

Annual Financial Statement

Financial Year 2015-16

Ardent Steel Limited

DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in presenting the 9th Annual Report on the business & operations of the Company together with the Audited Statement of Financial Accounts and the Auditor's Report of the Company for the year ended 31st March 2016.

1. FINANCIAL RESULTS

	Year ended 31.03.2016 (Rs. in Lacs)	Year ended 31.03.2015 (Rs. in Lacs)
Revenue from operations (Gross)	18040.27	21673.78
Less: Excise Duty	2149.07	2389.12
Revenue from operations (Net)	15891.20	19284.66
Other Income	152.01	182.51
Total Income from Operations	16043.21	19467.18
Earnings before interest, tax, depreciation and amortization (EBITDA)	(2976.68)	2472.12
Less: Finance Cost	1962.97	2324.74
Less: Depreciation and amortization expenses	1437.05	1311.78
Profit/(Loss) before Taxation	(6376.70)	(1164.40)
Less: Total Tax Expenses	(1989.96)	(520.51)
Profit/(Loss) for the Year after Tax	(4386.74)	(643.89)

2. REVIEW OF PERFORMANCE:

During the year under review, your Company has registered net sales turnover of Rs.15891.20 Lacs as compared to Rs.19284.66 Lacs during the previous year representing decrease of 17.60% due to drastic reduction in the realisations of iron ore pellets owing to increase in supply of iron ore. The fall in prices of finished product has resulted into decrease in operating margin below the cost of production.

Your Company has suspended the operations at Iron Ore Pellet Plant in Orissa w.e.f December 01, 2015.

Your Company registered operating loss of Rs. 2976.68 Lacs and net loss of Rs. 4386.74 Lacs during the year under review as compared to operating profit of Rs. 2472.12 Lacs and net loss of Rs. 643.89 Lacs respectively during the previous year.

3. SHARE CAPITAL:

There is no change in the Capital structure of the company during the year under review.

As on March 31, 2016, the paid up Equity Share Capital of the company was Rs.1000.00 Lacs. During the year under review, the Company has not issued any shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2016 none of the Directors of the Company hold convertible instruments of the Company.

The dematerialization facility is available from both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Depositories has allotted the ISIN: INE469M01014 to the Company.

The equity shares of the company representing 99% of the share capital are dematerialized as on 31st March, 2016.

The Shareholders of the company in its extra ordinary general meeting held on 12.02.2016 approved the proposal for incorporation of the provisions relating to conversion of the whole or part of the outstanding facilities and interest into equity shares in the company in the facility agreements of various lenders pursuant the provisions of section 62(3) of the Companies Act, 2013.

4. SHIFTING OF REGISTERED OFFICE:

The Shareholders of the company in its extra ordinary general meeting held on 15.06.2015 approved the proposal for shifting of the Registered Office of the company from the State of Maharashtra to the State of Chhattisgarh. All the formalities in connection with the shifting of the registered office have been completed and CLB order has been obtained. However the shifting of records from the office of ROC of Maharashtra to ROC of Chhattisgarh is still under process.

5. DEPOSITS:

The Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

6. TRANSFER TO RESERVES:

Your Company has not transferred any amount to the General Reserves Account during the Financial Year 2015-16.

7. DIVIDEND:

Your directors have not recommended any dividend for the year ended 31st March 2016.

8. CHANGES IN NATURE OF BUSINESS:

The Company has been engaged in the business of manufacturing and trading of Iron Ore Pellets, There is no change in the nature of business of the Company during the Financial Year 2015-16.

9. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION:

There are no materials changes and commitments affecting the financial position of the company occurred between the 01.04.2016 to the date of this report

10. CHANGES IN STATUS OF SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES:

None of the companies has become Subsidiary or Associate of the Company during the Financial Year 2015-16. Our Company has also not entered into any Joint Venture during the Financial Year 2015-16.

11. PARTICULARS OF EMPLOYEES:

The Statement showing the names and other particulars of the employees of the company as required under Rule 5 (2 &3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required to be furnished since none of the employees of the company has received remuneration in excess of the remuneration mentioned in the above mentioned Rule 5 (2) of the said Rules during the financial year 2015-16.

12. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONS:

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Shri Subasis Das was appointed as Additional Director on the Board of the Company with effect from 23rd January, 2016. The Board proposes to appoint him as Director on the Board of the Company at the ensuing General Meeting.

Shri Hari Om Haritash has resigned from the Directorship of the Company w.e.f. 25.01.2016 due to personal reasons. The Board has placed on record its appreciation for the valuable contributions made by outgoing Director during his respective tenure of office.

In accordance with the provisions of Section 152(6) (c) of the Companies Act, 2013 and the Company's Articles of Association, Shri Sanjay Gupta, Director of the Company retire by

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rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment.

The Board designated the following officials as the Key Managerial Personnel, pursuant to Section 2(51) of the Companies Act, 2013 read with Section 203 of the Act:

1. Mr. Sanjay Gupta, Whole-time Director
2. Mr. Bibhu Jena, Chief Financial Officer (CFO)
3. CS. Rishi Dave, Company Secretary

13. CONSTITUTION OF CSR COMMITTEE, CSR POLICY AND INITIATIVES:

The CSR Committee consists of three directors including one Independent Director. The CSR Committee has formulated a CSR policy of the Company for undertaking the activities as specified in Schedule VII to the Companies Act, 2013. The Said policy has been approved and adopted by the Board of directors of the Company, the contents of which have been displayed on the company's website and also given in the Annual Report on CSR activities. (Web link: www.ardentsteel.com)

The committee met once during the year 2015-16 and the attendance of the members present at the meeting was as follows:

Name of the Chairman/ Member	Category	Attendance at the Corporate Social Responsibility Committees held on
Mr. B.N. Ojha	Chairman (Independent Director)	27.04.2015 Present
Mr. Sanjay Gupta	Member (Executive Director)	Present
Mr. Sanjay Bothra	Member (Executive Director)	Present

Since the company has not made any profit due to the adverse market conditions and closure of the plant, the company need not to spend any amount on CSR activities during the financial year 2016-17.

