liabilities	11	12.19	15.31
(c) Provisions	12	0.01	0.01
<b>Total Current Liabilities</b>		<b>25.94</b>	<b>227.19</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>205.19</b>	<b>519.95</b>

 Notes forming an integral part of the financial statements  
 General information and Significant accounting policies

 1 to 38  
 A-B

**AS PER OUR REPORT OF EVEN DATE**
**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**
**FOR M.S. Singhatwadia & Co.**  
 Chartered Accountants  
 (Firm Reg. No. 113954W)

**Ashutosh Mishra**  
 Director  
 DIN-00038320

**Saket Barodia**  
 Director  
 Din : 00683938

**CA Neel Khandelwal**  
 (Partner)  
 Membership No : 181251

**Arivnd Mishra**  
 Chief Executive Officer

**Ravi Deshmukh**  
 Chief Financial Officer

 Place : Indore  
 Date : 30<sup>th</sup> May, 2019

**Parag Gupta**  
 Company Secretary  
 Membership No. A50725

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

(Rs. In Lacs)

Particulars	Note No.	For the Year ended 31 <sup>st</sup> March, 2019	For the Year ended 31 <sup>st</sup> March, 2018
<b>I. INCOME</b>			
a. Revenue from Operations	13	119.38	51.08
b. Other Income	14	1.35	1.57
<b>Total Income</b>		<b>120.73</b>	<b>52.65</b>
<b>II. EXPENSES</b>			
a. Employee Benefits Expense	15	15.37	27.20
b. Finance Costs	16	-	0.17
c. Depreciation and Amortization Expenses	1	-	0.01
d. Other Expenses	17	47.71	49.48
<b>Total Expenses</b>		<b>63.08</b>	<b>76.86</b>
<b>III. (Loss)/Profit before exceptional items and tax</b>		<b>57.65</b>	<b>(24.21)</b>
<b>IV. Exceptional Items</b>		-	-
<b>V. (Loss)/Profit before tax (III-IV)</b>		<b>57.65</b>	<b>(24.21)</b>
<b>VI. Tax expense:</b>	18		
a. Current tax		11.09	-
b. Deferred tax		41.63	(0.26)
<b>VII. (Loss)/Profit for the Year (V-VI)</b>		<b>4.93</b>	<b>(23.95)</b>
<b>VIII. Other Comprehensive Income</b>			
A) Items that will not be reclassified to profit & Loss			
- Remesurement of Defined Benefit Plan		7.62	0.86
- Tax impact Thereon		(1.98)	(0.26)
- Gain/(Loss) on Change in fair Value of equity instrument		(167.71)	-
- Tax impact Thereon		43.61	-
B) Items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income (VIII)</b>		<b>(118.46)</b>	<b>0.60</b>
<b>Total Comprehensive Income for the Period (VII+VIII)</b>		<b>(113.53)</b>	<b>(23.35)</b>
<b>IX. Earning per Equity share of Rs. 10/- each</b> Basic and Diluted (in Rs.)	26	<b>0.01</b>	<b>(0.05)</b>
Notes forming integral part of the financial statements	1 to 38		
General information and Significant accounting policies	A-B		

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

 FOR M.S. Singhatwadia & Co.  
 Chartered Accountants  
 (Firm Reg. No. 113954W)

 Ashutosh Mishra  
 Director  
 DIN-00038320

 Saket Barodia  
 Director  
 Din : 00683938

 CA Neel Khandelwal  
 (Partner)  
 Membership No : 181251

 Arvind Mishra  
 Chief Executive Officer

 Ravi Deshmukh  
 Chief Financial Officer

 Place : Indore  
 Date : 30<sup>th</sup> May, 2019

 Parag Gupta  
 Company Secretary  
 Membership No. A50725

**STATEMENT OF CHANGES IN EQUITY (SOCIE)**
**A) Equity Share Capital** (Rs. In Lacs)

Particulars	31 <sup>st</sup> March, 2019		31 <sup>st</sup> March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	4,99,95,701	5,001.28	4,99,95,701	5,001.28
Changes in equity share capital during the year	-	-	-	-
Shares issued during the year	-	-	-	-
<b>Balance at the end of the reporting period</b>	<b>4,99,95,701</b>	<b>5,001.28</b>	<b>4,99,95,701</b>	<b>5,001.28</b>

**B) Other Equity:**

Particulars	Reserves & Surplus			Equity income Instrument Through Other Comprehensive Income	Total
	Capital Reserve	Security Premium	Retained Earning		
<b>Balances as at 1<sup>st</sup> April, 2017</b>	10.00	599.02	(5418.93)	124.50	<b>(4685.41)</b>
Profit/(Loss) for the year	-	-	(23.95)	-	<b>(23.95)</b>
Other comprehensive income (net of tax)	-	-	0.60	-	<b>0.60</b>
<b>Balances as at 31<sup>st</sup> March, 2018</b>	<b>10.00</b>	<b>599.02</b>	<b>(5442.28)</b>	<b>124.50</b>	<b>(4708.76)</b>
Profit for the year	-	-	4.93	-	<b>4.93</b>
Other comprehensive income (net of tax)	-	-	5.64	(124.11)	<b>(118.47)</b>
<b>Balances as at 31<sup>st</sup> March, 2019</b>	<b>10.00</b>	<b>599.02</b>	<b>(5431.71)</b>	<b>0.39</b>	<b>(4822.30)</b>
Notes forming an integral part to the financial statements	1 to 38				
General information and Significant accounting policies	A-B				

AS PER OUR REPORT OF EVEN DATE

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**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

(Rs. In Lacs)

	For the year 2018-19	For the year 2017-18
<b>Cash Flow From Operating Activities</b>		
a) <b>Profit / (Loss) before Tax</b>	<b>57.65</b>	(24.21)
<b>Adjustment for:</b>		
Depreciation, amortisation and impairment Expenses	-	0.01
Finance cost	-	0.17
Interest Income	(1.35)	(1.57)
b) <b>Operating Profit before working capital changes</b>	<b>56.30</b>	(25.60)
<b>Working capital adjustments:</b>		
(Increase)/ Decrease in trade and other receivables	<b>159.98</b>	1,254.52
Increase/ (Decrease) in trade and other payables	<b>(201.24)</b>	(1,359.94)
c) <b>Cash Generated from Operation</b>	<b>15.04</b>	(131.02)
<b>Adjustment for:</b>		
Taxes paid	<b>(11.09)</b>	-
<b>Net Cash Flow from Operating Activities</b>	<b>3.95</b>	(131.02)
<b>Cash Flow from Investing Activities</b>		
Change in Other non Current Assets & Other long term Advances	<b>7.62</b>	-
Interest income	<b>1.35</b>	1.57
Redemption of bank deposit with maturity more than 3 months	<b>(0.56)</b>	-
Book balances not considered as cash and cash equivalent	-	0.05
<b>Net Cash Flow from Investing Activities</b>	<b>8.41</b>	1.62
<b>Cash Flow from Financing Activities</b>		
Finance cost	-	(0.17)
<b>Net Cash Flow from Financing Activities</b>	-	(0.17)
<b>Net Increase / (decrease) In Cash &amp; Cash Equivalents</b>	<b>12.36</b>	<b>(129.57)</b>
Cash & Cash Equivalent at beginning of the year	<b>12.64</b>	142.21
Cash & Cash Equivalent at end of the year	<b>25.00</b>	12.64
<b>Increase /(Decrease) in cash and cash equivalent</b>	<b>12.36</b>	<b>(129.57)</b>

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**A. General Information**

IMEC Services Limited (Formerly known as Ruchi Strips and Alloys Limited) was incorporated as a Limited Company on 18th June, 1987. In the year 2011, Company transferred its Plant along with Steel Division situated at Village Sejwaya, Ghatabillod, Dist. Dhar (M.P.) to its subsidiary RSAL Steel Private Limited. Now, the main business activity of the company is Management and Consultancy Services inter alia information technology, engineering and technical.

The shares of the Company are listed at the BSE Ltd., Mumbai.

The financial statements for the year ended 31<sup>st</sup> March, 2019 were approved by the Board of Directors and authorised for issue on May 30, 2019.

**B. Significant Accounting Policies of Financial Statements**

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

**(i) Statement of compliance**

The financial statement have been prepared in accordance with Indian Accounting standards ("Ind AS") notified, under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules 2016 and the relevant provisions of the Act.

**(ii) Basis of Preparation of Financial Statements**

These financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**Functional and Presentation of Currency**

These financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded to the nearest Rupees in Lacs unless otherwise indicated.

**(iii) Use of Estimates, Judgments and Assumptions**

In the preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment, useful lives of property and plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities, fair value measurements of financial instruments and retirement benefit obligations as discussed below.

**Impairment**

The Company estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value.

**Useful lives of property, plant and equipment and intangible assets**

The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

**Valuation of deferred tax assets**

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

**Provisions and contingent liabilities**

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements.

**Fair value measurements of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow Model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**Retirement benefit obligations**

The Company's retirement benefit obligations are subject to number of judgements including discount rates, inflation and salary growth. Significant judgements are required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's balance sheet and the statement of profit and loss. The Company sets these judgements based on previous experience and third party actuarial advice.

**(iv) Property, plant and equipment**

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment is stated at cost or deemed cost applied on transition to Ind AS, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of qualifying asset.

The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognised in the statement of profit and loss.

**Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

**Depreciation of Fixed Assets**

Depreciation on property, plant and equipment is provided on Written down value method (WDV) as per the useful life of the assets in the manner as specified in Schedule II to the Companies Act, 2013. The estimated useful life of assets and estimated residual value is taken as prescribed under Schedule II to the Companies Act, 2013.

Depreciation on additions during the year is provided on pro rata basis with reference to date of addition/installation. Depreciation on assets disposed/discarded is charged up to the date on which such asset is sold.

**(v) Investments in subsidiaries**

Investments in subsidiaries are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss

**(vi) Revenue**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized to the extent that it is probable that the economic benefit will flow to the company and the revenue can be measured reliably and there is no continuing effective control/managerial involvement in respect of the revenue activity as described below.

**Sale of Services**

Revenue from sale of services are recognized when agreed contractual task has been completed or services are rendered.

**Interest and Dividend**

Interest income is recognized on accrual basis using the effective interest method. Dividend income is recognised in profit or loss on the date on which the company's right to receive payment is established.

**(vii) Employee benefits****a) Defined benefit plans**

The liability for gratuity a defined benefit plan is determined annually by a qualified actuary using the projected unit credit method.

The Company pays gratuity to the employees who have completed 5 Years of service with company at the time when the employee leaves the company as per the Payment of Gratuity Act, 1972.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**b) Defined contribution plans**

The Company's payments to the defined contribution plans are recognized as expenses during the period in which the employees perform the services that payment covers. Defined contribution plan comprise of contribution to the employees' provident fund with government, Employees' State Insurance and Pension Scheme.

**c) Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**d) Other Employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of obligation as at the Balance sheet date determined based on an actuarial valuation.

**(viii) Income Tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

**a) Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**b) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.



The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

Deferred tax assets and liabilities are offset only if:

- a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities;
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

**(ix) Foreign currency transactions and translations**

The financial statements of the Company are presented in Indian Rupees, which is the functional currency of the Company and the presentation currency for the financial statements.

Transactions in foreign currencies are translated into the respective functional currencies of the company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Difference arising on settlement of monetary items are generally recognised in statement of profit and loss.

Non-monetary items that are measured based on historical cost in a foreign currency are not translated. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Exchange difference arising out of these transactions are generally recognised in statement of profit and loss.

**(x) Borrowing cost**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

Qualifying asset are the assets that necessarily takes a substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is recognised in the statement of profit and loss.

**(xi) Cash and Cash Equivalent**

In cash flow statement, Cash and cash equivalent includes the cash and Cheques in hand, bank balances, demand deposits with bank and other short term, highly liquid investments with original maturity 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.

Bank overdraft is shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

**(xii) Cash Flow Statement**

Cash flows are reported using indirect method, whereby profit/ (loss) before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flow. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

**(xiii) Earnings per Share**

- i) Basic earnings per shares is arrived at based on net profit / (loss) after tax available to equity shareholders divided by Weighted average number of equity shares, adjusted for bonus elements in equity shares issued during the year (if any) and excluding treasury shares.
- ii) Diluted earnings per shares is calculated by dividing Profit attributable to equity holders after tax divided by Weighted average number of shares considered for basic earning per shares including potential dilutive equity shares.

**(xiv) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation and there is reliable estimate of the amount of obligation.

A disclosure for contingent liabilities is made where there is a possible obligation arising from past events, the existence of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arise from past events where it is not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**(xv) Leases****As a Lessee**

A lease is classified at the inception date as finance lease or an operating lease. Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

Other leases are treated as operating leases, with payments are recognized as expense in the statement of profit and loss on a straight line basis over the lease term.

**(xvi) Impairment of Non-Financial Assets**

The company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in profit or loss and reflected in an allowance account. When the company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

**(xvii) Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

**Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

**(A) Financial assets****Classification**

The Company shall classify financial assets and subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**Initial recognition and measurement**

All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset, in the case of financial assets not recorded at fair value through profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

**Measured at Amortized cost**

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

**Measured at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Financial Asset at fair value through profit and loss (FVTPL)**

FVTPL is a residual category for financial asset. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to classify a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

**De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily de-recognized (i.e. removed from the company's balance sheet) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- iii) When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.
- iv) Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

**Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- i) Trade receivables which do not contain a significant financing component.  
The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
- ii) For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

**(B) Financial liabilities****Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortized costs.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings, financial guarantee contracts and derivative financial instruments.

**Financial liabilities at fair value through profit or loss.**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

**Gains or losses on liabilities held for trading are recognised in the profit or loss.**

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms,

or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### **Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values, for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### **(xviii) Mandatory exceptions applied Standards issued but not yet effective**

##### **(a) Appendix C, 'Uncertainty over Income Tax Treatments', to Ind AS 12, 'Income Taxes'**

This Appendix clarifies how the recognition and measurement requirements of Ind AS 12 'Income Taxes', are applied while performing the determination of taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12.

According to the Appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition :

- Full retrospective approach Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, changes in Accounting Estimates and Errors, without using hindsight, and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

**Amendment to Ind AS 12, Income Taxes :** On March 30, 2019, the Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, Income Taxes, in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

##### **(b) Ind AS 116 "Leases"**

Ind AS 116 'Leases' eliminates the classification of leases as either finance leases or operating leases. All leases are required to be reported on an entity's balance sheet as assets and liabilities. Leases are capitalised by recognising the present value of the lease payments and showing them either as right of use of the leased assets or together with property, plant and equipment. If lease payments are made over time a financial liability representing the future obligation would be recognised.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 01 - Property, Plant and Equipment**

(Rs. In Lacs)

Particulars	Office Equipments	Total
<b>Gross Carrying Value</b>		
As at 31 <sup>st</sup> March, 2018	0.06	0.06
Additions	-	-
Deductions	-	-
<b>As at 31<sup>st</sup> March, 2019</b>	<b>0.06</b>	<b>0.06</b>
Accumulated Depreciation		
As at 31 <sup>st</sup> March, 2018	0.02	0.02
Depreciation for the year	-	-
Deductions	-	-
<b>As at 31<sup>st</sup> March, 2019</b>	<b>0.02</b>	<b>0.02</b>
<b>Net block</b>		
As at 31 <sup>st</sup> March, 2019	<b>Total</b> 0.04	<b>0.04</b>
As at 31 <sup>st</sup> March, 2018	<b>Total</b> 0.04	<b>0.04</b>

Particulars	(Rs. In Lacs)	
	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Note 02 Non Current Investments</b>		
<b>a. In Equity Shares (Unquoted)</b>		
<b>In Subsidiary company (At Deemed Cost)</b>		
10,010,000 (Previous year 10,010,000 Equity Shares of Rs. 10/- each fully paid up in RSAL Steel Private Limited	1,001.00	1,001.00
Less: Impairment in value of investment in subsidiary	(1,001.00)	(1,001.00)
<b>In other than Subsidiary Companies (At fair value through Other Comprehensive Income)</b>		
1,50,000 (Previous Year 1,50,000) Equity Shares of Rs. 10/- each fully paid in Ruchi Global Limited	167.71	167.71
Less : Impairment in value of Investment Refer Note 21 (b)	(167.71)	-
<b>Total (a)</b>	-	(167.71)
<b>b. In Preference Shares (At Deemed Cost)</b>		
<b>In Subsidiary company</b>		
42,788,700 (Previous year 42,788,700 ) 5% Non-cumulative Redeemable Preference Shares of Rs. 10/- each fully paid in RSAL Steel Private Limited	4,278.87	4,278.87
Less: Impairment in value of investment in subsidiary	(4,278.87)	(4,278.87)
<b>Total (b)</b>	-	-
<b>Total (a+b)</b>	-	167.71
Aggregate amount of unquoted investments	5,447.58	5,447.58
Aggregate amount for diminution in value of investments.	5,447.58	5,279.87
<b>Note 03 Trade Receivables</b>		
Unsecured Considered good	32.01	245.56
Unsecured Considered Doubtful	48.27	48.27
	80.28	293.83
Less:- Allowance for Bad & Doubtful Debts	48.27	48.27
<b>Total</b>	32.01	245.56
<b>Note 04 Cash and Cash Equivalent</b>		
i. Balances with Banks		
in Current Accounts	24.83	12.32
ii. Cash on hand	0.17	0.32
<b>Total</b>	25.00	12.64
<b>Note 05 Bank Balances other than Cash &amp; Cash Equivalent above</b>		
<b>In Deposit Accounts</b>		
i. having maturity of more than 3 months up to 12 months	10.61	9.61
ii. having maturity more than 12 Months	-	0.44
Deposits maintained by the company with Banks, which can be withdrawn by the company at any point of the time without prior notice or penalty on the principal amount		
<b>Total</b>	10.61	10.05