The Annual Report on CSR activities initiated and under taken by the Company during the Financial Year 2015-16 is annexed herewith as an **ANNEXURE- A.**

CSR Committee's Responsibility Statement:

CSR Committees hereby states that the implementation and monitoring of CSR activities, is in compliance with CSR objectives and Policy of the Company.

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14. AUDIT COMMITTEE COMPOSITION:

The Board of Directors has constituted an Audit Committee comprising of three directors including two Independent Directors and one Non-Executive Director all having financial literacy.

The committee met four times during the year 2015-16 and the attendance of the members at these meetings was as follows:

Name of the Chairman/ Member	Category	Attendance at the Audit Committees held on			
		27.04.2015	10.08.2015	06.11.2015	12.02.2016
Mr. B.N. Ojha	Chairman (Independent Director)	Present	Absent	Present	Present
Mr. Sanjay Bothra	Member (Executive Director)	Present	Present	Present	Present
Miss Bhavna G. Desai	Member (Independent Director)	Present	Present	Present	Present

The Functioning and terms of reference of the Audit Committee the role, powers and duties, quorum for meeting and frequency of meetings, have been devised keeping in view the requirements of Section 177 of the Companies Act, 2013.

16. DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013 based on the representations received from the operating management and Chief Financial Officer of the company:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) That your Directors have selected such accounting policies and applied them consistently, and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c) That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities;
- d) That your Directors have prepared the annual accounts on a going concern basis;
- e) that your Directors had laid down proper internal financial controls to be followed by the company and that such financial controls are adequate and were operating effectively.
- f) that your Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

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17. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS:

All independent directors of the Company have given declarations as required under the provisions of section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013.

18. NUMBER OF MEETINGS OF BOARD:

During the year 2015-16, the Board met 06 times and agenda papers were circulated well in advance of each meeting to the Board of Directors. In order to ensure fruitful deliberations at the meetings, the Board of Directors of your company is provided with all relevant information on various matters related to the working of the company. The dates on which Meetings of the Board of Directors were held and the number of Directors present in each meeting are given below:

S. No.	Date of Meeting	No. of Directors Present
1	27.04.2015	05
2	10.08.2015	03
3	06.11.2015	04
4	15.01.2016	02
5	23.01.2016	02
6	12.02.2016	04

19. AUDITORS:

Statutory Auditors

M/s O.P. Singhania and Co., Chartered Accountants (Registration No. 002172C), Auditors of the Company, hold office until the conclusion of the forthcoming Annual General Meeting and being eligible have offered themselves for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made, would be within the limits prescribed under Section 141 (3) (g) of the Companies Act, 2013 and that they are not disqualified for re-appointment and also satisfies the criteria as mentioned under Section 141 of the Companies Act, 2013..

Cost Auditors

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Record and Audit) Amendment Rules, 2014, M/s Sanat Joshi & Associates (Registration No. 000506) has been appointed as cost auditors for conducting Cost Audit for the financial year 2015-16.

20. AUDITOR'S REPORTS:

Statutory Auditors

There are no qualifications, reservations, adverse remarks or disclaimers in the statutory Auditor's Report on the Financial Statements of the company for the financial year 2015-16 and hence does not require any explanations or comments.

21. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into by the Company during the financial year 2015-16 were on arms length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with promoters, directors, key managerial personnel or related parties which may have a potential conflict with the interest of the company at large.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The particulars of Loans given and Investments made by the company as covered under the provisions of Section 186 of the Companies Act, 2013 are given in Financial Statements (Ref. Note 11 & 12). The company has not given any corporate guarantees to any other party.

23. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as ANNEXURE B.

24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the Regulators/Courts which would impact the going concern status of the company and its future operations.

25. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is given below:

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(A) Conservation of energy-	
(i) the steps taken or impact on conservation of energy:	
(ii) the steps taken by the company for utilising alternate sources of energy;	None
(iii) the capital investment on energy conservation equipments;	Nil
(B) Technology absorption-	
(i) the efforts made towards technology absorption;	None
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	NA
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NA
(a) the details of technology imported;	None
(b) the year of import;	NA
(c) whether the technology been fully absorbed;	NA
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NA
(iv) the expenditure incurred on Research and Development.	NIL
(C) Foreign exchange earnings and Outgo-	
The Foreign Exchange earned in terms of actual inflows during the year	NIL
Foreign Exchange outgo during the year in terms of actual outflows.	NIL

26. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Board of Directors have established 'Whistle Blower Policy' and 'Code of Conduct' for the directors & employees of the Company as required under the provisions of Sec. 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its powers) Rules, 2014.

The said Policy has been properly communicated to all the directors and employees of the Company through the respective departmental heads and the new employees shall be informed about the Vigil Policy by the Personnel Department at the time of their joining.

27. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an internal control system commensurate with the size and scale and complexity of its operations. The scope and authority of Internal Audit functions have been defined in the Internal Audit Charter to maintain its objectivity and independence. The Internal Auditor reports to the Chairman of the Audit Committee of the Board.

The Internal Audit department monitors and evaluates the efficacy and adequacy of internal control system in the company, its compliance with operating system, accounting procedures and policies of the company. Based on the report of the Internal Auditors, process owners undertake corrective actions in their respective areas and thereby strengthen the control. Significant Audit observations and corrective actions, thereon are presented to the Audit Committee of the Board.

28. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY:

The Company has adopted a Risk Management Policy to identify and evaluate business risks associated with the operations and other activities of the Company and formulated risk mitigations strategies.

29. ANNUAL EVALUATION OF BOARD, ETC:

The Nomination and Remuneration Committee has formulated criteria for evaluation of the performance of the each of the directors of the company. On the basis of said criteria, the Board and all its committees and directors have been evaluated by the Board of the directors.

30. NOMINATION AND REMUNERATION COMMITTEE AND POLICY:

The Board of Directors has constituted an Nomination and Remuneration Committee comprising of three directors including two Independent Directors and one Non-Executive Director.

The Nomination and Remuneration committee met two times during the year 2015-16 on 27.04.2015 and 23.01.2016. The composition of the committee and the details of meeting attended by the directors during the year are given below:

Name of Chairman / Member	Category	No. of Meeting attended
Shri B. N. Ojha	Chairman (Independent Director)	02
Shri Sanjay Bothra	Member (Non Executive Director)	02
Miss Bhavna G. Desai	Member (Independent Director)	02

Company's Policy on Directors appointment and Remuneration including criteria for determining qualification, positive attributes, independence of directors and other matters

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provided under section 178(3) of the Companies Act, 2013 is attached herewith as ANNEXURE C.

31. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, Contractual, Temporary, Training) are covered under this Policy. However no complaints has been received during the year 2015-16.

31. ACKNOWLEDGEMENTS:

The Board expresses its sincere gratitude to the shareholders, bankers, State and Central Government authorities and the valued customers for their continued support. The Board also wholeheartedly acknowledges and appreciates the dedicated efforts and commitment of all employees of the Company.

For and on behalf of Board of Directors

Place: Mumbai

Date: 01.09.2016


DIRECTOR


DIRECTOR

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ANNEXURE-A

ANNUAL REPORT ON CSR ACTIVITIES

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and project or programs.	The CSR Committee has formulated a CSR policy of the Company for undertaking the activities as specified in Schedule VII to the Companies Act, 2013. A copy of the CSR Policy has been posted on the website of the company at www.ardentsteel.com and the weblink has been given in Directors' Report.
2.	The Composition of the CSR Committee.	The composition of CSR Committee has been given in the Directors' Report.
3.	Average net profit of the company for last three financial years (Amount in lacs)	Rs.2297.73 lacs
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) (Amount in lacs)	Rs. 45.95 lacs
5.	Details of CSR spent during the financial year.	Rs.11.88 lacs
	1. Total amount to be spent for the F.Y. 2015-16(Rs. In lacs)	
	2. Amount unspent, if any;	Rs. 34.07 lacs*
	3. Manner in which the amount spent during the financial year :	The amount was spent for CSR as per the details given below:
6.	In case the company has failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Boards report.	The Company has incurred losses amounting to Rs. 4386.74 lacs during the financial year 2015-16. And it is facing uphill task in meeting its financial obligations. Hence the company is unable to spend any funds on CSR activities for the time being.
7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.	CSR Committees hereby states that the implementation and monitoring of CSR activities, is in compliance with CSR objectives and Policy of the Company.

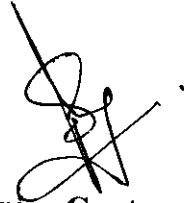
* Unspent amount will be spent in due course of time in future if conditions improve.

S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2)Specify the state &district where projects or programs wasundertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs (1) Direct Expenditure on projects or programs (2) Overhead	Cumulative Expenditure up to the reporting period i.e. upto 31 st March, 2016	Amount spent: Direct or through implementing agency
1	Purchase of tree for plantation	Environmental development	Local	NIL	45000	45000	Direct
2	Financial Help for society upliftment	Society upliftment	Local	NIL	196000	196000	Direct
3	Construction of	Education sector	Local	NIL	58004	58004	Direct

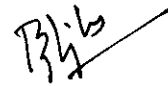
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	Dharanidhar High school, Kusmita Keonjhar						
4	Ambulance Exp	Health Sector	Local	NIL	40349	40349	Direct
5	Encoring water and safe drinking water facility	Health Sector	Local	NIL	567420	567420	Direct
6	Promoting Education	Education Sector	Local	NIL	141380	141380	Direct
7	Promotion of sports	Rural sports	Local	NIL	18770	18770	Direct
8	Road Construction in near village	Rural development	Local	NIL	75882	75882	Direct
9	Training and Education	Education Sector	Local	NIL	44750	44750	Direct
	TOTAL			NIL	1187555	1187555	



Sanjay Gupta
(Executive Director)



B.N. Ojha
(Chairman of CSR Committee)

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ii) Trust	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
iii) NRI (Repate)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
iv) NRI (Non Repate)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
v) Other Director	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (B) (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Public Shareholding (B)= (B) (1) + (B) (2)	2220300	6600	2226900	22.27	2220300	6600	2226900	22.27	0.00
C.SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GRAND TOTAL (A+B+C)	9993400	6600	1000000	100	9993400	6600	1000000	100	0.00