(Rs. In Lacs)

Particulars	As at	
	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>Note 06 OTHER CURRENT ASSETS</b>		
(Unsecured, considered good)		
Balance with Government Authorities	10.26	6.18
Deposit with Government Authorities	-	0.41
Advance to Suppliers	90.07	45.05
Other advances recoverable	10.73	3.35
Interest Accrued on deposits	1.08	0.56
Advance Tax	25.39	28.40
<b>Total</b>	<b>137.53</b>	<b>83.95</b>

<sup>1</sup> Advance to Supplier includes Rs 0.76 Lacs (Previous year Rs Nil) advance to Related Parties (Refer Note 23)

<b>Note 07. Share Capital</b>		
<b>Authorised</b>		
5,02,50,000 Equity shares (Previous year 5,02,50,000 ) Equity Shares of Rs. 10/- each	5,025.00	5,025.00
17,00,000 (Previous year 17,00,000) 5% Non Cumulative Redeemable Preference Share of Rs. 100 each.	1,700.00	1,700.00
	<b>6,725.00</b>	<b>6,725.00</b>
<b>Issued</b>		
5,00,29,901 Equity shares (Previous year 5,00,29,901) Equity Shares of Rs. 10/- each.	5,002.99	5,002.99
<b>Subscribed &amp; Fully paid up</b>		
4,99,95,701 Equity shares (Previous year 4,99,95,701 )Equity shares of Rs. 10/-each fully paid-up	4,999.57	4,999.57
<b>Forfeited shares</b>		
Amount originally paid up on forfeited shares	1.71	1.71
<b>Total</b>	<b>5,001.28</b>	<b>5,001.28</b>

7.1 The reconciliation of the number of shares and amount outstanding is set out below:

Particulars	As at 31 <sup>st</sup> March, 2019		As at 31 <sup>st</sup> March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b>Issued</b>				
Equity Shares at the beginning of the year	500,29,901	5,002.99	50,029,901	5,002.99
Add: Shares issued during the year.	-	-	-	-
	<b>500,29,901</b>	<b>5,002.99</b>	<b>50,029,901</b>	<b>5,002.99</b>
<b>Subscribed &amp; Fully paid up</b>				
Equity Shares at the beginning of the year	49,995,701	4,999.57	49,995,701	4,999.57
Add: Shares issued during the year	-	-	-	-
Add: Amount paid up on Forfeited Shares	-	1.71	-	1.71
	<b>49,995,701</b>	<b>5,001.28</b>	<b>49,995,701</b>	<b>5,001.28</b>

7.2 The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed if any, by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

7.3 The details of Shareholders holding more than 5% shares:

Name of Shareholders	As at 31 <sup>st</sup> March, 2019		As at 31 <sup>st</sup> March, 2018	
	No. of Shares held	% Held	No. of Shares held	% Held
Top Seals India Limited	6,976,714	13.95	6,976,714	13.95
Param Foundation Private Limited	8,678,077	17.36	6,428,987	12.86
Money Capfin Private Limited	4,235,796	8.47	4,235,796	8.47
Ruchi Infotech Limited	3,899,263	7.80	3,899,263	7.80
Jush Developers and Erectors Private Limited	3,806,000	7.61	3,806,000	7.61
Joyful Developers Private Limited	3,806,075	7.61	3,806,075	7.61
Shashwat Trust	2,880,000	5.76	1,300,000	2.60
Rohini Forex Private Limited	-	-	3,343,134	6.69



7.4 During the period of five year immediately preceding the date of which the balance sheet is made :-

- (i) No bonus shares were issued.
- (ii) No shares were bought back.
- (iii) No shares are allotted for consideration other than cash by the company.

Particulars	(Rs. In Lacs)	
	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Note 08 Other Equity</b>		
<b>a) Capital Reserve</b>		
Balance as at the beginning of the year	10.00	10.00
Add : Received during the year	-	-
<b>Balance as at the end of the year</b>	<b>10.00</b>	<b>10.00</b>
<b>b) Securities Premium Account</b>		
Balance as at the beginning of the year	599.02	599.02
Add: Premium on shares issued during the year	-	-
<b>Balance as at the end of the year</b>	<b>599.02</b>	<b>599.02</b>
<b>c) Surplus in Statement of Profit and Loss</b>		
Balance as at the beginning of the year	(5,442.28)	(5,418.93)
Add: Profit /(Loss) for the year	4.93	(23.95)
Add: Item of OCI recognised in retained earnings Remeasurement gain/(loss) on define benefit plan	5.64	0.60
<b>Balance as at the end of the year</b>	<b>(5,431.71)</b>	<b>(5,442.28)</b>
<b>d) Equity Instrument through Other Comprehensive Income</b>		
Balance as at the beginning of the year	124.50	124.50
Add : Net fair Value gain /(loss) in Equity Instrument (Net tax)	(124.11)	-
<b>Balance as at the end of the year</b>	<b>0.39</b>	<b>124.50</b>
<b>Total</b>	<b>(4,822.30)</b>	<b>(4,708.76)</b>

**Nature of Reserve**

**a) Capital Reserve**

Capital reserve was created against state investment subsidy received and utilised in accordance with the provisions of Companies Act, 2013

**b) Securities Premium**

Securities Premium is created on recording of premium on issue of Shares. These reserve is utilised in accordance with the provision of Companies Act, 2013

<b>Note 9 Non Current Liabilities (Provisions )</b>		
Provision for Employee Benefits (Refer Note 28)	0.27	0.24
<b>Total</b>	<b>0.27</b>	<b>0.24</b>
<b>Note 10 Trade Payable</b>		
Due to Micro, Small and Medium Enterprises (Refer Note 20 )	-	-
Due to Others	13.74	189.69
Dues of Related Parties (Refer Note 23)	-	22.18
<b>Total</b>	<b>13.74</b>	<b>211.87</b>
<b>Note 11 Other Current Liabilities</b>		
Statutory Dues	1.94	4.19
Other Liabilities <sup>1</sup>	4.05	2.51
Advances from Customers	6.20	8.61
<b>Total</b>	<b>12.19</b>	<b>15.31</b>
<sup>1</sup> Other Liabilities includes Rs 0.70 Lacs (Previous year Rs 0.67 Lacs) payable to Related Parties (Refer Note 23)		
<b>Note 12 Current Liabilities (Provisions)</b>		
Provision for employee benefits (Refer Note 28)	0.01	0.01
<b>Total</b>	<b>0.01</b>	<b>0.01</b>

(Rs. In Lacs)		
Particulars	For the year ended 31 <sup>st</sup> March 2019	For the year ended 31 <sup>st</sup> March 2018
<b>Note 13 Revenue from Operations</b>		
Sale of Service	119.38	51.08
<b>Total</b>	<b>119.38</b>	<b>51.08</b>
<b>Note 14 Other Income</b>		
Interest Income	1.35	1.57
<b>Total</b>	<b>1.35</b>	<b>1.57</b>
<b>Note 15 Employee Benefits Expense</b>		
Salaries and Wages	14.18	25.12
Contribution to Provident and other funds	0.37	1.71
Staff Welfare Expenses	0.82	0.37
<b>Total</b>	<b>15.37</b>	<b>27.20</b>
<b>Note 16 Finance Costs</b>		
Interest Expenses	-	0.17
<b>Total</b>	<b>-</b>	<b>0.17</b>
<b>Note 17 Other Expenses</b>		
<b>Establishment and Other expenses</b>		
Rent	2.34	2.34
Insurance	0.79	1.03
Repairs and maintenance	4.82	-
Rates and Taxes , excluding taxes on income	0.07	0.24
Printing & Stationery	3.91	2.68
Postage & Telegram Expenses	6.17	1.68
Telephone Expenses	0.35	0.45
Legal Expenses	1.50	0.24
Professional Charges	13.16	1.54
Payment to Auditors (Refer Note 25)	1.59	1.61
Secretarial Expenses	5.72	7.06
Travelling & Conveyance Expenses	0.43	3.32
Filling fess	0.32	0.08
Listing Fess	2.50	2.88
Bank Commission & Chages	0.14	0.14
Miscellaneous Expenses	3.48	3.05
Allowance for Bad & doubtful Debts	-	21.12
Sundry Bal. Written off	0.42	0.02
<b>Total</b>	<b>47.71</b>	<b>49.48</b>

**18. Tax Expenses**

(Rs. In Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2019	For the year ended 31 <sup>st</sup> March 2018
<b>A. Tax expenses recognised in the statement of Profit &amp; Loss:</b>		
<b>I. Current Tax</b>		
in respect of current year	11.09	-
in respect of earlier year	-	-
<b>Total</b>	<b>11.09</b>	<b>-</b>
<b>II. Deferred Tax</b>		
in respect of current year	41.63	(0.26)
<b>Total Deferred income tax expense/(credit)</b>	<b>41.63</b>	<b>(0.26)</b>
<b>Total (A)</b>	<b>52.72</b>	<b>(0.26)</b>
<b>B. Amounts Recognised in Other Comprehensive Income:</b>		
Items that will not be reclassified to Profit or Loss	-	-
Remeasurements of the defined benefit Plans	1.98	0.26
Equity Instruments Through Other Comprehensive Income	(43.61)	-
<b>Total (B)</b>	<b>(41.63)</b>	<b>0.26</b>
<b>Total (A+B)</b>	<b>11.09</b>	<b>-</b>

**A. Reconciliation of the income tax amount between the enacted income tax rate and the effective income tax of the Company is as follows:**

(Rs. In Lacs)

Particulars	2018-19	2017-18
Profit/(loss) before tax	57.65	(24.21)
Applicable Tax Rate (MAT)	19.24%	19.24%
Income tax as per above rate	11.09	-
<b>Adjustments for taxes for;</b>	-	-
Expense not deductible for tax purposes	-	-
Income Tax related to earlier year	-	-
Tax due to change in tax rate	-	-
Others	-	-
<b>Income tax as per statement of profit and loss</b>	<b>11.09</b>	<b>-</b>

**B. The movement in Deferred Tax assets and liabilities during the year ended 31<sup>st</sup> March, 2018 and 31<sup>st</sup> March, 2019:**

Particulars	As at 1 <sup>st</sup> April, 2017	(Credit)/charge in statement of Profit and loss	Recognised in OCI	As at 31 <sup>st</sup> March, 2018	(Credit)/charge in statement of Profit and loss	Recognised in OCI	As at 31 <sup>st</sup> March, 2019
<b>Deferred tax liabilities</b>							
Depreciation on PPE	-	-	-	-	-	-	-
Other timing difference	-	(0.26)	0.26	-	41.63	(41.63)	-
<b>Deferred Tax assets</b>							
Amount allowable on payment basis	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>(0.26)</b>	<b>0.26</b>	<b>-</b>	<b>41.63</b>	<b>(41.63)</b>	<b>-</b>

**Note 19. Contingent Liabilities and commitments**  
 (to the extent not provided for )

(Rs. In Lacs)

	2018-19	2017-18
<b>A. Contingent Liabilities</b>		
Balance outstanding for Corporate guarantee given on behalf of subsidiary .	24,148.00	24,148.00
<b>B. Commitment</b>	Nil	Nil

Corporate guarantee given on behalf of RSAL Steel Private Limited for loans have been classified as Non-Performing Assets by Banks .The amount of Guarantee provided is as under:

Sr No.	Name of Bank	Amount
1.	Dena Bank ( Merged with Bank of Baroda)	3,085.00
2.	State Bank of India	13,715.00
3.	Jammu & Kashmir Bank Ltd	2,303.00
4.	United Bank of India	1,845.00
5.	Allahabad Bank	3,200.00

**Note 20.**

- Trade Payables includes Rs. Nil (Previous Year Nil) amount due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) Act.
- The details of amount outstanding to Micro and Small Enterprises are as under:

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Principal amount due and remain unpaid	-	-
Interest due on above and unpaid interest	-	-
Interest Payment made beyond appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest due and payable in succeeding years.	-	-

- The information has been determined to the extent such parties have been identified on the basis of information available with the Company.

**Note 21.**

- Financial Year 2015-16 to 2018-19, Company's subsidiary RSAL Steel Pvt. Ltd. has suffered huge losses and consequent upon its net worth has been fully eroded further subsidiary's accounts declared Non-Performing Assets by its banks, the Company has provided for diminution in the value of its investment in subsidiary for full value i.e. Rs. 5,279.87 Lacs in the Statement of Profit and Loss during the FY 2015-16.
- Company holds 1,50,000 Equity Shares of Ruchi Global Limited, in the Financial Year 2017-18, Ruchi Global Limited has suffered huge losses and consequent upon its net worth has been fully eroded. Considering the negative net worth Company has provided for diminution in the value of its investment in Equity Shares for full value i.e. Rs. 167.71 Lacs in the Statement of Profit and Loss during the FY 2018-19.

**Note 22.**

The Company is engaged in providing Management and Consultancy Services inter-alia information technology, engineering and technical. No other activity qualifies as a reportable segment in terms of Ind AS 108 issued by The Institute of Chartered Accountants of India. Hence disclosure requirement as per Ind AS 108 Operating Segment is not applicable.

**Note 23. Related Party Relationships, Transactions and Balances**

As per IndAS-24, the disclosure of transactions with related parties is given below:

**List of related parties where control exists with whom transactions have taken place and relationships:**
**i. Parties where control exists:**

Name of Entity	Relation
RSAL Steel Private Limited	Subsidiary Company

**ii. Person or a close members has control or joint control, significant influence on the reporting entity or is member of KMP in reporting entity**

Name of Person	Relation
----------------	----------

**(a) KMP**

Mr. Suyash Shahra	Son of Mr. Umesh Shahra. Employee upto 31.10.2017
Mr. Ravi Deshmukh	Chief Financial Officer
Mr. Deepak Upadhyay	Company Secretary upto 08.06.2017
Mr. Parag Gupta	Company Secretary w.e.f. 05.08.2017
Mr. Arvind Mishra	Chief Executive Officer

**(b) Directors**

Mr. Ashutosh Mishra	Independent Director w.e.f. 15.05.2018
Mr. Saket Barodia	Non-Executive Director w.e.f. 19.02.2019
Mr. Umesh Shahra	Managing Director upto 30.09.2017 and Non Executive Chairman upto 20.02.2019
Mr. Navin Khandelwal	Independent Director upto 10.07.2018
Ms. Ishita Khandelwal	Independent Director upto 14.11.2018
Mrs. Shivani Gupta	Independent Director w.e.f. 14.11.2018

**iii. Entities where Key Management Personnel & relatives of Key Management Personnel have significant influence: Nil**

Note: Related Party relationship is as identified by the Company on the basis of information available and relied upon by the Auditor.

Transaction carried out with related parties referred in above, in ordinary course of business during the existence of related party relationship.

(Rs. in Lacs)

NATURE OF TRANSACTIONS	2018-2019	2017-2018
<b>RSAL Steel Pvt. Ltd.</b>		
Trade Marks Service	-	0.50
Consultancy Charges Received	12.00	8.00
Consultancy Charges Paid	11.05	-
Guarantee given on behalf of Subsidiary	24,148.00	24,148.00
<b>Outstanding:</b>		
Payable	-	22.18
Receivable (Advance for service)	0.76	-
<b>Mr. Ashutosh Mishra (w.e.f. 15.05.2018)</b>		
Sitting Fees	0.60	-
<b>Mr. Umesh Shahra (upto 30.09.2017)</b>		
Remuneration	-	10.08
Outstanding	-	-
<b>Mr. Suyash Shahra (upto 31.10.2017)</b>		
Remuneration	-	3.21
Outstanding	-	0.09
<b>Mr. Ravi Deshmukh</b>		
Remuneration	3.27	2.51
Outstanding	0.34	0.32
<b>Mr. Deepak Upadhyay (upto 08.06.2017)</b>		
Remuneration	-	2.06
Outstanding	-	-

(Rs. in Lacs)

<b>Mr. Parag Gupta (CS from 05.08.2017)</b>		
Remuneration	<b>3.48</b>	1.97
Outstanding	<b>0.36</b>	0.26
<b>Ms. Ishita Khandelwal (Upto 14.11.2018)</b>		
Sitting fees	<b>0.47</b>	0.56
<b>Mrs. Shivani Gupta (w.e.f. 14.11.2018)</b>		
Sitting fees	<b>0.17</b>	-
<b>Mr. Navin Khandelwal (Upto 10.07.2018)</b>		
Sitting fees	<b>0.09</b>	0.40

**Note 24.**

In the opinion of Board of Directors, Non current / current assets and Loans and Advances 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 and that the provision for known liabilities is adequate and reasonable. There are no contingent liabilities other than stated herein above.