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares Pledged/ Encumbered to total shares	No. of Shares	% of total shares of the company	% of shares Pledged/ Encumbered to total shares	
1.	Godawari Power and Ispat Limited	7500000	75.00	0.00	7500000	75.00	0.00	0.00
2.	Sanjay Gupta	71400	0.71	0.00	71400	0.71	0.00	0.00
3.	Harkishan Das	58300	0.58	0.00	58300	0.58	0.00	0.00
4.	Sumit Gupta	94900	0.95	0.00	94900	0.95	0.00	0.00
5.	Chirag Gupta	11600	0.12	0.00	11600	0.12	0.00	0.00
6.	Narender Kumar	15000	0.15	0.00	15000	0.15	0.00	0.00
7.	Surender Gupta	20300	0.20	0.00	20300	0.20	0.00	0.00
8.	Mukesh Chand	1600	0.02	0.00	1600	0.02	0.00	0.00

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

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	7773100	77.73	7773100	77.73
2.	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	NA	NA	NA	NA
3.	At the end of the year	7773100	77.73	7773100	77.73

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

S. 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. of Shares	% of total shares of the company
	MAHARATHI STEEL PRIVATE LIMITED				
1.	At the beginning of the year as on 01.04.2015	1204700	12.05	1204700	12.05
2.	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	NA	NA	NA	NA
3.	At the end of the year (or on the date of separation, if separated during the year) as on 31.03.2016	1204700	12.05	1204700	12.05

S. 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. of Shares	% of total shares of the company
	REALFRAME INFRASTRUCTURE PRIVATE LIMITED				
1.	At the beginning of the year as on 01.04.2015	638300	6.38	638300	6.38
2.	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	NA	NA	NA	NA
3.	At the end of the year (or on the date of separation, if separated during the year) as on 31.03.2016	638300	6.38	638300	6.38

S. 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. of Shares	% of total shares of the company
	SANGEETA GULATI				
1.	At the beginning of the year as on 01.04.2015	208800	2.09	208800	2.09
2.	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	NA	NA	NA	NA
3.	At the end of the year (or on the date of separation, if separated	208800	2.09	208800	2.09

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during the year) as on 31.03.2016				
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S. 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. of Shares	% of total shares of the company
	NITIN KUMAR				
1.	At the beginning of the year as on 01.04.2015	49900	0.49	49900	0.49
2.	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	NA	NA	NA	NA
3.	At the end of the year (or on the date of separation, if separated during the year) as on 31.03.2016	49900	0.49	49900	0.49

S. 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. of Shares	% of total shares of the company
	LAXMI GUPTA				
1.	At the beginning of the year as on 01.04.2015	46100	0.46	46100	0.46
2.	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	NA	NA	NA	NA
3.	At the end of the year (or on the date of separation, if separated during the year) as on 31.03.2016	46100	0.46	46100	0.46

S. 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. of Shares	% of total shares of the company
	SUSHMA RANI				
1.	At the beginning of the year as on 01.04.2015	33300	0.33	33300	0.33
2.	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	NA	NA	NA	NA
3.	At the end of the year (or on the date of separation, if separated during the year) as on 31.03.2016	33300	0.33	33300	0.33

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S. 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. of Shares	% of total shares of the company
	AAG STEELS PRIVATE LIMITED				
1.	At the beginning of the year as on 01.04.2015	24300	0.24	24300	0.24
2.	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	NA	NA	NA	NA
3.	At the end of the year (or on the date of separation, if separated during the year) as on 31.03.2016	24300	0.24	24300	0.24

S. 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. of Shares	% of total shares of the company
	MANISH SOMANI				
1.	At the beginning of the year as on 01.04.2015	3300	0.033	3300	0.033
2.	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	NA	NA	NA	NA
3.	At the end of the year (or on the date of separation, if separated during the year) as on 31.03.2016	3300	0.033	3300	0.033

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Shri Sanjay Gupta (Whole-time Director)				
1.	At the beginning of the year	71400	0.71	71400	0.71
2.	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	NA	NA	NA	NA
3.	At the end of the year	71400	0.71	71400	0.71

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S. No.	Name of Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Shri Hari om Haritash* (Director)				
1.	At the beginning of the year	3300	0.033	3300	0.033
2.	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc): Transfer of shares as on 23.01.2016	3300	0.033	3300	0.033
3.	At the end of the year	0.00	0.00	0.00	0.00

*Resigned from directorship w.e.f. 25.01.2016

S. No.	Name of Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Shri Subhasish Das# (Director)				
1.	At the beginning of the year	0.00	0.00	0.00	0.00
2.	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc): Transfer of shares as on 23.01.2016	3300	0.033	3300	0.033
3.	At the end of the year	3300	0.033	3300	0.033

Appointed as Director w.e.f. 23.01.2016

Note: The other Directors and Key Managerial Personnel were not holding any shares in the company at the beginning and neither acquired/ sold any shares during the year nor holding any shares at the end of the year.

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,51,20,69,369/-	0	0	1,51,20,69,369/-

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ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	1,51,20,69,369/-	0	0	0
Change in Indebtedness during the financial year				1,51,20,69,369/-
Addition	0	93,23,773/-	0	
Reduction	3,62,91,729/-	0	0	93,23,773/-
Net Change	3,62,91,729/-	93,23,773/-	0	3,62,91,729/-
Indebtedness at the end of financial year				2,69,67,956/-
i) Principal Amount	1,47,57,77,640/-	93,23,773/-	0	
ii) Interest due but not paid	0	0	0	1,48,51,01,413/-
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	1,47,57,77,640/-	93,23,773/-	0	1,48,51,01,413/-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (in Rs.)
1.	Gross salary	Shri Sanjay Gupta (WTD)	
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	40,00,000/-	40,00,000/-
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission	NIL	NIL
	As % of profit	NIL	NIL
	Others (if any specify)	NIL	NIL
5.	Others	NIL	NIL
	Total	40,00,000/-	40,00,000/-
	Ceiling as per the Act	5% of the net profit and in case of inadequate profit –As per Schedule V of the Companies Act, 2013	

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B. Remuneration to other directors:

S.No.	Particulars of Remuneration	Name of Directors						Total Amount
		Shri B.N. Ojha	Miss Bhavna G. Desai	Shri Dinesh Kumar Gandhi	Shri Sanjay Bothra	Shri Hari Om Haritash*	Shri Subhasish Das#	
1.	Independent Directors							
	Fee for attending Board/ Committee meetings	65,000	75,000	NIL	70,000	NIL	NIL	2,10,000
	Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	65,000	75,000	NIL	70,000	NIL	NIL	2,10,000
2.	Other Non-Executive Directors							
	Fee for attending Board/ Committee meetings	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	TOTAL (1+2)	65,000	75,000	NIL	70,000	NIL	NIL	NIL
	Overall ceiling as per the Act	Rs. 100000/- per meeting						

* Resigned from Directorship w.e.f. 25.01.2016

*Appointed as Director w.e.f. 23.01.2016

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (in Rs.)
		Mr. Rishi Dave (Company Secretary)	Mr. Bibhu Jena (CFO)	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	9,95,500/-	4,48,000/-	14,43,500/-
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL

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4.	Commission	NIL	NIL	NIL
	As % of profit	NIL	NIL	NIL
	Others (if any specify)	NIL	NIL	NIL
5.	Others	NIL	NIL	NIL
	Total	9,95,500/-	4,48,000/-	14,43,500/-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority (RD/NCLT/COURT)	Appeal made, if any (Give details)
A. COMPANY					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. DIRECTORS					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

Pravin

[Signature]

ARDENT STEEL LIMITED

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ANNEXURE- C

Nomination and Remuneration Policy

1. OBJECTIVE

This Nomination and Remuneration Policy has been framed in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto.

2. DEFINITIONS

2.1. "Committee" means Nomination and Remuneration Committee.

2.2. "Senior Management Personnel" means Senior Management means personnel of the company who are members of its core management team including Functional Heads.

3. NOMINATION POLICY

- i. The Committee shall identify persons who possess adequate qualification, expertise and experience for the position he/she is considered for appointment as Director, Key Managerial Personnel (KMP) or at Senior Management level Personnel (SMP) and recommend to the Board his/her appointment.
- ii. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders.

4. TERM / TENURE

The Company shall appoint or re-appoint any person as its Managing Director, Executive Director, Independent Director or Non-executive Director for a term not exceeding period as mentioned in the Companies Act, 2013 or any amendment made from time to time.

5. EVALUATION

The Committee shall review the performance of every Director at regular interval or at least once in a year.

6. REMOVAL

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or SMP subject to the provisions and compliance of the said Act, rules and regulations.

Pravin

ARDENT STEEL LIMITED

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ANNEXURE- C

Nomination and Remuneration Policy

7. RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company.

8. REMUNERATION POLICY

The remuneration, compensation, commission, sitting fee, etc. to the Directors, KMP and SMP will be determined by the Committee and recommended to the Board for approval subject to limitations mentioned in the Companies Act, 2013 and the amendments made therein from time to time. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

9. AMENDMENTS

The Board may, subject to applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy, based on the recommendations of the Committee.

10. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.

11. DISSEMINATION OF POLICY

This policy shall be disclosed in the annual report of the Company.

12. EFFECTIVE DATE

This Policy shall come into force on 27.04.2015.

* * * * *



OPSinghania & Co.

CHARTERED ACCOUNTANTS
JDS CHAMBERS, 1ST FLOOR, 6-CENTRAL AVENUE,
CHOUBE COLONY, RAIPUR -492001(C.G.) INDIA
PHONE: 0771- 4041236; FAX: 0771-4061216
Email:opsinghania.co@gmail.com

Independent Auditor's Report To the Members of Ardent Steel Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Ardent Steel Limited** ("the Company") which comprise the balance sheet as at 31st March 2016, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act,2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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



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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2016;
- (ii) in the case of the statement of profit and loss, of the loss for the year ended on that date; and
- (iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Emphasis of Matters

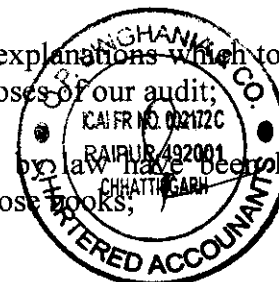
We draw attention to the following matters to the financial statements:

During the year the company has incurred substantial losses and having accumulated losses as at the end of year and the company's current liabilities exceeded its current assets as at the balance sheet date, these conditions alongwith closure of plant indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statements of the company have been prepared on a going concern basis.