**Note 25. Payment to the Auditors**

		2018-2019	2017-2018
(i)	<b>Remuneration to the Statutory auditors</b>		
	- For Statutory Audit	<b>0.75</b>	0.75
	- For Tax & GST Audit	<b>0.50</b>	0.50
(ii)	<b>Remuneration to Internal Auditors</b>	<b>0.20</b>	0.25
(iii)	Other Services	<b>0.13</b>	0.09
(iv)	Other Expenses	<b>0.01</b>	0.02

**Note 26. Earnings per Share (EPS)**

Particulars	2018-2019	2017-2018
<b>Basic and Diluted Earnings Per Share</b>		
(a) (Net Loss)/ Net Profit after tax but before Exceptional items	<b>4.93</b>	(23.95)
(b) Less : Exceptional items	-	-
(c) (Loss)/ Profit available for Equity shareholders	<b>4.93</b>	(23.95)
(d) Weighted Average Number of Equity Shares (Nos.)	<b>4,99,95,701</b>	4,99,95,701
(e) Nominal Value Per Ordinary Share (in Rs.)	<b>10.00</b>	10.00
(f) Basic Earning Per Share (in Rs.)	<b>0.01</b>	(0.05)

**Note 27. Leases - Where company is Lessee :**

The Company has taken various premises under operating leases with no restrictions and is renewable / cancellable at the option of either party. There are no sub leases. There are no restrictions imposed by lease arrangements. The Company has not recognized any contingent rent as expense in the statement of profit and loss. The aggregate amount of operating lease payment recognized in the statement of profit and loss is Rs.2.34 Lacs (Previous year Rs. 2.34 Lacs).

**Note 28. Disclosure as per Ind AS-19 Employee Benefits:**
**Gratuity:**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is paid as per the provisions of Payment of Gratuity Act, 1972. The gratuity plan is funded plan and company makes annual contributions to the Group Gratuity cum Life Assurance Scheme administered by LIC of India, a Funded defined benefit plan for qualifying employees.

The annual premium paid to Life Insurance Corporation of India is charged to statement of Profit & Loss account. The Company also carries out actuarial valuation of gratuity using projected Unit Credit Method as required by Indian Accounting Standard "Employee Benefits".

(Rs. In Lacs)

Particulars	Gratuity 2018-2019	Gratuity 2017-2018
<b>Change in the Present Value of Projected Benefit obligation</b>		
Obligation at the beginning of the year	17.03	10.27
Interest Cost	1.34	0.74
Current Service cost	0.23	0.21
Past Service Cost	-	6.64
Liability transferred In / Acquisitions	-	-
(Liability transferred out/ Divestments)	-	-
(Gains)/Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
Benefit paid directly by the employer	-	-
(Benefits Paid from the Fund)	(10.00)	-
The Effect of Changes in Foreign Exchange Rate	-	-
Actuarial (gains)/ Losses on Obligations-Due to Change in Demographic Assumptions	-	-
Actuarial (gains)/ Losses on Obligations-Due to Change in Financial Assumptions	0.01	(0.37)
Actuarial (gains)/ Losses on Obligations-Due to Experience	(8.14)	(0.46)
Obligations at the end of the year	0.46	17.03
<b>Change in the fair value of plan Assets</b>		
Fair value of plan assets at the beginning of the year	19.47	18.13
Interest Income	1.53	1.31
Contributions by the Employer	0.01	0.01
Expected Contributions by the Employees	-	-
Assets Transferred In /Acquisitions	-	-
(Assets Transferred out /Divestments)	-	-
(Benefits Paid from the Fund )	(10.00)	-
(Assets Distributed on Settlements )	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	(0.52)	0.03
Fair value of plan assets at the end of the year	10.48	19.47
<b>Amount recognized in the Balance Sheet</b>		
Present value of benefit obligation at the end of the year	(0.46)	(17.03)
Fair value of plan assets at the end of the year	10.48	19.47
Funded Status (Surplus / Deficit )	10.02	2.43
Net (Liability)/Asset recognized in balance sheet	10.02	2.43
<b>Balance Sheet Reconciliation</b>		
Opening Net Liability	(2.43)	(7.85)
Expenses recognized in statement of Profit or Loss	0.04	6.29
Expenses recognized in OCI	(7.62)	(0.86)
Net Liability/( Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit paid directly by the Employer)	-	-
(Employer's Contribution)	(0.01)	(0.01)
Net Liability/(Asset) Recognized in Balance Sheet	(10.21)	(2.43)

(Rs. In Lacs)

<b>Amounts recognised in the profit and loss account</b>		
Current service cost	<b>0.23</b>	0.21
Net Interest cost	<b>(0.19)</b>	(0.57)
Past Service Cost	-	6.64
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses recognized	<b>0.04</b>	6.29
<b>Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period</b>		
Actuarial Gains/(Losses) on Obligation For the Period	<b>(8.14)</b>	(0.83)
Return On Plan Assets, Excluding Interest Income	<b>0.52</b>	(0.03)
Change in Assets Ceiling	-	-
Net (Income)/ Expenses for the Period Recognized in OCI	<b>(7.62)</b>	(0.86)
<b>Sensitivity Analysis</b>		
Projected Benefit Obligation on Current Assumptions	<b>0.46</b>	17.03
Delta Effect of +1% change in Rate of Discounting	<b>0.07</b>	(0.53)
Delta Effect of -1% change in Rate of Discounting	<b>0.09</b>	0.58
Delta Effect of +1% change in Rate of Salary Increase	<b>0.09</b>	0.15
Delta Effect of -1% change in Rate of Salary Increase	<b>0.07</b>	(0.12)
Delta Effect of +1% change in Rate of Employee Turnover	<b>0.01</b>	0.09
Delta Effect of -1% change in Rate of Employee Turnover	<b>0.02</b>	(0.10)
<b>Assumptions (Current Period)</b>		
Expected Return of Plan Assets	<b>7.78%</b>	7.85%
Rate of Discounting	<b>7.78%</b>	7.85%
Rate of Salary Increase	<b>6.00%</b>	6.00%
Rate of Employee Turnover	<b>2.00%</b>	2.00%
Mortality Rate During Employment	<b>Indian Assured Lives Mortality (2006-08)</b>	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	<b>N.A.</b>	N.A.

**Note 29.**
**A) Value of Imports on CIF Basis**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Value Of Imports On CIF Basis	Nil	Nil

**B) Earning in Foreign Currency**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Earning In Foreign Currency	<b>33.21</b>	NIL

**C) Expenditure in Foreign Currency**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Expenditure in Foreign Currency	NIL	NIL

**Note 30.**

Pursuant to disclosure pertaining to sec. 186(4) of the Companies Act, 2013 the following are the details thereof:-

- a) Investment Made: The same are classified under respective head for purpose as mentioned in their object clause (Refer note 2).  
 b) Guarantee Given, the same is as under:

(Rs. in Lacs)

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
RSAL Steel Private Limited	<b>24,148.00</b>	24,148.00



**Note 31. Financial instruments Fair values and risk management**
**Financial risk management**

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, and financial guarantee contract. The main purpose of these financial liabilities is to manage finances for the company's operation. The company's financial assets comprise investment, loan and other receivables, trade and other receivable, cash, and deposits that arise directly from its operations.

The Company's activities are exposed to market risk, credit risk and liquidity risk. In order to minimise adverse effects on the financial performance of the Company, derivative financial instruments such as forward contracts are entered into to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purpose and not as trading and speculative purpose.

The Company has exposure to the following risks arising from financial instruments:

- (i) Market risk
  - (a) Currency risk;
- (ii) Credit risk; and
- (iii) Liquidity risk

**Risk management framework**

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

**(i) Market risk**

Market risk is the risk of changes the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

**(a) Currency risk**

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account and equity, where any transaction has more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

As on 31<sup>st</sup> March, 2019 Company is not exposed to foreign currency risk as there are no receivable/payables outstanding as on date.

**(ii) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

**Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

Particulars	(Rs. In Lacs)	
	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Past due 0-90 days	5.57	11.17
Past due 91 - 180 days	1.24	5.75
Past due more than 180 days	73.47	276.91
<b>TOTAL</b>	<b>80.28</b>	<b>293.83</b>

**Expected credit loss assessment for customers as at 31<sup>st</sup> March, 2018 and 31<sup>st</sup> March, 2019:**

(Rs. In Lacs)

Reconciliation of loss allowance provision - Trade receivables	Amount
<b>31<sup>st</sup> March, 2018</b>	
Opening provision	27.14
Additional Provision made	21.13
<b>Closing Provision</b>	<b>48.27</b>
<b>31<sup>st</sup> March, 2019</b>	
Opening provision	48.27
Additional Provision made	-
<b>Closing Provision</b>	<b>48.27</b>

**Cash and cash Equivalents**

The Company holds cash and cash equivalents with credit worthy banks and financial institutions of Rs 25.00 Lacs as at March 31, 2019 [Previous Year Rs. 12.64 Lacs]. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

**(iii) Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company had taken measures to ensure that the Company's cash flow from business borrowing is sufficient to meet the cash requirements for the company's operations. The Company managing its liquidity needs by monitoring forecasted cash inflows and outflows in day to day business. Liquidity needs are monitored on various time bands, on a day to day and week to week basis, as well as on the basis of a rolling 30 day projections. Presently company's objective is to maintain sufficient cash to meet its operational liquidity requirements.

**Exposure to liquidity risk**

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

\* all non-derivative financial liabilities

**Contractual Cash Flows As at 31<sup>st</sup> March, 2019**

As at 31 <sup>st</sup> March, 2019	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Secured term loans and borrowings	-	-	-	-	-	-
Trade and other payables	13.74	13.74	13.74	-	-	-
Other financial liabilities (repayable on demand)	-	-	-	-	-	-
<b>Derivative financial liabilities</b>	-	-	-	-	-	-

**Contractual Cash Flows As at 31<sup>st</sup> March, 2018**

As at 31 <sup>st</sup> March, 2018	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Secured term loans and borrowings	-	-	-	-	-	-
Trade and other payables	211.87	211.87	211.87	-	-	-
Other financial liabilities (repayable on demand)	-	-	-	-	-	-
<b>Derivative financial liabilities</b>	-	-	-	-	-	-

**Note 32. Capital Management**

The Company's objective when managing the capital is to safeguard the Company's ability to continue as a going concern. In order to provide the return to shareholders and benefits to other stakeholder's and to maintain an optimal capital structures to reduce the capital.

The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total debt, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents.

Equity comprises of Equity share capital and other equity. However, in view of certain adverse factors and liquidity problems faced by the Company, the net worth of the Company has been eroded in previous years.

**A. The Company's adjusted net debt to adjusted equity ratio was as follow:**

(Rs. In Lacs)

Particulars	(Rs. In Lacs)	
	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Debt	-	-
Cash and cash equivalent	25.00	12.64
<b>Adjusted net Debt</b>	<b>(25.00)</b>	<b>(12.64)</b>
Total Equity	178.98	292.52
<b>Net Debt to equity ratio</b>	<b>(0.14)</b>	<b>(0.04)</b>

**B. Dividends**

No dividend is paid by the Company in last three Years.

**Note 33. Financial instruments by Category**
**A. Accounting classification and fair values**

The following table shows the carrying amounts of financial assets and financial liabilities, including their level in fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value. A substantial portion of the Company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such long-term debt approximates fair value.

(Rs. In Lacs)

Particulars	As at 31 <sup>st</sup> March, 2019			As at 31 <sup>st</sup> March, 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial assets</b>						
(i) Investments	-	-	-	-	167.71	-
(ii) Trade receivables	-	-	32.01	-	-	245.56
(iii) Cash and cash equivalents	-	-	25.00	-	-	12.64
(iv) Bank Balance other than above	-	-	10.61	-	-	10.05
<b>Financial liabilities</b>						
(i) Trade Payables	-	-	13.74	-	-	211.87

**Note 34. (A) Fair Value Hierarchy**

The following table provides an analysis of financial instruments that are measured at fair values and have been grouped into Level 1, Level 2 and Level 3 below :

As at 31 <sup>st</sup> March, 2019	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial instruments at FVTPL				
(i) Investments;	-	-	-	-
Financial instruments at FVTOCI				
(i) Investments*	-	-	-	-

\*Company has provided for full diminution in the value of investment's

As at 31 <sup>st</sup> March, 2018	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial instruments at FVTPL				
(i) Investments;	-	-	-	-
Financial instruments at FVTOCI				
(i) Investments	-	-	167.71	167.71

**(B) Measurement of fair values**

Valuation techniques and significant unobservable inputs

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**Note 35.**

Company has made the provisions for Bad & Doubtful Debts in FY 2018-19 for its customers of Rs. Nil (Previous year Rs. 21.12 Lacs)

Particulars	(Rs. In Lacs)	
	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Domestic Customers	-	21.12

**Note 36.**

In some cases, confirmation of loans, advances, deposits, debtors and creditors are not received. Therefore, same are shown as per books of accounts. Necessary adjustments, if any, will be made on reconciliations, quantum of impact if any, not ascertainable.

**Note 37.**

In respect of Subsidiary's borrowings from banks and financial institutions aggregating Rs 20,128.04 Lacs, banks have classified above loans as Non-Performing assets and have taken Symbolic Possession of Factory on 20<sup>th</sup> June 2019 under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and Rule 8(1) of said act. Company has provided Corporate Guarantee on said loans and has been issued notice from banks. Subsidiary company had submitted One Time Settlement Proposal in respect of outstanding loan and interest due on said loans which is under discussion with banks.

**Note 38.**

The corresponding figure for 31<sup>st</sup> March, 2018 have been regrouped / reclassified in order to confirm to the presentation for the current year.

## Independent Auditors Report

To,  
The Members of IMEC Services Limited  
(Formerly known Ruchi Strips & Alloys Limited)

### Report on the Audit of Consolidated Financial Statements

#### Opinion

We have audited the accompanying Consolidated Financial Statements of IMEC Services Limited (Formerly known as Ruchi Strips and Alloys Limited) (hereinafter referred to as the “Holding Company”) and its subsidiary (Holding Company and its subsidiary together referred to as “the Group”), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income / Loss), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and Notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the Consolidated Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2019, its consolidated total comprehensive income /loss (comprising of profit /loss and other comprehensive income), its consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis of Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s 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 judgement, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. We draw attention to the following points:

Sr No.	Key Audit Matter
1	<p><b>Assessment of Group's Contingent Liability, Litigation and Related Disclosures</b></p> <p>[Refer to Note B (iii) to the Consolidated Financial Statement -“Use of Estimates, Judgements and Assumptions-Provisions and contingent liabilities”, Note 30 to the Consolidated Financial Statements - “Contingent Liabilities and Commitments”]</p> <p>As at March 31, 2019, the Group has contingent liabilities amounting to Rs 1,479.79 Lacs and has exposures towards litigations relating to various matters as set out in the aforesaid Notes.</p> <p>Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised, or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate.</p>

As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws/regulations, it is considered to be a Key Audit Matter.

**Auditor's Response**

**Principle Audit Procedures**

Our audit procedures included the following:

- We understood, assessed and tested the design and operating effectiveness of key controls surrounding contingent liability relating to the relevant laws and regulations;
- We discussed with management the recent developments and the status of the material litigations which were reviewed and noted by the audit committee;
- We performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities made in the Consolidated Financial Statements;
- We used auditor's experts to gain an understanding and to evaluate the disputed tax matters;
- We considered external legal opinions, where relevant, obtained by management;
- We met with the Group's external legal counsel to understand the interpretation of laws/regulations considered by the management in their assessment relating to a material litigation;
- We evaluated management's assessments by understanding precedents set in similar cases and assessed the reliability of the management's past estimates/judgements;
- We evaluated management's assessment around those matters that are not disclosed or not considered as contingent liability, as the probability of material outflow is considered to be remote by the management;
- We assessed the adequacy of the Group's disclosures.

Based on the above work performed, management's assessment in respect of disclosures relating to contingent liabilities and litigations in the Consolidated Financial Statements is considered to be reasonable.

**2. Key Audit Matter**

**Assessment of carrying value and fair value of investments**

[Refer to Note B (iii) to the Consolidated Financial Statements - "Use of Estimates, Judgements and Assumptions - Fair Value Measurements of Financial Instruments", Note B (xix- A) to the Consolidated Financial Statements "Financial assets", and Note 46 (A) to the Consolidated Financial Statements - "Fair value hierarchy"]

For investments carried at cost where an indication of impairment exists, the carrying value of investment is assessed for impairment and where applicable an impairment provision is recognised, if required, to its recoverable amount.

For investments carried at fair values, a fair valuation is done at the year-end as required by Ind AS 109. In case of certain investments, cost is considered as an appropriate estimate of fair value since there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range as permitted under Ind AS 109.

The accounting for investments is a Key Audit Matter as the determination of recoverable value for impairment assessment/fair valuation involves significant management judgement.

The impairment assessment and fair valuation for such investments have been done by the management in accordance with Ind AS 36 and Ind AS 113 respectively.

The key inputs and judgements involved in the impairment/fair valuation assessment of unquoted investments include:

- Forecast cash flows including assumptions on growth rates
- Discount rates
- Terminal growth rate

Economic and entity specific factors are incorporated in valuation used in the impairment assessment

**Auditor's Response**

**Principal Audit Procedures**

Our audit procedures included the following:

We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Group's key controls over the impairment assessment and fair valuation of material investments.

We evaluated the Group's process regarding impairment assessment and fair valuation by involving auditor's valuation experts to assist in assessing the appropriateness of the valuation model including the independent assessment of the underlying assumptions relating to discount rate, terminal value etc.