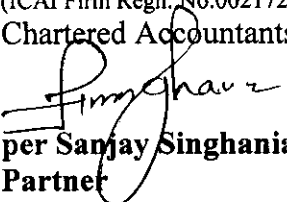
Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-B a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books,



- c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. The going concern matter described in paragraph under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
- f. On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- g. 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.
- 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, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 to the financial statements.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There has been no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **OPSinghania & Co.**
(ICAI Firm Regn. No.002172C)
Chartered Accountants

per **Sanjay Singhania**
Partner
Membership No.076961



Raipur, 7th May, 2016

Annexure A

Re: ARDENT STEEL LIMITED

Referred to in paragraph 2(g) of Report on Other Legal and Regulatory Requirements of our report of even date,

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

We have audited the internal financial controls over financial reporting of Ardent Steel Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

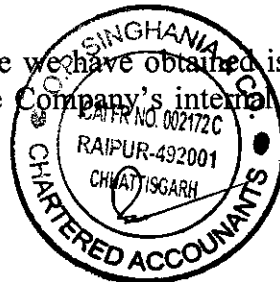
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

Auditors' Responsibility

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

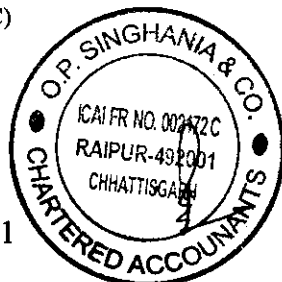
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

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

For **OPSinghania & Co.**
(ICAI Firm Regn. No.002172C)
Chartered Accountants


per **Sanjay Singhania**
Partner
Membership No.076961

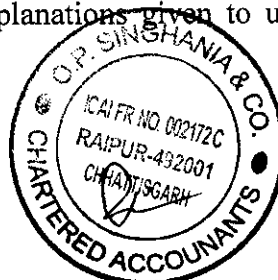


Raipur, 7th May, 2016

Re: ARDENT STEEL LIMITED

Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date,

- (i)
 - (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 have been physically verified by the management at reasonable intervals, which, in our opinion, is reasonable, looking to the size of the company and the nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The title deeds of immovable properties, as disclosed in Note 10.1 on fixed assets to the financial statements, are held in the name of the Company.
- (ii) As explained to us, the physical verification of inventories have been conducted at reasonable intervals by the management during the year. In our opinion, the frequency of the verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) The company has not granted any loans 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 during the year, therefore, the provisions of (iii) (a) to (c) of clause 3 of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (iv) In our opinion and according to the information & explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investment made, and guarantees and security provided by it. The Company has not granted and loans and made any investments, or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public within the meaning of section 73 to 76 of the Act and Rules framed there under to the extent notified; therefore the provisions of clause 3 (v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of Company's products to which the said rules are made applicable and are of the opinion that, prima facie, the prescribed accounts and records, have been made and maintained. We have, however, not made a detailed examination of the records.
- (vii)
 - (a) According to the information & explanations given to us, during the year the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities though there has been delay in payment. According to the information & explanations given to us, no undisputed amounts of statutory



dues as stated above were in arrears as at 31st March 2016 for a period of more than six months from the date they became payable.

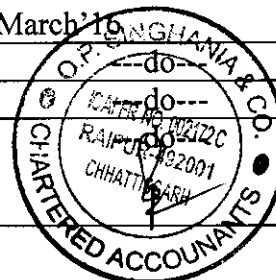
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, custom duty, excise duty, value added tax and cess which have not been deposited on account of any dispute other than the followings:

Name of the Statute	Nature of Dues	Amount* Rs.	Forum where dispute is pending
The Odisha Entry Tax Act, 1999	ET For The Period 01.04.2009 To 30.09.2011 and Penalty thereon.	1195437	Addl. Commissioner Of Commercial Taxes, Cuttack, Odisha
The Odisha Entry Tax Act, 1999	ET for The Period 01.04.2011 To 31.03.2012 and Penalty thereon.	1189923	Joint Commissioner Of Commercial Taxes, Cuttack, Odisha
Central Sales Tax Act, 1956	CST for the Period 01.04.2012 To 31.03.2013 and Penalty thereon.	460261	Additional Commissioner of Commercial Taxes, Cuttack, Odisha
The Orissa Value Added Tax (Amendment) Act, 2005	VAT for The Period 01.04.2010 To 31.03.2013 and Penalty thereon.	17698127	Addl. Commissioner Of Sales Tax (Appeal), Cuttack, Odisha
Central Excise Act, 1944	CENVAT For The Period 01.04.2011 To 31.03.2012 and Penalty thereon.	516131	Commissioner Appeals, Bhubaneswar, Odisha

* Net of deposits

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution or Government as at the balance sheet date, however, the company has defaulted in repayment of loans to banks as at the date of balance sheet the details of which are given below. The Company has not issued any debentures.

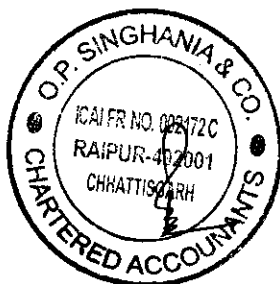
Particulars	Amount of default as at the balance sheet date	Period of default	Remarks
Name of Lenders:			
i. Bank of Baroda	450.00 lacs	From December '15 to March '16	The banks have invoked the Strategic Debt Restructuring in line with the provisions of RBI subject to the approval from the appropriate authority.
ii. Canara Bank	510.95 lacs	do	
iii. Axis Bank Ltd.	381.10 lacs	do	
iv. Corporation Bank	388.79 lacs	do	



- (ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). Accordingly the provisions of clause 3 (ix) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year. Therefore, the provisions of clause 3 (x) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xi) The Company has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of Section 197 read with Schedule V to the Act.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Therefore, the provisions of clause 3 (xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3 (xiv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Therefore, the provisions of clause 3 (xv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3 (xvi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.