We assessed the carrying value/fair value calculations of all individually material investments, where applicable, to determine whether the valuations performed by the Group were within an acceptable range determined by us and the auditor's valuation experts.

We evaluated the cash flow forecasts (with underlying economic growth rate) by comparing them to the approved budgets and our understanding of the internal and external factors.

We checked the mathematical accuracy of the impairment model and agreed relevant data back to the latest budgets, actual past results and other supporting documents.

We assessed the Group's sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment or material change in fair valuation.

We had discussions with management to obtain an understanding of the relevant factors in respect of certain investments carried at fair value where a wide range of fair values were possible due to various factors such as absence of recent observable transactions, restrictions on transfer of shares, existence of multiple valuation techniques, investee's varied nature of portfolio of investments for which significant estimates/judgements are required to arrive at fair value.

We evaluated the adequacy of the disclosures made in the Consolidated Financial Statements.

Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment in relation to the fair value of other investments.

**3 Key Audit Matter**

**Evaluation of uncertain tax positions**

The Group has material uncertain tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes.

**Auditor's Response**

**Principal Audit Procedures**

We obtained details of completed tax assessments and demands for the year ended March 31, 2019 from management. We involved our internal experts to challenge to management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.

**Emphasis of Matter**

We draw attention to the following points:

- i) The Holding Company has given Corporate guarantee of Rs 24,148 Lacs to its subsidiary company i.e. RSAL Steel Private Limited for loans taken from various banks. Banks have classified these loans as Non-Performing Assets and have taken Symbolic Possession of Factory on 20<sup>th</sup> June 2019 under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. Banks have issued recall notice demanding outstanding amount to the Holding Company and Subsidiary.
- ii) Holding Company's subsidiary - RSAL Steel Private Limited has accumulated losses of Rs. 25,545.09 Lacs as at the year end and its net worth has been fully eroded. The Subsidiary's current liabilities exceeded its current

assets as at the balance sheet date and it expects to get support from promoters and lenders. Considering these conditions there exists a material challenge about the Subsidiary's ability to continue as a going concern. However, the Financial Statements of the Subsidiary's and the Group have been prepared on a going concern basis.

- iii) Holding Company's subsidiary - RSAL Steel Private Limited had undertaken certain Capital project in the earlier years which is yet to be executed however due to insufficient funds, accounts of Subsidiary's turning Non-performing Assets by banks and no new tie-ups of funds these projects have been stuck with an uncertainty of completion. The Group has not made full assessments of impairment on this Capital Work in Progress as required by Ind AS 36 on Impairment of Assets.
- iv) The Group has not made full assessments of impairment as required by Ind AS 36 on Impairment of Assets, if any as at March 31, 2019 in the value of tangible assets.
- v) The amounts due to Micro and small enterprises have not been identified by the Group in the previous year 2017-18. Same has been identified and classified in current financial year.
- vi) In respect of Group's borrowings from banks and financial institutions aggregating Rs 20,128.04 Lacs, no balance confirmation has been received by the Group as at March 31, 2019. Banks have classified above loans as Non-Performing Assets and have taken Symbolic Possession of Factory on 20th June 2019 under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. Group had submitted One Time Settlement Proposal in respect of outstanding loan and interest due on said loans which is under discussion with banks.
- vii) For borrowings due to banks as Group's management is in discussions with the banks for settlement and the management is of view that it will be able to settle the dues with the banks amicably and additional provision of interest is not required. The Group has accordingly, not recognised interest payable on the borrowings for the year 2018-2019 amounting to Rs.3,541.00 Lacs.
- viii) No provisions on doubtful debts have been made on debtors amounting to Rs 266.46 Lacs on which legal cases are filed or legal notices have been issued. Management is of the opinion that amount from this debtors will be recovered.

#### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated 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 Responsibilities for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income/loss, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the Companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are responsible for overseeing the Group's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements 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 SAs 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 Consolidated Financial Statements.

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

- i. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, 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.
- ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. 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 Group'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 Consolidated Financial Statements 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 Group to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- vi. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 Consolidated Financial Statements 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 Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit 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 Group so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, The Consolidated Statement of Profit and Loss including Other Comprehensive Income / Loss, Consolidated Statement of Changes in Equity and The Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors of the Company and its subsidiary, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company and its subsidiary company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us :
    - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group.
    - ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts in the Consolidated Financial Statements.
    - iii. There is no amount, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary company.

**For M.S. Singhatwadia & Co.**  
**Chartered Accountants**  
**(Firm Reg. No. 113954W)**

**CA Neel Khandelwal**  
**(Partner)**  
**M. No. 181251**

**Place : Indore**  
**Date: May 30, 2019**

**Annexure - A to the Independent Auditor's Report of even date on the Consolidated Financial Statements of IMEC Services Limited (Formerly known as Ruchi Strips and Alloys Limited)**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of IMEC Services Limited (Formerly known as Ruchi Strips and Alloys Limited) of even date.

**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 IMEC Services Limited (hereinafter referred to as "the Holding Company") and its subsidiary company as of March 31, 2019 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

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

The Board of Directors of the Company and its subsidiary company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 respective 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 internal financial controls over financial reporting of the Company and its subsidiary company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 internal financial controls system with reference to Consolidated Financial Statements.

**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, to the best of our information and according to the explanations given to us, the Company and its subsidiary company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the respective Companies 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.

**Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to its subsidiary company, which is company incorporated in India, is based on the corresponding report of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For M.S. Singhatwadia & Co.  
Chartered Accountants  
(Firm Reg. No. 113954W)

CA Neel Khandelwal  
(Partner)  
M. No. 181251

Place : Indore  
Date: May 30, 2019

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2019**

(Rs. In Lacs)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>I. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	1	2,370.75	2,507.99
(b) Capital work-in-progress	1	577.80	637.22
(c) Financial assets Investment	3	-	167.71
(d) Deferred Tax Assets (Net)	2	689.37	-
<b>Total Non-Current Assets</b>		<b>3,637.92</b>	<b>3,312.92</b>
<b>(2) Current Assets</b>			
(a) Inventories	4	564.99	1,007.89
(b) Financial Assets			
(i) Trade Receivables	5	3,161.41	5,203.58
(ii) Cash and cash equivalents	6	86.21	155.92
(iii) Bank balances Other than (ii) above	7	18.31	132.97
(iv) Other Financial Assets	8	273.78	273.04
(c) Current Tax Assets(Net)	9	2,343.73	3,360.85
<b>Total Current Assets</b>		<b>6,448.43</b>	<b>10,134.25</b>
<b>TOTAL ASSETS</b>		<b>10,086.35</b>	<b>13,447.17</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>(1) EQUITY</b>			
(a) Equity Share Capital	10	5,001.28	5,001.28
(b) Other Equity	11	(27,392.44)	(24,025.24)
<b>Total EQUITY</b>		<b>(22,391.16)</b>	<b>(19,023.96)</b>
<b>(2) LIABILITIES</b>			
<b>(I) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	12 (a)	1,284.27	1,284.09
(ii) Other financial liabilities	13	3,076.03	2,939.84
(b) Provisions	14	25.53	25.15
(c) Other non-current liabilities	15	5.79	5.79
<b>Total Non Current Liabilities</b>		<b>4,391.62</b>	<b>4,254.87</b>
<b>(II) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	12 (b)	18,843.77	17,577.01
(ii) Trade Payables	16	543.26	2,407.68
(iii) Other financial liability	17	5,994.10	5,861.91
(b) Other Current Liabilities	18	2,699.90	2,368.72
(c) Provisions	19	4.86	0.94
<b>Total Current Liabilities</b>		<b>28,085.89</b>	<b>28,216.26</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>10,086.35</b>	<b>13,447.17</b>

 Notes forming an integral part of the financial statements  
 General information and Significant accounting policies

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**AS PER OUR REPORT OF EVEN DATE**
**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**
**FOR M.S. Singhatwadia & Co.**  
 Chartered Accountants  
 (Firm Reg. No. 113954W)

**Ashutosh Mishra**  
 Director  
 DIN-00038320

**Saket Barodia**  
 Director  
 Din : 00683938

**CA Neel Khandelwal**  
 (Partner)  
 Membership No : 181251

**Arivnd Mishra**  
 Chief Executive Officer

**Ravi Deshmukh**  
 Chief Financial Officer

 Place : Indore  
 Date : 30<sup>th</sup> May, 2019

**Parag Gupta**  
 Company Secretary  
 Membership No. A50725

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019**

(Rs. In Lacs)

Particulars	Note No.	For the Year ended 31 <sup>st</sup> March, 2019	For the Year ended 31 <sup>st</sup> March, 2018
<b>I. INCOME</b>			
a. Revenue from Operations	20	5,927.54	8,801.07
b. Other Income	21	21.72	24.00
<b>TOTAL INCOME</b>		<b>5,949.26</b>	<b>8,825.07</b>
<b>II. EXPENSES</b>			
a. Cost of Materials Consumed	22	4,108.14	6,327.68
b. Purchases of Stock-in-Trade	23	246.83	62.78
c. Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	24	254.50	145.00
d. Excise Duty	25	-	300.91
e. Employee Benefits Expense	26	753.61	791.84
f. Finance Costs	27	194.36	3,945.31
g. Depreciation and Amortization Expense	1	196.39	194.94
h. Other Expenses	28	4,061.85	3,330.92
<b>TOTAL EXPENSES</b>		<b>9,815.68</b>	<b>15,099.38</b>
<b>III. Profit/(Loss) before exceptional items and Tax</b>		<b>(3,866.42)</b>	<b>(6,274.31)</b>
<b>IV. Exceptional Items</b>		-	-
<b>V. Profit/(Loss) before tax (III-IV)</b>		<b>(3,866.42)</b>	<b>(6,274.31)</b>
<b>VI. Tax expense:</b>	29		
a. Current tax		11.09	-
b. Deferred tax		(642.81)	(7.58)
<b>VII. Profit/(Loss) for the Year (V-VI)</b>		<b>(3,234.70)</b>	<b>(6,266.73)</b>
<b>VIII. Other Comprehensive Income / (Loss)</b>			
(A) Item that will not be reclassified to profit & loss			
- Remesurement of Defined Benfit Plan		(11.35)	24.52
- Tax impact Thereon		2.95	(7.58)
- Gain/(Loss) on Change in fair Value of equity instrument		(167.71)	-
- Tax impact Thereon		43.61	-
(B) Items that will be reclassified to profit & loss		-	-
<b>VIII. Total Other Comprehensive Income / (Loss)</b>		<b>(132.50)</b>	<b>16.94</b>
<b>Total Comprehensive Income / (Loss) for the Period(VII+VIII)</b>		<b>(3,367.20)</b>	<b>(6,249.79)</b>
<b>Profit/(loss) for the year attributable to</b>			
(a) Owner of the company		(3,234.70)	(6,266.73)
(b) Non Controlling interest		-	-
<b>Other Comprehensive income for the year attributable to</b>			
(a) Owner of the company		(132.50)	16.94
(b) Non Controlling interest		-	-
<b>Total Comprehensive income for the year attributable to</b>			
(a) Owner of the company		(3,367.20)	(6,249.79)
(b) Non Controlling interest		-	-
<b>IX. Earning per Equity share of Rs. 10 each Basic and Diluted (in Rs.)</b>	38	<b>(6.47)</b>	<b>(12.53)</b>

 Notes forming an integral part of the financial statements  
 General information and Significant accounting policies

 1 to 51  
 A-B

**AS PER OUR REPORT OF EVEN DATE**
**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**
**FOR M.S. Singhatwadia & Co.**  
 Chartered Accountants  
 (Firm Reg. No. 113954W)

**Ashutosh Mishra**  
 Director  
 DIN-00038320

**Saket Barodia**  
 Director  
 Din : 00683938

**CA Neel Khandelwal**  
 (Partner)  
 Membership No : 181251

**Arivnd Mishra**  
 Chief Executive Officer

**Ravi Deshmukh**  
 Chief Financial Officer

 Place : Indore  
 Date : 30<sup>th</sup> May, 2019

**Parag Gupta**  
 Company Secretary  
 Membership No. A50725

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SOCIE)**
**A) Equity Share Capital**

(Rs. In Lacs)

Particulars	31 <sup>st</sup> March, 2019		31 <sup>st</sup> March, 2018	
	No. of Share	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	4,99,95,701	5,001.28	4,99,95,701	5,001.28
Changes in equity share capital during the year		-	-	-
Shares issued during the year	-	-	-	-
<b>Balance at the end of the reporting period</b>	<b>4,99,95,701</b>	<b>5,001.28</b>	<b>4,99,95,701</b>	<b>5,001.28</b>

**B) Other Equity:**

Particulars	Reserves & Surplus			Equity Instrument Through Other Comprehensive Income	Equity Component of Compound Financial Instrument	Total
	Capital Reserve	Security Premium	Retained Earning			
<b>Balances as at 1<sup>st</sup> April, 2017</b>	10.00	599.02	(21,440.38)	124.50	2,883.88	<b>(17,822.98)</b>
Profit / (Loss) for the year	-	-	(6,266.73)	-	-	<b>(6,266.73)</b>
Adjustment during the year	-	-	2.69	-	44.84	<b>47.53</b>
Other comprehensive income (net of tax)	-	-	16.94	-	-	<b>16.94</b>
<b>Balances as at 31<sup>st</sup> March, 2018</b>	<b>10.00</b>	<b>599.02</b>	<b>(27,687.48)</b>	<b>124.50</b>	<b>2,928.72</b>	<b>(24,025.24)</b>
Profit / (Loss) for the year	-	-	(3,234.70)	-	-	<b>(3,234.70)</b>
Other comprehensive income (net of tax)	-	-	(8.40)	(124.10)	-	<b>(132.50)</b>
<b>Balances as at 31<sup>st</sup> March, 2019</b>	<b>10.00</b>	<b>599.02</b>	<b>(30,930.58)</b>	<b>0.40</b>	<b>2,928.72</b>	<b>(27,392.44)</b>
Notes forming an integral part to the financial statements General information and Significant accounting policies			1 to 51 A-B			

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

 FOR M.S. Singhatwadia & Co.  
 Chartered Accountants  
 (Firm Reg. No. 113954W)

 Ashutosh Mishra  
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 Din : 00683938

 CA Neel Khandelwal  
 (Partner)  
 Membership No : 181251

 Arvind Mishra  
 Chief Executive Officer

 Ravi Deshmukh  
 Chief Financial Officer

 Place : Indore  
 Date : 30<sup>th</sup> May, 2019

 Parag Gupta  
 Company Secretary  
 Membership No. A50725

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019**

(Rs. In Lacs)

	For the year 2018-19	For the year 2017-2018
<b>A Cash Flow from Operating Activities</b>		
a) Profit / (Loss) before Tax	(3,866.42)	(6,274.31)
<b>Adjustment for:</b>		
Depreciation, amortisation and impairment Expenses	196.39	194.94
Finance cost	194.36	3,945.31
Interest Income	(12.49)	(20.31)
Net Gain on Sale/ Discard of Fixed Assets	(0.15)	(2.14)
Other Non- cash items	(11.35)	72.04
<b>b) Operating profit before working capital changes</b>	<b>(3,499.66)</b>	<b>(2,084.47)</b>
<b>Working capital adjustments:</b>		
(Increase)/ Decrease in trade and other receivables	3,058.56	4,921.67
(Increase)/ Decrease in inventories	442.89	59.30
Increase/ (Decrease) in trade and other payables	(1,260.55)	3,444.42
<b>c) Cash generated from operations</b>	<b>(1,258.76)</b>	<b>6,340.92</b>
Income Taxes paid	(11.09)	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(1,269.85)</b>	<b>6,340.92</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for Purchase and Construction of Property, Plant and Equipment	(59.30)	(135.73)
Change in Other Non Current Assets & Other long term Advances	59.42	23.11
Interest Income	12.49	20.31
Proceeds from sale of Property, Plant and Equipment	0.30	2.46
Redemption of bank deposit with maturity more than 3 months(net)	114.66	(71.18)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>127.57</b>	<b>(161.03)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in Borrowings and Finance charges	1,266.93	(2,249.21)
Finance cost	(194.36)	(3,945.31)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>1,072.57</b>	<b>(6,194.52)</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENT</b>	<b>(69.71)</b>	<b>(14.63)</b>
Cash & Cash Equivalent at beginning of the year	155.92	170.55
Cash & Cash Equivalent at end of the year	86.21	155.92
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENT</b>	<b>(69.71)</b>	<b>(14.63)</b>

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

 FOR M.S. Singhatwadia & Co.  
 Chartered Accountants  
 (Firm Reg. No. 113954W)

 Ashutosh Mishra  
 Director  
 DIN-00038320

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 Director  
 Din : 00683938

 CA Neel Khandelwal  
 (Partner)  
 Membership No : 181251

 Arvind Mishra  
 Chief Executive Officer

 Ravi Deshmukh  
 Chief Financial Officer

 Place : Indore  
 Date : 30<sup>th</sup> May, 2019

 Parag Gupta  
 Company Secretary  
 Membership No. A50725



**A. Basis of Consolidation**

Consolidated financial statement of IMEC Services Limited and its subsidiary RSAL Steel Private Limited are prepared under historical cost convention and on accrual basis of accounting and in accordance with the generally accepted accounting principles (GAAP in India).

1. These financial statements have been prepared to comply in all material aspects with Indian Accounting Standard notified under Rule 7 of The Companies (Accounts) Rules 2014 in respect of section 133 of the Companies Act, 2013 and other recognized accounting practices and policies.
2. The financials statements of subsidiary company used in consolidation are drawn up to the same reporting date of the company.
3. The financials statement of the company and its of subsidiary have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses.
4. Inter company balances, transaction and resulting unrealized profit or losses have been eliminated in full.
5. Non-controlling interest in the net assets of subsidiary has been separately disclosed in the consolidated financial statements
6. Figures pertaining to subsidiary have been reclassified to bring them in line with the parent company's financial statements.

**B. Significant Accounting Policies of Financial Statements**

The significant accounting policies applied by the Group in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

**(i) Statement of compliance**

The financial statement have been prepared in accordance with Indian Accounting standards ("Ind AS") notified, under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules 2016 and the relevant provisions of the Act.

**(ii) Basis of Preparation of Financial Statements**

These financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

**Functional and Presentation of Currency**

These financial statements are presented in Indian rupees, which is the Group's functional currency. All amounts have been rounded to the nearest Rupees in Lacs unless otherwise indicated.

**(iii) Use of Estimates, Judgments and Assumptions**

In the preparation of the financial statements, the Group makes judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment, useful lives of property and plant and equipment, valuation of deferred tax assets, provisions and

contingent liabilities, fair value measurements of financial instruments and retirement benefit obligations as discussed below.

**Impairment**

The Group estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value.

**Useful lives of property, plant and equipment and intangible assets**

The Group reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

**Valuation of deferred tax assets**

The Group reviews the carrying amount of deferred tax assets at the end of each reporting period.

**Provisions and contingent liabilities**

A provision is recognised when the Group has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements.

**Fair value measurements of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow Model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**Retirement benefit obligations**

The Group's retirement benefit obligations are subject to number of judgements including discount rates, inflation and salary growth. Significant judgements are required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Group's balance sheet and the statement of profit and loss. The Group sets these judgements based on previous experience and third party actuarial advice.

**(iv) Property, plant and equipment**

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment is stated at cost or deemed cost applied on transition to Ind AS, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of qualifying asset.

The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognised in the statement of profit and loss.

**Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

**Depreciation of Fixed Assets**

Depreciation on property, plant and equipment is provided on Written down value method (WDV) as per the useful life of the assets in the manner as specified in Schedule II to the Companies Act, 2013. The estimated useful life of assets and estimated residual value is taken as prescribed under Schedule II to the Companies Act, 2013.

Depreciation on additions during the year is provided on pro rata basis with reference to date of addition/installation. Depreciation on assets disposed/discarded is charged up to the date on which such asset is sold.

**(v) Intangible Assets**

Computer Software have finite useful lives and are measured at cost less accumulated amortization and any accumulated impairment losses.

**Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

**Amortization**

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over the estimated useful lives and is generally recognized in statement of profit and loss. Computer software are amortized over their estimated useful lives of 3 years. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted, if required.

**(vi) Inventories**

Inventories are state at the lower of cost and net realizable value, except by product / scrap is valued at net realizable value. Cost of inventories by using Moving Average Price Method. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. 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.

Provision are made to cover slow moving and obsolete items based on historical experience of utilisation on a product category basis, which involves, individual business considering their product lines and market conditions.

**(vii) Investments in subsidiaries**

Investments in subsidiaries are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

**(viii) Revenue**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized to the extent that it is probable that the economic benefit will flow to the group and the revenue can be measured reliably and there is no continuing effective control/managerial involvement in respect of the revenue activity as described below.

**Sale of Services**

Revenue from sale of services are recognized when agreed contractual task has been completed or services are rendered.

**Interest and Dividend**

Interest income is recognized on accrual basis using the effective interest method. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

**(ix) Employee benefits****a) Defined benefit plans**

The liability for gratuity a defined benefit plan is determined annually by a qualified actuary using the projected unit credit method.

The Company pays gratuity to the employees who have completed 5 Years of service with Company at the time when the employee leaves the company as per the Payment of Gratuity Act, 1972.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**b) Defined contribution plans**

The Company's payments to the defined contribution plans are recognized as expenses during the period in which the employees perform the services that payment covers. Defined contribution plan comprise of contribution to the employees' provident fund with government, Employees' State Insurance and Pension Scheme.

**c) Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**d) Other Employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of obligation as at the Balance sheet date determined based on an actuarial valuation.

**(x) Income Tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

**a) Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Group:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**b) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

Deferred tax assets and liabilities are offset only if:

- a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities;
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

#### **(xi) Foreign currency transactions and translations**

The financial statements of the Group are presented in Indian Rupees, which is the functional currency of the Group and the presentation currency for the financial statements.

Transactions in foreign currencies are translated into the respective functional currencies of the Group at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Difference arising on settlement of monetary items are generally recognised in statement of profit and loss.

Non-monetary items that are measured based on historical cost in a foreign currency are not translated. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Exchange difference arising out of these transactions are generally recognised in statement of profit and loss.

#### **(xii) Borrowing cost**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

Qualifying asset are the assets that necessarily takes a substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is recognised in the statement of profit and loss.

#### **(xiii) Cash and Cash Equivalent**

In cash flow statement, Cash and cash equivalent includes the cash and Cheques in hand, bank balances, demand deposits with bank and other short term, highly liquid investments with original maturity 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.

Bank overdraft is shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

#### **(xiv) Cash Flow Statement**

Cash flows are reported using indirect method, whereby profit/ (loss) before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flow. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

**(xv) Earnings per Share**

- i) Basic earnings per shares is arrived at based on net profit / (loss) after tax available to equity shareholders divided by Weighted average number of equity shares , adjusted for bonus elements in equity shares issued during the year (if any) and excluding treasury shares.
- ii) Diluted earnings per shares is calculated by dividing Profit attributable to equity holders after tax divided by Weighted average number of shares considered for basic earning per shares including potential dilutive equity shares.

**(xvi) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation and there is reliable estimate of the amount of obligation.

A disclosure for contingent liabilities is made where there is a possible obligation arising from past events, the existence of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arise from past events where it is not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**(xvii) Leases****As a Lessee**

A lease is classified at the inception date as finance lease or an operating lease. Leases under which the group assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

Other leases are treated as operating leases, with payments are recognized as expense in the statement of profit and loss on a straight line basis over the lease term.

**(xviii) Impairment of Non-Financial Assets**

The Group assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the Group estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

**(xix) Financial Instruments**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

**Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

**(A) Financial assets****Classification**

The Group shall classify financial assets and subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**Initial recognition and measurement**

All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset, in the case of financial assets not recorded at fair value through profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

**Measured at Amortized cost**

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

**Measured at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Financial Asset at fair value through profit and loss (FVTPL)**

FVTPL is a residual category for financial asset. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to classify a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

**De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognized (i.e. removed from the Group's balance sheet) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- iii) When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.
- iv) Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

**Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- i) Trade receivables which do not contain a significant financing component.  
The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
- ii) For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

**(B) Financial liabilities****Classification**

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortized costs.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The group's financial liabilities include trade and other payables, loans and borrowings, financial guarantee contracts and derivative financial instruments.



**Financial liabilities at fair value through profit or loss.**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

**Gains or losses on liabilities held for trading are recognised in the profit or loss.**

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**Measurement of fair values**

The Group's accounting policies and disclosures require the measurement of fair values, for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**(xx) Mandatory exceptions applied Standards issued but not yet effective****(a) Appendix C, 'Uncertainty over Income Tax Treatments', to Ind AS 12, 'Income Taxes'**

This Appendix clarifies how the recognition and measurement requirements of Ind AS 12 'Income Taxes', are applied while performing the determination of taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12.

According to the Appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition :

- Full retrospective approach Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, changes in Accounting Estimates and Errors, without using hindsight, and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Group will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

**Amendment to Ind AS 12, Income Taxes** : On March 30, 2019, the Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, Income Taxes, in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group is currently evaluating the effect of this amendment on the standalone financial statements.

**(b) Ind AS 116 "Leases"**

Ind AS 116 'Leases' eliminates the classification of leases as either finance leases or operating leases. All leases are required to be reported on an entity's balance sheet as assets and liabilities. Leases are capitalized by recognizing the present value of the lease payments and showing them either as right of use of the leased assets or together with property, plant and equipment. If lease payments are made over time a financial liability representing the future obligation would be recognized.

**NOTE 01 Property, Plant & Equipment**

(Rs. in Lacs)

Particulars	Tangible Assets						WIP	
	Freehold Land	Buildings	Plant and Machinery	Furniture and Fixture	Office Equipments	Vehicles		Total
Gross Carrying Value								
<b>As at 31<sup>st</sup> March, 2018</b>	214.49	801.15	1,840.20	5.76	12.88	19.90	2,894.38	637.22
Additions	-	-	59.30	-	-	-	59.30	-
Deductions	-	-	-	-	0.05	2.86	2.91	59.30
Adjustments*	-	-	-	-	-	-	-	0.12
<b>Gross carrying Value</b>								
<b>As at 31<sup>st</sup> March, 2019</b>	214.49	801.15	1,899.50	5.76	12.83	17.04	2,950.77	577.80
Accumulated Depreciation & Impairment								
<b>As at 31<sup>st</sup> March, 2018</b>	-	130.87	240.11	2.49	4.29	8.63	386.39	-
Depreciation for the year		65.44	125.78	0.25	1.23	3.69	196.39	-
Deductions*		-	-	-	0.05	2.71	2.76	-
<b>As at 31<sup>st</sup> March, 2019</b>	-	196.31	365.89	2.74	5.47	9.61	580.02	-
<u>Net block</u>								
<b>As at 31<sup>st</sup> March, 2019</b>	214.49	604.84	1,533.61	3.02	7.36	7.43	2,370.75	577.80
<b>As at 31<sup>st</sup> March, 2018</b>	214.49	670.28	1,600.09	3.27	8.59	11.27	2,507.99	637.22

**NOTE 2 Deferred Tax Assets (Liabilities)**

Particulars	Balance as at 1 <sup>st</sup> April, 2018	Recognised/ (reversed) in Profit & Loss during the year	Recognised in other Comprehensive Income during the year	Balance as at 31 <sup>st</sup> March 2019
<b>Deferred Tax Liabilities:</b>	-	-	-	-
Property, plant and Machinery	-	(233.08)	-	(233.08)
<b>Deferred Tax Liabilities</b>	-	<b>(233.08)</b>	-	<b>(233.08)</b>
<b>Deferred Tax Assets *</b>				
Unabsorbed Business Loss	-	379.39	-	379.39
Unabsorbed Depreciation	-	56.20	-	56.20
Provision for Doubtful debts & advances	-	481.81	-	481.81
Provision for Leave Encashment	-	1.11	-	1.11
Other Timing Difference	-	3.94	-	3.94
Remeasurment of Defined Benefit plan	-	(2.95)	2.95	-
Change in fair Value of equity instrument	-	(43.61)	43.61	-
<b>Deferred Tax Assets</b>	-	<b>875.89</b>	<b>46.56</b>	<b>922.45</b>
<b>Net Deferred Tax Assets/(Liabilities)</b>	-	<b>642.81</b>	<b>46.56</b>	<b>689.37</b>

Disclosed as:

<b>Deferred Tax Assets (net)</b>	-	<b>689.37</b>
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\* In the Previous period No Deferred Tax Assets has been recognized on Unabsorbed Loss and Unabsorbed Depreciation. A Deferred Income Tax Asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Company has a positive certainty for taxable profits in the coming years. Hence deferred tax assets have been recognized.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(Rs. In Lacs)

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>NOTE 3 NON CURRENT INVESTMENTS</b>		
<b>In Equity Shares (Unquoted)</b>		
<b>In other than Subsidiary Companies (At fairvalue through Other Comprehensive Income)</b>		
1,50,000 (Previous Year 1,50,000 ) Equity Shares of Rs.10/- each fully paid in Ruchi Global Limited	167.71	167.71
Less : Impairment in value of investment (Refer Note 33)	(167.71)	-
<b>Total</b>	<b>-</b>	<b>167.71</b>
Aggregate amount of unquoted investments	167.71	167.71
Aggregate amount for diminution in value of investments	167.71	-
<b>NOTE 4 INVENTORIES</b>		
Raw Materials	-	188.02
Work in Progress	142.29	315.49
Finished Goods	103.29	184.60
Stores, Spares and Consumables	304.48	319.78
Stock-in-Trade	14.93	-
(Valued at lower of cost and net realizable value except scrap valued at net realizable value)		
The cost of inventories recognised as an expenses include Rs.Nil (Prev. year Nil)		
In respect of Written down inventory to net realisable value		
<b>Total</b>	<b>564.99</b>	<b>1,007.89</b>
<b>NOTE 5 TRADE RECEIVABLES</b>		
Unsecured, Considered Good	3,161.41	5,203.58
Unsecured Considered Doubtful	3,380.54	1,527.42
	6,541.95	6,731.00
Less:- Allowance for Bad & Doubtful Debts	3,380.54	1,527.42
<b>Total</b>	<b>3,161.41</b>	<b>5,203.58</b>
In determining allowance for credit losses of trade receivables, the Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of the receivables and rates used in the provision matrix.		
<b>NOTE 6 CASH AND CASH EQUIVALENTS</b>		
<b>Cash and Cash Equivalents</b>		
i. Balances with Banks in Current Accounts	83.16	152.51
ii. Cash on hand	3.05	3.41
<b>Total</b>	<b>86.21</b>	<b>155.92</b>
<b>NOTE 7 BANK BALANCE OTHER THAN CASH &amp; CASH EQUIVALENTS ABOVE</b>		
In Deposit account Earmarked against margin money (under lien) :		
Having maturity of more than 3 months upto 12 months	18.31	132.53
Having maturity of more than 12 months	-	0.44
Deposits maintained by the Company with Banks, which can be withdrawn by the Company at any point of the time without prior notice or penalty on the principal amount		
<b>Total</b>	<b>18.31</b>	<b>132.97</b>
<b>NOTE 8 OTHER FINANCIAL ASSETS</b>		
Unsecured, considered good		
Balances with Government Authorities	180.79	181.19
Security Deposits	92.99	91.85
<b>Total</b>	<b>273.78</b>	<b>273.04</b>
i. Balances with Government Authorities primarily relate to amounts paid under protest in respect of demands and claims from regulatory authorities.		
ii. Security Deposits primarily includes deposits for Electricity, Rent and Telephone services.		

(Rs. In Lacs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>NOTE 9 OTHER CURRENT ASSETS</b>		
Balance with Government Authorities	51.90	14.38
Deposit with Government Authorities	-	0.41
Advance to Suppliers	2,073.98	3,117.18
Others Advances recoverable	87.89	113.30
Interest Accrued on deposits	2.07	2.76
Gratuity Fund	53.39	62.15
Advance Income Tax(Net of Provision) <sup>1</sup>	74.50	50.67
<b>Total</b>	<b>2,343.73</b>	<b>3,360.85</b>

<sup>1</sup> Provision for Tax of Rs 118.18 Lacs (Previous Year Rs 107.09 Lacs) is net off in above amount.

<b>Note 10 : SHARE CAPITAL</b>		
<b>Authorised</b>		
5,02,50,000 Equity shares (Previous year 5,02,50,000), Equity Shares of Rs.10/- each.	5,025.00	5,025.00
17,00,000 (Previous year 17,00,000) 5% Non Cumulative Redeemable Preference Share of Rs. 100/- each*	1,700.00	1,700.00
	<b>6,725.00</b>	<b>6,725.00</b>
<b>Issued</b>		
5,00,29,901 Equity Shares (Previous Year 5,00,29,901) Equity Shares of Rs. 10/- each.	5,002.99	5,002.99
<b>Subscribed &amp; Fully Paid Up</b>		
4,99,95,701 Equity shares (Previous year 4,99,95,701) Equity shares of Rs.10/-each fully paid-up	4,999.57	4,999.57
<b>Forfeited shares</b>		
Amount originally paid up on forfeited Equity Shares	1.71	1.71
<b>Total</b>	<b>5,001.28</b>	<b>5,001.28</b>

\* Preference Shares are classified in Other Equity (Note 11) and Other Financial Liabilities (Note 13)

**10.1** The reconciliation of the number of Equity shares and amount outstanding is set out below:

Particulars	As at 31 <sup>st</sup> March, 2019		As at 31 <sup>st</sup> March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares at the beginning of the year	50,029,901	5,002.99	50,029,901	5,002.99
Add: Shares issued during the year.	-	-	-	-
Equity Shares at the end of the year	50,029,901	5,002.99	50,029,901	5,002.99
<b>Subscribed &amp; Fully Paid Up</b>				
Equity Shares at the beginning of the year	49,995,701	4,999.57	49,995,701	4,999.57
Add: Shares issued during the year	-	-	-	-
Add: Amount paid up on Forfeited Shares	-	1.71	-	1.71
<b>Equity Shares at the end of the year</b>	<b>49,995,701</b>	<b>5,001.28</b>	<b>49,995,701</b>	<b>5,001.28</b>

**Terms/Right attached to equity shares :**
**10.2** The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed if any, by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

**10.3** The details of Shareholders holding more than 5% shares:

Name of Shareholders	As at 31 <sup>st</sup> March, 2019		As at 31 <sup>st</sup> March, 2018	
	No. of Shares held	% Held	No. of Shares held	% Held
Top Seals India Limited	6,976,714	13.95%	6,976,714	13.95%
Param Foundation Private Limited	8,678,077	17.36%	6,428,987	12.86%
Money Capfin Private Limited	4,235,796	8.47%	4,235,796	8.47%
Ruchi Infotech Limited	3,899,263	7.80%	3,899,263	7.80%
Jush Developers And Erectors Private Limited	3,806,000	7.61%	3,806,000	7.61%
Joyful Developers Private Limited	3,806,075	7.61%	3,806,075	7.61%
Shashwat Trust	2,880,000	5.76%	1,300,000	2.60%
Rohini Forex Private Limited	-	-	3,343,134	6.69%

As per the records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownerships of equity shares.