For **OPSinghania & Co.**
(ICAI Firm Regn. No.002172C)
Chartered Accountants


per **Sanjay Singhania**
Partner
Membership No.076961



Raipur, 7th May, 2016

Ardent Steel Limited
Balance Sheet as at 31st, March 2016

Particulars	Notes	2016 ₹	2015 ₹
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	100,000,000	100,000,000
Reserves and surplus	4	468,372,310	907,046,608
		<u>568,372,310</u>	<u>1,007,046,608</u>
Non-current liabilities			
Long-term borrowings	5	357,466,745	681,485,758
Deferred tax liabilities (net)	6	-	155,376,152
Long-term provisions	7	2,903,141	6,459,874
		<u>360,369,886</u>	<u>843,321,784</u>
Current liabilities			
Short-term borrowings	8	604,951,926	421,407,822
Trade payables	9	28,020,560	422,942,494
Other current liabilities	9	677,575,865	440,446,807
Short-term provisions	7	252,279	631,181
		<u>1,310,800,631</u>	<u>1,285,428,304</u>
TOTAL		<u><u>2,239,542,826</u></u>	<u><u>3,135,796,696</u></u>

ASSETS

Non-current assets			
Fixed Assets			
Tangible assets	10.1	1,692,010,633	1,856,163,613
Intangible assets	10.2	35,000,000	40,000,000
Capital work-in-progress Tangible assets		24,382,647	19,465,965
Intangible assets under development		4,474,835	3,887,877
Non-current investments	11	2,199,000	2,199,000
Deferred tax assets (net)	6	43,619,775	-
Long-term loans and advances	12	10,578,820	33,609,745
Other non-current assets	13.2	3,208,198	8,425,291
		<u>1,815,473,908</u>	<u>1,963,751,491</u>
Current assets			
Inventories	14	191,844,324	559,548,376
Trade receivables	13.1	16,138,971	162,432,505
Cash & bank balances	15	25,182,904	40,731,682
Short-term loans and advances	12	190,902,719	409,222,908
Other current assets	13.2	-	109,734
		<u>424,068,918</u>	<u>1,172,045,205</u>
TOTAL		<u><u>2,239,542,826</u></u>	<u><u>3,135,796,696</u></u>

Summary of significant accounting policies

2.1

The accompanying notes are integral part of the financial statements.

As per our report of even date
For O.P. Singhania & Co.

(ICAI Firm Reg. No. 002172C)
Chartered Accountants

per Sanjay Singhania
Partner
Membership No. 076961

Place : Raipur
Date : 07.05.2016



For and on behalf of the Board of Directors of Ardent Steel Limited

Sanjay Gupta
Whole Time Director

Rishi Dave
Company Secretary

Sanjay Bothra
Director

Bibhu Prasanna Jena
CFO

Ardent Steel Limited
Statement of Profit & Loss for the year ended 31st March, 2016

	Notes	2016 ₹	2015 ₹
INCOME			
Revenue from operations (gross)	16	1,804,026,956	2,167,378,791
Less: Excise duty		214,906,847	238,911,891
Revenue from operations (net)		1,589,120,109	1,928,466,900
Other Income	17	15,200,741	18,250,899
TOTAL REVENUE (I)		1,604,320,850	1,946,717,799
EXPENDITURE			
Cost of raw material and component consumed	18	908,332,004	930,867,054
(Increase)/decrease in inventories of finished goods work-in-progress	19	259,969,611	5,411,031
Employees benefits expenses	20	88,932,765	76,970,355
Other Expenses	21	644,754,825	686,257,916
Depreciation and amortization expenses	22	143,705,081	131,178,667
Finance costs	23	196,296,790	232,473,619
TOTAL EXPENDITURE (II)		2,241,991,076	2,063,158,642
Profit/(loss) before tax		(637,670,226)	(116,440,843)
Tax expenses			
Current tax		-	-
Deferred Tax		(198,995,927)	(57,267,656)
Income tax related to earlier year		-	5,216,099
Total tax expenses		(198,995,927)	(52,051,557)
Profit/(loss) for the year from continuing operations (PAT)		(438,674,298)	(64,389,286)
Earnings per equity share [nominal value of share @ Rs.10/- (31st March, 2015 Rs.10/-)]	24		
Basic		(43.87)	(6.44)
Diluted		(43.87)	(6.44)
Summary of significant accounting policies	2.1		

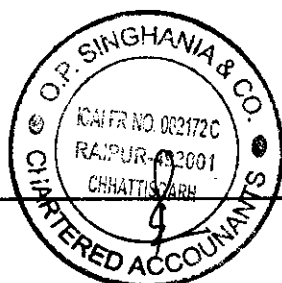
The accompanying notes are integral part of the financial statements.