**10.4** During the period of five year immediately preceding the date on which the balance sheet is made

- (i) No bonus shares were issued,
- (ii) No shares were bought back,
- (iii) No shares are allotted for consideration other than cash, by the Company

Particulars	(Rs. In Lacs)	
	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Note 11 OTHER EQUITY</b>		
<b>a) Capital Reserve</b>		
Balance as at the beginning of the year	10.00	10.00
Add : Received during the year	-	-
<b>Balance as at the end of the year</b>	<b>10.00</b>	<b>10.00</b>
<b>b) Securities Premium Account</b>		
Balance as at the beginning of the year	599.02	599.02
Add: Premium on shares issued during the year	-	-
<b>Balance as at the end of the year</b>	<b>599.02</b>	<b>599.02</b>
<b>c) Surplus in Statement of Profit and Loss</b>		
Balance as at the beginning of the year	(27,687.48)	(21,440.38)
Add : (Loss)/Profit for the year	(3,234.70)	(6,266.73)
Add: Item of OCI recognised in retained earnings Remeasurement gain/(loss) on define benefit plan	(8.40)	16.94
Add: Adjustments during the year		2.69
<b>Balance as at the end of the year</b>	<b>(30,930.58)</b>	<b>(27,687.48)</b>
<b>d) Equity Instrument through Other Comprehensive Income</b>		
Balance as at the beginning of the year	124.50	124.50
Add: Net fair Value gain /(loss) in Equity Instrument (Net tax)	(124.10)	-
<b>Balance as at the end of the year</b>	<b>0.40</b>	<b>124.50</b>
<b>e) Equity Component of Compound Financial Instrument</b>		
Balance as at the beginning of the year	2,928.72	2,883.88
Add: Adjustments during the year <sup>1</sup>	-	44.84
<b>Balance as at the end of the year</b>	<b>2,928.72</b>	<b>2,928.72</b>
<b>Total</b>	<b>(27,392.44)</b>	<b>(24,025.24)</b>

<sup>1</sup> Refer Note 13.1 for Adjustment to Previous Year figures.

**Nature of Reserve**

**a) Capital Reserve**

Capital reserve was credited against state investment subsidy received and utilised in accordance with the provisions of Companies Act, 2013

**b) Securities Premium**

Securities Premium is created on recording of premium on issue of Shares. These reserve is utilised in accordance with the provision of Companies Act, 2013

**c) Equity Instrument through other Comprehensive Income**

The company has elected to recognise change in fair value of certain class of investment in other comprehensive income. These fair value changes are accumulated within this reserve and shall be adjusted on derecognition of investment.

<b>NOTE 12 BORROWINGS</b>		
<b>(a) NON CURRENT</b>		
<b>(i) Secured</b>		
(A) Term Loan		
From Banks	-	0.71
(B) Working Capital Term Loan		
From Banks	1,284.27	1,283.38
	1,284.27	1,284.09
Less : Shown under Current Maturities of Long Term Debt.	-	-
<b>Total</b>	<b>1,284.27</b>	<b>1,284.09</b>
<b>(b) CURRENT</b>		
<b>Loans repayable on demand</b>		
<b>Secured</b>		
Working Capital Loans		
From Banks	18,843.77	17,577.01
(refer Note for Terms)		
<b>Total</b>	<b>18,843.77</b>	<b>17,577.01</b>

(Rs. In Lacs)

<b>NOTE 12 BORROWINGS - (a) NON CURRENT</b>						
A. Details of Borrowings						
Particulars	Interest Rate	Security	Year of Maturity in Financial Yr.	Terms of Repayment	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March, 2018
Working Capital Term Loan From State Bank of India	15%	Secured by Pari passu first charge over the Company's entire fixed assets situated at Sejwaya Ghatabilloid, District Dhar (M.P.), second charge created over the Company's entire current assets including stocks of raw material, finished goods, receivable and other current assets on paripassu. basis.  Personally Guaranteed by Shri Umesh Shakra and Shri Kailash Chandra Shakra and corporate Guarantee of IMEC Services Limited (Holding Company).	2018-2019	Total Sanctioned Amount: 2,500.00 Lacs. The Term Loan is repayable in 24 quarterly instalments comprising of First eight instalments of Rs. 47.00 Lacs commencing from June, 2010, Next four instalments of Rs. 78.00 Lacs, Next four instalments of Rs. 86.13 Lacs and Last eight instalments of Rs. 94.50 Lacs each. Last instalment of Rs. 110.00 Lacs was due on March 2019. Rate of interest 15 % (Pre. Year 15%) p.a. as at the year end.	1,284.27	1,283.38
Term Loan from Allahbad Bank	15%	NA- Loan Repaid in year 2018-19	2018-2019	Loan Repaid in year 2018-19	NIL	0.71
B. During the year, the company has defaulted in repayment of the loans which remained outstanding, are as follows :						
Particulars of Loan	Amount of continuing default as on March 31, 2019		Due Date for Payment			
	Of Principal Amount	of Interest accrued up to 31.03.2018				
Working Capital Term Loan from State Bank of India	1,284.27	327.97	As per recall issued dated 30.01.2017			



(Rs. In Lacs)

<b>NOTE 12 BORROWINGS - (b) CURRENT</b>					
A. Details of Borrowings					
Particulars	Interest Rate	Security	Terms of Repayment	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Cash Credit Dena Bank	14.20%	Secured by Part passu first charge over the Company's entire current assets including stocks of raw material, finished goods, receivable and other current assets and second charge created over the Company's entire fixed assets situated at Sejwaya Ghatabilloid, District Dhar (M.P.) on pari passu basis.	Total Sanctioned Amount: 3,085.00 Lacs. Repayable on demand during the facility tenure of 12 Months	2,690.30	2,690.47
Cash Credit Jammu & Kashmir Bank	15.00%	Personally Guaranteed by Shri Umesh Shakra and Shri Kailash Chandra	Total Sanctioned Amount: 2,303.00 Lacs. Repayable on demand during the facility tenure of 12 Months.	1,227.50	1,370.47
Cash Credit United Bank of India	13.90%	Shakra and Corporate Guarantee of IMEC Services Limited (holding Company).	Total Sanctioned Amount: 1,845.00 Lacs. Repayable on demand during the facility tenure of 12 months.	1,630.76	1,630.76
Cash Credit Allahabad Bank	15.00%		Total Sanctioned Amount: 3,200.00 Lacs. Repayable on demand during the facility tenure of 12 month.	2,735.36	1,325.46
Cash Credit State Bank of India	15.00%		Total Sanctioned Amount: 13,715.00 Lacs. Repayable on demand during the facility tenure of 12 months.	10,559.85	10,559.85
B. During the year, the company has defaulted in repayment of the loans which remained outstanding, are as follows : Amount in Rs.Lacs					
Particulars of Loan	Amount of continuing default as on March 31, 2019		Due Date for Payment		
	Of Principal Amount	of Interest accrued up to 31.03.2018			
Cash Credit Dena Bank	2,690.30	633.22	As per recall notice issued dated 17.07.2017		
Cash Credit Jammu & Kashmir Bank	1,227.50	302.23	As per recall notice issued dated 14.02.2019		
Cash Credit United Bank of India	1,630.76	380.64	As per recall notice issued dated 07.10.2016		
Cash Credit of Allahabad Bank	2,735.36	748.88	As per notice issued dated 10.07.2018		
Cash Credit State Bank of India	10,559.85	3,601.16	As per recall notice issued dated 30.01.2017		
Pursuant to current losses and losses incurred in earlier years, the company had defaulted in repayment of borrowing (term loan and working capital facilities) to the banks and the account of company with banks had turned into a non performing asset. Since then, the company is in the process of settlement of dues to banks and to come out of NPA. At present, discussions with the banks for settlement are in process and the management is of view that it will be able to settle the dues with the banks amicably and additional provision of interest is not required. The company has accordingly, not recognised interest payable on the borrowings for the year 2018-2019 amounting to Rs.3,541 Lacs.					

(Rs. In Lacs)

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>NOTE 13 OTHER FINANCIAL LIABILITIES- NON CURRENT</b>		
5% Non Cummulative redeemable Preference shares	2,406.03	2,320.22
Add: Adjustments during the year (Refer Note 13.1)	-	(50.38)
Non Controlling Interest	670.00	670.00
<b>Total</b>	<b>3,076.03</b>	<b>2,939.84</b>

13.1 Previous Year Figure have been recalculated due to errors of estimation in the previous year.

Particulars	Debt Component	Equity Component
Initial Recognition as at 31 <sup>st</sup> March 2018	2,320.22	2,883.88
Revised Recognition based on recalculation as at 31 <sup>st</sup> March 2018	2,269.84	2928.72
<b>Difference in Estimation</b>	<b>(50.38)</b>	<b>44.84</b>

Adjustments effects of Errors in estimation have been recognized in Retained Earnings of Previous Year.

<b>NOTE 14 PROVISIONS- NON CURRENT</b>		
For Employee Benefits	25.53	25.15
<b>Total</b>	<b>25.53</b>	<b>25.15</b>

<b>NOTE 15 OTHER NON-CURRENT LIABILITIES</b>		
Security Deposit	5.79	5.79
<b>Total</b>	<b>5.79</b>	<b>5.79</b>

<b>NOTE 16 TRADE PAYABLES</b>		
Dues to Micro and Small Enterprises (Refer Note 32)	1.40	-
Dues of others (Refer Note 31)	541.86	2,407.68
<b>Total</b>	<b>543.26</b>	<b>2,407.68</b>

<b>NOTE 17 OTHER FINANCIAL LIABILITIES- CURRENT</b>		
Current Maturities of Long Term Debt (Refer Note 12 for Terms)	-	-
Interest accrued & due on borrowings <sup>1</sup>	5,994.10	5,861.91
<b>Total</b>	<b>5,994.10</b>	<b>5,861.91</b>

<sup>1</sup>Company is in the process of settlement of dues to banks and to come out of NPA. Discussions with the banks for settlement are in process and the management is of view that it will be able to settle the dues with the banks amicably and additional provision of interest is not required.

<b>NOTE 18 OTHER CURRENT LIABILITIES</b>		
Statutory Dues	10.65	17.92
Advances from Customers	2,619.24	2,273.58
Other liabilities <sup>1</sup>	70.01	77.22
<b>Total</b>	<b>2,699.90</b>	<b>2,368.72</b>

<sup>1</sup>Other Liabilities includes Rs 4.61 Lacs (Previous year Rs 2.81 Lacs) advance to Related Parties (Refer Note 34)

<b>NOTE 19 PROVISIONS-CURRENT</b>		
For empolyee benefits	4.86	0.94
<b>Total</b>	<b>4.86</b>	<b>0.94</b>

(Rs. In Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>NOTE 20 REVENUE FROM OPERATIONS</b>		
A. Sales of Products	4,173.02	8,370.58
B. Sale of Services	-	-
Job Work Processing Charges	1,441.76	317.59
Other Service Income	312.22	104.70
C. Other Operating Revenue	0.54	8.20
<b>Total</b>	<b>5,927.54</b>	<b>8,801.07</b>

		(Rs. In Lacs)	
Particulars		For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>NOTE 21 OTHER INCOME</b>			
<b>A. Interest Income</b>			
On Fixed Deposit		3.94	9.05
Other Interest Income		8.55	11.26
<b>B. Other non-operating income</b>			
Other Income		7.59	1.56
Insurance Claim Received		1.49	-
Profit on Sales of Property, Plant and Equipment		0.15	2.13
<b>Total</b>		<b>21.72</b>	<b>24.00</b>
<b>NOTE 22 COST OF MATERIALS CONSUMED</b>			
Raw Materials Consumed		4,108.14	6,327.68
<b>Total</b>		<b>4,108.14</b>	<b>6,327.68</b>
		(Rs. in Lacs)	
<b>Imported and Indigenous Raw material consumed</b>		<b>2018-2019</b>	<b>2017-2018</b>
<b>Raw Material</b>		<b>Amount</b>	<b>% to be total Consumption</b>
		<b>Amount</b>	<b>% to be total Consumption</b>
Imported	-	-	-
Indigenous	4,108.14	100%	6,327.68 100%
<b>Total</b>	<b>4,108.14</b>	<b>100%</b>	<b>6,327.68 100%</b>
<b>NOTE 23 PURCHASES OF STOCK IN TRADE</b>			
Purchases of traded goods		246.83	62.78
<b>Total</b>		<b>246.83</b>	<b>62.78</b>
<b>NOTE 24 CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN- PROGRESS AND STOCK-IN-TRADE</b>			
Inventory at the end of the year			
Finished Goods		103.29	184.60
Work in Progress		142.30	315.49
		<b>245.59</b>	<b>500.09</b>
Less: Inventory at the Beginning of the year			
Finished Goods		184.60	337.01
Work in Progress		315.49	345.52
		<b>500.09</b>	<b>682.53</b>
<b>Net (Increase)/Decrease in Inventories</b>		<b>254.50</b>	<b>182.44</b>
Add: Variation in Excise duty on Closing Stock		-	(37.44)
<b>Total</b>		<b>254.50</b>	<b>145.00</b>
<b>NOTE 25 EXCISE DUTY</b>			
Excise Duty		-	300.91
<b>Total</b>		<b>-</b>	<b>300.91</b>
<b>NOTE 26 EMPLOYEE BENEFITS EXPENSE</b>			
Salaries and Wages		679.43	714.29
Contribution to Provident and other funds		38.55	43.28
Staff Welfare Expenses		35.63	34.27
<b>Total</b>		<b>753.61</b>	<b>791.84</b>
<b>NOTE 27 FINANCE COSTS</b>			
Interest expense		185.34	3,847.95
Other Borrowing Cost		9.02	97.36
<b>Total</b>		<b>194.36</b>	<b>3,945.31</b>

(Rs. In Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>NOTE 28 OTHER EXPENSES</b>		
<b>Manufacturing &amp; Service Related Expenses</b>		
Consumption of Stores, Spares, consumable	223.12	156.43
Power and Fuel	896.22	661.86
Processing Charges	14.25	13.78
Rent	26.72	41.53
Repairs to Buildings	0.78	1.36
Repairs to Machinery	11.03	5.41
Repairs others	17.65	35.95
Other Manufacturing Expenses	27.99	22.10
<b>Selling and Distribution expenses</b>		
Freight and forwarding charges	264.68	468.49
Cash Discount on Sales	43.47	86.50
Brokerage on Sales	1.91	6.03
<b>Allowance for Bad Debts &amp; Doubtful Debts</b>	<b>1,853.12</b>	<b>1,530.84</b>
<b>Sundry Balance Written Off</b>	<b>21.30</b>	<b>0.16</b>
<b>Establishment and Other expenses</b>		
Insurance expenses	11.16	13.74
Rates and Taxes ,excluding taxes on income	5.89	34.78
Payment to Auditors (Refer Note 37)	3.81	3.93
Travelling & Conveyance	72.44	64.33
Legal & Professional Charges	20.86	46.01
Loss on foreign currency transaction/translation (Net)	409.24	-
Secretarial Expenses	5.72	7.06
Filing fees	0.32	0.08
Listing Fees	2.50	2.88
Bank Commission & Charges	0.14	0.14
Miscellaneous Expenses	127.53	127.53
<b>Total</b>	<b>4,061.85</b>	<b>3,330.92</b>

**29. Tax Expenses**

Particulars	For the year ended 31 <sup>st</sup> March 2019	For the year ended 31 <sup>st</sup> March 2018
<b>A. Tax expenses recognised in the statement of Profit &amp; Loss:</b>		
<b>I. Current Tax</b>		
in respect of current year	11.09	-
in respect of earlier year	-	-
<b>Total Current Tax</b>	<b>11.09</b>	<b>-</b>
<b>II. Deferred Tax</b>		
in respect of current year	(642.81)	(7.58)
<b>Total Deferred income tax expense/(credit)</b>	<b>(642.81)</b>	<b>(7.58)</b>
<b>Total (A)</b>	<b>(631.72)</b>	<b>(7.58)</b>
<b>B. Amounts Recognised in Other Comprehensive Income:</b>		
Items that will not be reclassified to Profit or Loss	(2.95)	7.58
Remeasurements of the defined benefit Plans	-	-
Equity Instruments Through Other Comprehensive Income	(43.61)	-
<b>Total (B)</b>	<b>(46.56)</b>	<b>7.58</b>
<b>Total (A+B)</b>	<b>(678.28)</b>	<b>-</b>

A. Reconciliation of the income tax amount between the enacted income tax rate and the effective income tax of the Group is as follows:

(Rs. In Lacs)

Particulars	2018-19	2017-18
Profit/(loss) before tax	(3,866.42)	(6,274.31)
Applicable Tax Rate (MAT)	19.24%	19.24%
income tax as per above rate	11.09	-
Adjustments for taxes for;		
Expense not deductible for tax purposes	-	-
Income Tax related to earlier year	-	-
Tax due to change in tax rate	-	-
<b>Income tax as per statement of profit and loss</b>	<b>11.09</b>	<b>-</b>

B. The movement in Deferred Tax assets and liabilities during the year ended 31<sup>st</sup> March, 2018 and 31<sup>st</sup> March, 2019:

Particulars	As at 1 <sup>st</sup> April, 2017	(Credit)/charge in statement of Profit and loss	Recognised in OCI	As at 31 <sup>st</sup> March, 2018	(Credit)/charge in statement of Profit and loss	Recognised in OCI	As at 31 <sup>st</sup> March, 2019
<b>Deferred tax liabilities</b>							
Depreciation on PPE	-	-	-	-	-	-	-
Other timing difference	-	(7.58)	7.58	-	(642.81)	(46.56)	(689.37)
<b>Deferred Tax assets</b>							
Amount allowable on payment basis	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>(7.58)</b>	<b>7.58</b>	<b>-</b>	<b>(642.81)</b>	<b>(46.56)</b>	<b>(689.37)</b>

### 30. Contingent Liabilities and commitments

(to the extent not provided for)

#### A. Contingent Liabilities:

Particulars	2018-2019	2017-2018
i) Income Tax/ Sales Tax/Customs Duty/ Excise Duty /other disputed amount in appeals / demands.	311.70	335.08
ii) Estimated liability of Custom duty which may arise if export obligation is not fulfilled	1,051.74	966.87

#### B. Commitments

Particulars		
i) Estimated amount of contracts remaining to be Executed on capital commitment (Net of Advance) <sup>1</sup>	116.35	537.83

<sup>1</sup>Note: Company had undertaken certain Capital project in the earlier years which is yet to be executed however due to insufficient funds. Accounts of company turning Non-Performing Assets by banks and no new tie up of funds in place these projects are being stuck with an uncertainty of completion. Following contract is cancelled during the year:

Capital Project	Contract Value	Amount Paid	Contract Value to be executed
Plant & Machinery	USD 1,518,000	USD 870,000	USD 648,000

**Note 31.** Trade Payables includes bills payable for purchase of goods Rs. Nil (Previous Year Rs. 1,430.34 Lacs).

#### Note 32.

a) Trade Payables includes Rs. 1.40 Lacs (Previous Year Nil) amount due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) Act.

b) The details of amount outstanding to Micro and Small Enterprises are as under:

Particulars	(Rs. In Lacs)	
	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Principle amount due and remain unpaid	1.40	-
Interest due on above and unpaid interest	-	-
Interest Paid	-	-
Interest Payment made beyond appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest due and payable in succeeding years	-	-

- c) The information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by the Auditors. No identification of amount due to Micro and small enterprises had been done in the previous year by the Group.

**Note 33.**

The Holding Company holds 1,50,000 Equity Shares of Ruchi Global Limited, in the Financial Year 2017-18, Ruchi Global Limited has suffered huge losses and consequent upon its net worth has been fully eroded. Considering the negative net worth of Ruchi Global Limited the Holding Company has provided for diminution in the value of its investment in Equity Shares for full value i.e. Rs. 167.71 Lacs in the Statement of Profit and Loss during the FY 2018-19.

**Note 34. Related Party Relationships, Transactions and Balances**

As per IndAS-24, the disclosure of transactions with related parties is given below:

**List of related parties where control exists with whom transactions have taken place and relationships:**

- (i) **Person or a close members has control or joint control, significant influence on the reporting entity or is member of KMP in reporting entity**

Name of Person	Relation
<b>(a) KMP</b>	
Mr. Arvind Mishra	<b>Parent Company-</b> Chief Executive Officer <b>Subsidiary Company-</b> Managing Director (up to 30.11.2017) and Chief Executive Officer (w.e.f. 01.12.2017)
Mr. Ravi Deshmukh	<b>Parent Company-</b> Chief Financial Officer
Mr. Deepak Upadhyay	<b>Parent Company-</b> Company Secretary (up to 08.06.2017)
Mr. Parag Gupta	<b>Parent Company-</b> Company Secretary (w.e.f. 05.08.2017)
Mr. Dharmendra Kalashdhar	<b>Subsidiary Company-</b> Chief Financial Officer (up to 16.09.2017)
Mr. Pavan Kumar Purohit	<b>Subsidiary Company-</b> Chief Financial Officer (up to 14.05.2018)
Mr. Nitesh Kumar Shah	<b>Subsidiary Company-</b> Chief Financial Officer (w.e.f. 04.08.2018)
Mr. Chaitanya Zaveri	<b>Subsidiary Company-</b> Company Secretary
<b>(b) Directors</b>	
Mr. Ashutosh Mishra	<b>Parent Company-</b> Independent Director (w.e.f. 15.05.2018) <b>Subsidiary Company-</b> Independent Director (w.e.f. 13.08.2016)
Mr. Saket Barodia	<b>Parent Company-</b> Non-Executive Director (w.e.f. 19.02.2019)
Mr. Umesh Shahra	<b>Parent Company-</b> Managing Director (up to 30.09.2017) and Non Executive Chairman (up to 20.02.2019) <b>Subsidiary Company-</b> Non-Executive Director (up to 16.02.2019)
Mr. Navin Khandelwal	<b>Parent Company-</b> Independent Director (up to 10.07.2018)
Ms. Ishita Khandelwal	<b>Parent Company-</b> Independent Director (up to 14.11.2018) <b>Subsidiary Company-</b> Independent Director (up to 06.08.2018)
Mrs. Shivani Gupta	<b>Parent Company-</b> Independent Director (w.e.f. 14.11.2018) <b>Subsidiary Company-</b> Independent Directors (w.e.f. 15.02.2019)
Mr. Sunil Kumar Vijay	<b>Subsidiary Company-</b> Independent Director (w.e.f. 04.08.2018)
<b>Name of the close member</b>	<b>Relation</b>
Mrs. Savitri Devi Shahra	Mother of Director (Mr. Umesh Shahra)
Mr. Suyash Shahra	Son of Mr. Umesh Shahra. Employee (up to 31.10.2017)
<b>(i) Entities where Key Management Personnel &amp; relatives of Key Management Personnel have significant influence:</b>	
Suyesh Trust (up to 16.02.2019)	
Nutrela Marketing Private Limited	
Kumaon Management & Software Consultants LLP (up to 31.03.2018)	
Note: Related Party relationship is as identified by the Group on the basis of information available and relied upon by the Auditor.	

Transaction carried out with related parties referred in above, in ordinary course of business during the existence of related party relationship.

(Rs. in Lacs)

Related Party	2018-2019	2017-2018
<b>Mr. Ashutosh Mishra</b>		
Sitting Fees	1.12	0.28
<b>Mr. Umesh Shahra</b>		
Remuneration	-	10.08
<b>Mr. Suyash Shahra</b>		
Remuneration	-	3.21
Outstanding	-	0.09
<b>Mr. Ravi Deshmukh</b>		
Remuneration	3.27	2.51
Outstanding	0.34	0.32
<b>Mrs. Savitri Devi Shahra</b>		
Rent Paid	-	11.98
<b>Mr. Arvind Mishra</b>		
Remuneration	22.92	8.02
Remuneration(M.D. up to 30.11.2017)	-	15.52
Outstanding	1.49	0.42
<b>Mr. Nitesh Kumar Shah</b>		
Remuneration	5.74	-
Outstanding	0.73	-
<b>Mr. Dharmendra Kalashdhar</b>		
Remuneration	-	6.27
<b>Mr. Pavan Purohit</b>		
Remuneration	4.44	6.69
Outstanding	-	1.06
<b>Mr. Chaitanya Zaveri</b>		
Remuneration	10.14	9.50
Outstanding	0.72	0.66
<b>Ms. Ishita Khandelwal</b>		
Sitting Fees	0.69	0.84
<b>Mr. Sunil Kumar Vijay</b>		
Sitting Fees	0.22	-
<b>Mr. Saket Barodia (w.e.f 19.02.2019)</b>		
Remuneration	1.83	
Outstanding	0.97	-
<b>Suyesh Trust</b>		
Rent	-	0.81
<b>Kumaon Management And Software Consultants LLP</b>		
Management Consultancy Charges	-	9.00
<b>Nutrela Marketing Private Limited</b>		
Rent	2.27	2.15
<b>Mr. Deepak Upadhyay</b>		
Remuneration	-	2.06
<b>Mr. Parag Gupta</b>		
Remuneration	3.48	1.97
Outstanding	0.36	0.26
<b>Mrs. Shivani Gupta</b>		
Sitting fees	0.17	-
<b>Mr. Navin Khandelwal</b>		
Sitting fees	0.09	0.40

**Note 35. Segment Reporting:**
**General Information**
**Factors used to identify the entity's reportable segments, including the basis of organization**

Based on the criterion as mentioned in Ind-As-108- "Operating Segment", the Group has identified its reportable segments, as follows:

Segment 1- Steel

Segment 2- Other- Includes Operations related to Consultancy

Unallocable - All the segments other than segments identified above are collectively included in this segment. The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit as the performance indicator for all of the operating segments.

(Rs. In Lacs)

**(a) Primary Segment**

Particulars	Steel		Other		Un allocable		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Segment Revenue	<b>5,637.60</b>	8,712.88	<b>298.47</b>	91.89	<b>13.19</b>	20.30	<b>5,949.26</b>	8,825.07
Segment Results (PBIT)	<b>(3,806.12)</b>	(2,228.04)	<b>241.43</b>	15.59	<b>(107.37)</b>	(116.55)	<b>(3,672.06)</b>	(2,329.00)
Less: Finance Cost	-	-	-	-	-	-	<b>194.36</b>	3,945.31
Profit before exceptional items and tax	-	-	-	-	-	-	<b>(3,866.42)</b>	(6,274.31)
Exceptional Items	-	-	-	-	-	-	-	-
Profit Before Tax	-	-	-	-	-	-	<b>(3,866.42)</b>	(6,274.31)
Less: Current Tax	-	-	-	-	-	-	<b>11.09</b>	-
Deferred Tax (Assets) Liabilities	-	-	-	-	-	-	<b>(642.81)</b>	(7.58)
Profit After Tax	-	-	-	-	-	-	<b>(3,234.70)</b>	(6,266.73)

(Rs. In Lacs)

Particulars	Steel		Other		Un allocable		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Segment Assets	<b>8,885.65</b>	12,443.33	<b>168.82</b>	329.55	<b>342.52</b>	674.29	<b>9,396.99</b>	13,447.17
Segment Liabilities	<b>3,253.14</b>	4,603.03	<b>26.21</b>	205.25	<b>29,198.16</b>	27,662.85	<b>32,477.51</b>	32,471.13
Capital Expenditure	<b>59.30</b>	135.17	-	-	-	0.56	<b>59.30</b>	135.73
Segment Depreciation	<b>191.22</b>	186.23	-	0.01	<b>5.17</b>	8.70	<b>196.39</b>	194.94
Non Cash expenses	-	-	-	-	-	-	-	-

**b. Secondary Segment Geographical**

(Rs. In Lacs)

Particulars	2018-19	2017-18
The Group's Operating Facilities are located in India.		
Domestic Revenue	<b>5,949.26</b>	8,825.07
Export Revenue	-	-
<b>Total</b>	<b>5,949.26</b>	<b>8,825.07</b>

**Note 36.** In the opinion of Board of Directors, Non-current / current assets, Loans and Advances 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 and that the provision for known liabilities is adequate and reasonable. There are no contingent liabilities other than stated herein above.



**Note 37. Payment to the Auditors**
**(Rs. In Lacs)**

Particulars	2018-19	2017-18
<b>(i) Remuneration to the Statutory auditors</b>		
- For Statutory Audit	1.50	1.50
- For Tax & GST Audit	1.00	1.00
(ii) Remuneration to Internal Auditors	0.60	0.75
(iii) Remuneration to Cost Auditors	0.50	0.40
(iv) Other Services	0.18	0.12
(v) Other Expenses	0.03	0.16

**Note 38. Earnings per Share (EPS)**
**(Rs. In Lacs)**

Particulars	2018-19	2017-18
<b>I Basic and Diluted Earnings Per Share</b>		
(a) Net( Loss)/Profit after tax but before Exceptional items	(3,234.70)	(6,266.73)
(b) Less : Exceptional items	-	-
(c) (Loss)/Profit available for Equity Shareholders	(3,234.70)	(6,266.73)
(d) Weighted Average Number of Equity Shares (Nos.)	4,99,95,701	4,99,95,701
(e) Nominal Value of Per ordinary Share (Rs.)	10.00	10.00
(f) Basic and Diluted Earnings Per Share (Rs.)	(6.47)	(12.53)

**Note 39. Leases - Where company is Lessee :**

The Group has taken various premises under operating leases with no restrictions and is renewable / cancellable at the option of either party. There are no sub leases. There are no restrictions imposed by lease arrangements. The Group has not recognized any contingent rent as expense in the statement of profit and loss.

The total future minimum lease rentals payable in respect of non-cancellable lease as at the balance sheet date is Nil.

The aggregate amount of operating lease payment recognized in the statement of profit and loss is Rs. 26.72 Lacs (Previous year Rs. 41.53 Lacs).

**Note 40. Disclosure on Financial and Derivative Instruments:**

The Group uses foreign currency forward exchange contracts to hedge its exposures in foreign currency related to firm commitment and highly probable forecasted transactions;

- Notional amounts of forward contract entered into by the Group and outstanding at the year-end is- NIL
- Foreign currency exposure which are not hedged as at year end:

**(Rs. In Lacs)**

Particulars	2018-19				2017-18					
	Currency	Payable in Foreign Currency*	Amount In INR	Receivable in Foreign Currency	Amount In INR	Currency	Payable in Foreign Currency	Amount In INR	Receivable in Foreign Currency	Amount In INR
	US \$	33.48	2,316.04	41.37	2,861.77	US \$	33.48	1,672.79	41.37	2,744.19

\*Includes Advance from Customers

**Note 41 Value of Imported and Indigenous Stores & Spares Consumed:**
**(Rs. in Lacs)**

Particulars	2018-2019		2017-2018	
	Value	% of Consumption	Value	% of Consumption
Imported	-	-	-	-
Indigenous	223.12	100%	156.43	100%

**Note 42. A) Value of Imports Calculated on CIF Basis:**
**(Rs. in Lacs)**

Particulars	2018-19	2017-18
Value of Imports On CIF Basis	-	-

<b>B) Earning in Foreign Currency</b>		
	(Rs. in Lacs)	
Particulars	2018-19	2017-18
Earning in Foreign Currency	33.21	-

<b>C) Expenditure in Foreign Currency:</b>		
	(Rs. in Lacs)	
Particulars	2018-19	2017-18
Travelling	-	0.68

#### **Note 43. Financial instruments Fair values and risk management**

##### **Financial risk management**

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, and financial guarantee contract. The main purpose of these financial liabilities is to manage finances for the Group's operation. The Group's financial assets comprise investment, loan and other receivables, trade and other receivable, cash, and deposits that arise directly from its operations.

The Group's activities are exposed to market risk, credit risk and liquidity risk. In order to minimise adverse effects on the financial performance of the Group, derivative financial instruments such as forward contracts are entered into to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purpose and not as trading and speculative purpose.

The Group has exposure to the following risks arising from financial instruments:

- (i) Market risk
  - (a) Currency risk;
  - (b) Interest Rate risk
- (ii) Credit risk; and
- (iii) Liquidity risk

##### **Risk management framework**

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities. The respective Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

##### **(i) Market risk**

Market risk is the risk of changes the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Group's income or the value of its holdings of its financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

##### **(a) Currency risk**

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account and equity, where any transaction has more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar and Euro, against the respective functional currencies (INR).

The Group, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Group does not use derivative financial instruments for trading or speculative purposes.

### Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported by the management of the respective Company is as follows:

Particulars	(Rs. In Lacs)	
	31 <sup>st</sup> March, 2019 USD Exposure in INR	31 <sup>st</sup> March, 2018 USD Exposure in INR
<b>Receivable Net exposure</b>		
Trade receivables	2,861.77	2,744.19
Net Statement of financial position exposure	2,861.77	2,744.19
Forward exchange contracts against exports	-	-
<b>Receivable Net exposure</b>	<b>2,861.77</b>	<b>2,744.19</b>
<b>Payable Net exposure</b>		
Trade payables and other financial liabilities	2,316.04	1,672.79
Net statement of financial position exposure	2,316.04	1,672.79
Forward exchange contracts against imports and foreign currency payables	-	-
<b>Payable Net exposure</b>	<b>2,316.04</b>	<b>1,672.79</b>
<b>Total Net Exposure on Receivable/ (Payable)</b>	<b>545.73</b>	<b>1071.40</b>

### Sensitivity to Foreign Currency Risk

Following table demonstrates the sensitivity in the USD currency if the currency rate is increased / (decreased) by 1% with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

Effect in INR lacs	Profit or loss		Profit or loss	
	31 <sup>st</sup> March, 2019		31 <sup>st</sup> March, 2018	
	Strengthening	Weakening	Strengthening	Weakening
USD	5.46	(5.46)	10.71	(10.71)

### (b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to market risk for changes in interest rates relates to deposits and borrowings from Bank. Currently Group is not using any mitigating factor to core the interest rate risk

For details of the Group's short-term and long term loans and borrowings, including interest rate profiles, refer to **Note 12 and Note 17** of these financial statements.

#### Interest rate sensitivity - fixed rate instruments

The Subsidiary Company's fixed rate borrowings Preference Shares issued @ 5% in the year 2010-2011 are carried at fair value. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

#### Interest rate sensitivity- variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analysis assumes that all other variables remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	(Rs. In Lacs)	
	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Impaction on Profit or Loss for the year Decrease in Interest Rate	(201.28)	(188.61)
Impaction on Profit or Loss for the year Increase in Interest Rate	201.28	188.61

**(ii) Credit Risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the respective Company grants credit terms in the normal course of business. The respective Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

**Trade and other receivables**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the respective Company grants credit terms in the normal course of business.

Summary of the Group's exposure to credit risk by age of the outstanding from various customers is as follows:

Particulars	(Rs. In Lacs)	
	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Past due 0-90 days	329.02	301.97
Past due 91 -180 days	1.30	7.40
Past due more than 180 days	6,211.63	6,421.63
<b>Total</b>	<b>6,541.95</b>	<b>6,731.00</b>

**Expected credit loss assessment for customers as at 31<sup>st</sup> March, 2018 and 31<sup>st</sup> March, 2019.**
**Reconciliation of loss allowance provision - Trade receivables**

Particulars	Amount
<b>31<sup>st</sup> March, 2018</b>	
Opening provision	411.60
Additional Provision made	1,115.82
<b>Closing Provision</b>	<b>1,527.42</b>
<b>31<sup>st</sup> March, 2019</b>	
Opening provision	1,527.42
Additional Provision made	1,853.12
<b>Closing Provision</b>	<b>3,380.54</b>

**Cash and cash Equivalents**

The Group holds cash and cash equivalents with credit worthy banks and financial institutions of Rs 86.21 Lacs as at March 31, 2019 [Previous Year Rs. 155.92 Lacs]. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

**(iii) Liquidity Risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. Liquidity crises have led to default in repayment of principal and interest to lenders. The Group had taken measures to ensure that the Group's cash flow from business borrowing is sufficient to meet the cash requirements for the company's operations. The Group managing its liquidity needs by monitoring forecasted cash inflows and outflows in day to day business. Liquidity needs are monitored on various time bands, on a day to day and week to week basis, as well as on the basis of a rolling 30 day projections. Presently Group's objective is to maintain sufficient cash to meet its operational liquidity requirements.

**Currently there are no new fund arrangements from Banks or financial institutions been done to manage Company's liquidity requirements.**

**Exposure to liquidity risk**

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

\* all non-derivative financial liabilities

**Contractual Cash Flows As at 31<sup>st</sup> March 2019**

(Rs. In Lacs)

Particulars	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Secured term loans and borrowings	26,122.14	26,122.14	26,122.14	-	-	-
Trade and other payables	543.26	543.26	543.26	-	-	-
Other financial liabilities (repayable on demand)	3,076.03	3,076.03	-	-	-	3,076.03
<b>Derivative financial liabilities</b>	-	-	-	-	-	-

**Contractual Cash Flows As at 31<sup>st</sup> March 2018**

(Rs. In Lacs)

Particulars	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Secured term loans and borrowings	24,723.01	24,723.01	24,723.01	-	-	-
Trade and other payables	2,407.68	2,407.68	2,407.68	-	-	-
Other financial liabilities (repayable on demand)	2,939.84	2,939.84	-	-	-	2,939.84
<b>Derivative financial liabilities</b>	-	-	-	-	-	-

**Note 44. Capital Management**

The Group's objective when managing the capital is to safeguard the Group's ability to continue as a going concern. In order to provide the return to shareholders and benefits to other stakeholder's and to maintain optimal capitals structure to reduce the capital.

The Group monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total debt, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents.

Equity comprises of Equity share capital and other equity. However, in view of certain adverse factors and liquidity problems faced by the Group, the net worth of the Group has been fully eroded in previous years.

**A. The Group's adjusted net debt to adjusted equity ratio was as follow:**

(Rs. In Lacs)

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Non- Current Borrowings	1,284.27	1,284.09
Current Borrowings	18,843.77	17,577.01
Interest accrued	5,994.10	5,861.91
<b>Total Debt</b>	<b>26,122.14</b>	<b>24,723.01</b>
Less: Cash and cash equivalent	86.21	155.92
<b>Adjusted net Debt</b>	<b>26,035.93</b>	<b>24,567.09</b>
Total Equity	(22,391.16)	(19,023.96)
<b>Net Debt to Equity ratio</b>	<b>(1.16)</b>	<b>(1.29)</b>

**B. Dividends**

No dividend is paid by the Company in last three Years.

**C. Loan Covenants**

In order to achieve this overall objective, the Group capital management amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loan and borrowings that defined capital structure requirements. There have been breaches in the financial covenants of interest bearing loan and borrowings in the current period and previous periods. The lenders have declared the borrowings have non-performing assets as per prudential norms of Reserve Bank of India. [Refer Note 12]

**Note 45. Financial instruments by Category**
**A. Accounting classification and fair values**

The following table shows the carrying amounts of financial assets and financial liabilities, including their level in fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value. A substantial portion of the Group's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such long-term debt approximates fair value.

Particulars	As at 31 <sup>st</sup> March, 2019			As at 31 <sup>st</sup> March, 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Non-Current Financial assets</b>						
(i) Investments	-	-	-	-	-	-
(ii) Loans	-	-	-	-	-	-
<b>Current Financial assets</b>						
(i) Trade receivables	-	-	3,161.41	-	-	5,203.58
(ii) Cash and cash equivalents	-	-	86.21	-	-	155.92
(iii) Bank Balance other than above	-	-	18.31	-	-	132.97
(iv) Others	-	-	273.78	-	-	273.04
<b>Non-Current Financial liabilities</b>						
(i) Borrowings	-	-	1,284.27	-	-	1,284.09
<b>Current Financial liabilities</b>						
(i) Borrowings	-	-	18,843.77	-	-	17,577.01
(ii) Trade payables	-	-	543.26	-	-	2,407.68
(iii) Other Financial liability	-	-	5,994.10	-	-	5,861.91

**Note 46. (A) Fair Value Hierarchy**

The following table provides an analysis of financial instruments that are measured at fair values and have been grouped into Level 1, Level 2 and Level 3 below:

As at 31 <sup>st</sup> March, 2019	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial instruments at FVTPL				
(i) Investments;	-	-	-	-
Financial instruments at FVTOCI				
(i) Investments	-	-	-	-
<b>As at 31<sup>st</sup> March, 2018</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Financial instruments at FVTPL				
(i) Investments;	-	-	-	-
Financial instruments at FVTOCI				
(i) Investments	-	-	167.71	167.71

**(B). Measurement of fair values**

Valuation techniques and significant unobservable inputs

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

· **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**Note 47.**

Company has made the provisions for Bad & Doubtful Debts for its customers of Rs. 1,853.12 Lacs (Previous year Rs. 1115.82 Lacs).

Particulars	(Rs. In Lacs)	
	for the year 2018-2019	for the year 2017-2018
Domestic Customers	1,853.12	1,115.82
Export Customers	-	-
<b>Total</b>	<b>1,853.12</b>	<b>1,115.82</b>

**Note 48.**

In some cases, confirmation of loans, advances, deposits, debtors and creditors are not received. Therefore, same are shown as per books of accounts. Necessary adjustments, if any, will be made on reconciliations, quantum of impact if any, not ascertainable.

**Note 49.**

In respect of borrowings taken by subsidiary company from banks and financial institutions aggregating Rs 20,128.04 Lacs, banks have classified above loans as Non-Performing assets and have taken Symbolic Possession of Factory on 20<sup>th</sup> June 2019 under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. Subsidiary Company has submitted One Time Settlement Proposal in respect of outstanding loan and interest due on said loans which is under discussion with banks.

**Note 50.**

Holding Company's subsidiary - RSAL Steel Private Limited has accumulated losses of Rs. 25,545.09 Lacs as at the year end and its net worth has been fully eroded. The Subsidiary's current liabilities exceeded its current assets as at the balance sheet date and it expects to get support from promoters and lenders. Considering these condition there exist a material challenge about the Subsidiary's ability to continue as a going concern. However, the Financial Statements of the Subsidiary's and the Group have been prepared on a going concern basis.

**Note 51.**

The corresponding figure for 31<sup>st</sup> March, 2018 has been regrouped / reclassified in order to confirm to the presentation for the current year.

**Form AOC-1**

 (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies  
 (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of  
 subsidiaries/associate companies/joint ventures**
**Part "A": Subsidiaries**

S.No.	Particulars	Details (Rs. In Lacs) As on 31.03.2019
1.	Name of the subsidiary	RSAL Steel Private Limited
2.	Date since when subsidiary was acquired	29/12/2010
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N. A.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N. A.
5.	Share capital (Equity Share)	1,001.00
6.	Reserves & surplus (Other Equity)	(22,616.37)
7.	Total assets	10,166.71
8.	Total Liabilities	31,782.08
9.	Investments	Nil
10.	Turnover (Including Other Income)	5,851.58
11.	Profit/(Loss) before taxation	(3,924.07)
12.	Provision for taxation	(684.44)
13.	Profit/(Loss) after taxation	(3,239.63)
14.	Proposed Dividend	Nil
15.	Percentage of equity shareholding	100%

**Notes :** The following information shall be furnished at the end of the statement :

- Names of subsidiaries which are yet to commence operations - Nil
- Names of subsidiaries which have been liquidated or sold during the year - Nil



**Part "B": Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to  
Associate Companies and Joint Ventures**

S.No.	Name of Associates or Joint Ventures	N.A.
1.	Latest audited Balance Sheet Date	-
2.	Date on which the Associates or Joint Ventures were associated or acquired	
3.	Shares of Associates / Joint Ventures held by the company on the year end :	-
(i)	No. of Shares	-
(ii)	Amount of Investment in Associates or Joint Ventures	-
(iii)	Extent of Holding (in percentage)	-
4.	Description of how there is significant influence	-
5.	Reason why the Associates or Joint Ventures are not consolidated	-
6.	Net Worth attributable to shareholding as per latest audited Balance Sheet	-
7.	Profit or Loss for the year :	-
(i)	Considered in Consolidation	-
(ii)	Not considered in Consolidation	-

- Names of Associate or Joint Venture which are yet to commence operations - Nil
- Names of Associate which have been liquidated or sold during the year - Nil

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**FOR M.S. Singhatwadia & Co.**  
Chartered Accountants  
(Firm Reg. No. 113954W)

**Ashutosh Mishra**  
Director  
DIN-00038320

**Saket Barodia**  
Director  
Din : 00683938

**CA Neel Khandelwal**  
(Partner)  
Membership No : 181251

**Arivnd Mishra**  
Chief Executive Officer

**Ravi Deshmukh**  
Chief Financial Officer

Place : Indore  
Date : 30<sup>th</sup> May, 2019

**Parag Gupta**  
Company Secretary  
Membership No. A50725

**IMEC SERVICES LIMITED**

(formerly known as Ruchi Strips and Alloys Limited)  
Regd. Off.: 611, Tulsiani Chambers, Nariman Point, Mumbai 400 021  
E-mail: investor@imecservices.in, Website: www.imecservices.in  
CIN: L74110MH1987PLC142326

**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]

CIN : L74110MH1987PLC142326  
Name of the company : IMEC Services Limited  
(formerly known as Ruchi Strips and Alloys Limited)  
Registered office : 611, Tulsiani Chambers, Nariman Point, Mumbai 400 021

Name of the Member(s) :
Registered address:
E-mail Id:
Folio No/ Client Id:
DP ID:

I/We, being the Member(s) of .....shares of the above named Company, hereby appoint

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

**IMEC SERVICES LIMITED**

(formerly known as Ruchi Strips and Alloys Limited)  
Regd. Off.: 611, Tulsiani Chambers, Nariman Point, Mumbai 400 021  
E-mail: investor@imecservices.in, Website: www.imecservices.in  
CIN: L74110MH1987PLC142326

**ATTENDANCE SLIP**

I/We record my/our presence at the 31<sup>st</sup> Annual General Meeting of IMEC Services Limited (formerly known as Ruchi Strips and Alloys Limited) on Wednesday, September 25, 2019 at 3.00 P.M. at Orchid Hall, 2<sup>nd</sup> Floor, Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018.

NAME OF THE SHAREHOLDER/PROXY/ AUTHORISED REPRESENTATIVE (in Block Letters)	
FOLIO NO. /DP ID/ CLIENT ID NO.	
SIGNATURE OF THE SHAREHOLDER/PROXY/AUTHORISED REPRESENTATIVE	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31<sup>st</sup> Annual General Meeting of the Company to be held on the 25<sup>th</sup> day of September, 2019 at 3:00 P.M at Orchid Hall, 2<sup>nd</sup> Floor, Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018 and at any adjournment thereof in respect of such resolution as are indicated below:

Sr. No.	Particulars of Resolution	For	Against
1. 2. 3. 4. 5. 6.	<b>I. Ordinary Business:</b> Adoption of Standalone and Consolidated Financial Statements for the year ended March 31, 2019. Re-appointment of M.S. Singhatwadia & Co., Chartered Accountants, Indore as Statutory Auditors of the Company. <b>II. Special Business:</b> Appointment of Mrs. Shivani Gupta as a Woman Independent Director of the Company. Appointment of Mr. Saket Barodia as a Non-Executive Director of the Company. Approval of the Members for request received from Shashwat Trust for re-classification from Promoter & Promoter Group Category to Public Category. Approval of the Members for request received from Mr. Suyash Shahra for removal of his name from Promoter & Promoter Group Category.		

Signed this .....day of September, 2019

Affix Revenue Stamp
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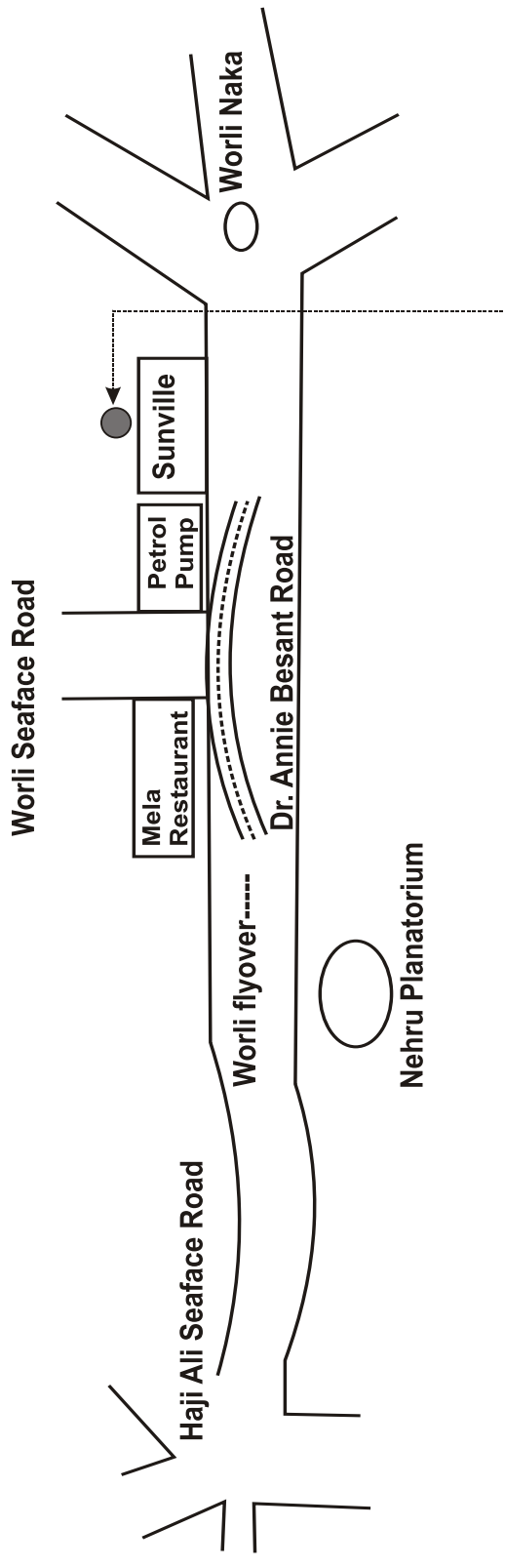
Signature of Shareholder

Signature of Proxy Holder(s)

**Note: 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.**



**ROUTE MAP TO THE VENUE OF 31ST ANNUAL GENERAL MEETING TO BE  
HELD ON WEDNESDAY SEPTEMBER 25, 2019**



**Orchid Hall, 2<sup>nd</sup> Floor, Sunville Banquets,  
9, Dr. Annie Besant Road, Worli,  
Mumbai - 400018**

***IMEC***  
**SERVICES LTD**

If undelivered please return to :

**BIGSHARE SERVICES PRIVATE LIMITED**  
**Unit : IMEC SERVICES LIMITED**  
(formerly known as Ruchi Strips and Alloys Limited)  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri (E) Mumbai - 400059