As per our report of even date

For OPSinghania & Co.
 (ICAI Firm Reg. No.002172C)
 Chartered Accountants

Sanjay Singhania
 per Sanjay Singhania
 Partner
 Membership No.076961

Place : Raipur
 Date : 07.05.2016



For and on behalf of the Board of Directors of Ardent Steel Limited

Sanjay Gupta
 Sanjay Gupta
 Whole Time Director

Rishi Dave
 Rishi Dave
 Company Secretary

Sanjay Bothra
 Sanjay Bothra
 Director

Bibhu Prasanna Jena
 Bibhu Prasanna Jena
 CFO

Ardent Steel Limited
Cash Flow Statement for the year ended 31st March, 2016

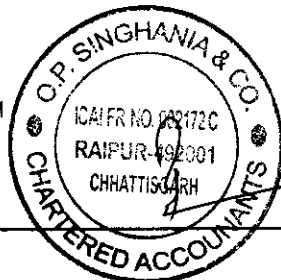
	2016 ₹	2015 ₹
Cash Flow from operating activities		
Profit before tax from continuing operations	(637,670,226)	(116,440,843)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation on continuing operation	143,705,081	131,178,667
Provision for gratuity	(3,935,635)	2,268,449
Amortization of expenses	-	96,400
Loss/written off on sale/disposal of fixed assets	5,046,130	820,188
Interest Expenses	196,296,790	232,473,619
Interest Income	(15,156,254)	(16,225,340)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(311,714,114)	234,171,140
Movements in working capital :		
Increase/(decrease) in trade payables	(394,921,934)	67,411,791
Increase/(decrease) in other current liabilities	156,063,064	(7,177,059)
Decrease/(increase) in trade receivables	146,293,534	(144,063,281)
Decrease/(increase) in inventories	367,704,052	50,069,027
Decrease/(increase) in long-term loans and advances	23,030,925	12,681,007
Decrease/(increase) in short-term loans and advances	218,320,189	286,551,764
Decrease/(increase) in other current assets	109,734	591,916
Decrease/(increase) in other non-current assets	1,835	430,685
Cash generated from/(used in) operations	204,887,285	500,666,990
Direct taxes paid (net of refunds)	-	(18,406,276)
Net Cash flow from/(used in) operating activities	A 204,887,285	482,260,714
Purchase of fixed assets & CWIP	(6,779,984)	(149,905,079)
Proceeds from sale of fixed assets	21,678,116	1,015,000
Purchase of non-current investments	-	(500,000)
Investments in bank deposits (having original maturity of more than three months)	11,729,635	(1,064,067)
Interest received	15,156,254	16,225,340
Net cash flow from/(used in) investing activities	B 41,784,021	(134,228,805)
Proceeds/(repayment) of long-term borrowings	(242,953,022)	(345,055,877)
Proceeds/(repayment) of short-term borrowings	183,544,104	218,856,736
Interest paid	(196,296,790)	(232,473,619)
Proposed dividend on equity shares	-	(40,000,000)
Tax on equity dividend	-	(6,798,000)
Net cash flow from/(used in) financing activities	C (255,705,708)	(405,470,761)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	(9,034,402)	(57,438,852)
Cash and Cash Equivalents at the beginning of the year	19,351,813	76,790,664
Cash and Cash Equivalents at the end of the year	10,317,411	19,351,813
Components of cash and cash equivalents		
Cash in hand	69,908	452,869
With banks- on current account	1,010,143	14,657,240
- on deposit account	9,237,360	4,241,704
	10,317,411	19,351,813

As per our report of even date

For OPSinghania & Co.
 (ICAI Firm Reg. No.002172C)
 Chartered Accountants

per Sanjay Singhania
 Partner
 Membership No.076961

Place : Raipur
 Date : 07.05.2016



or and on behalf of the Board of Directors of Ardent Steel Limited

Sanjay Gupta
 Whole Time Director
 Rishi Dave
 Company Secretary

Sanjay Bothra
 Director
 Bibhu Prasanna Jena
 CFO

Ardent Steel Limited

Notes to financial statements for the year ended 31st March, 2016

1. Corporate information

Ardent Steel Ltd. (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act. The company is mainly engaged in manufacturing of Iron Ore Pellets.

2. Basis of preparation

- i) The financial statements are prepared in accordance with the generally accepted accounting principles under the historical cost convention, on going concern concept and in compliance with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- ii) The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis except those with significant uncertainties.
- iii) The accounting policies have been consistently applied by the Company are consistent with those used in the previous year.

2.1 Summary of significant accounting policies

a) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as on the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

b) Tangible Fixed Assets

Tangible Fixed Assets are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight, installation and other direct or allocated expenses upto the date of commencement of commercial production and are net of CENVAT credit.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The various expenditure incurred during the construction stage and upto the date of commencement of commercial production for setting-up the relevant project-assets are grouped under the head "Pre-operative Expenditure" and allocated to related fixed assets on pro-rata basis upon completion of project and put to use.

c) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

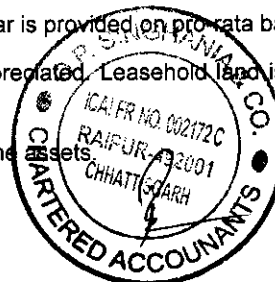
Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

d) Depreciation on tangible fixed assets and amortization of intangible assets

- i) Depreciation is provided on Straight Line Method based on estimated useful life of the assets which is same as envisaged in schedule II of the Companies Act, 2013.
- ii) Depreciation on fixed assets added/disposed off during the year is provided on pro-rata basis.
- iii) Free-hold land and site & land development cost are not depreciated. Leasehold land is amortised annually on the basis of tenure of lease period.
- iv) Intangible assets are amortized over technically useful life of the assets.



Ardent Steel Limited

Notes to financial statements for the year ended 31st March, 2016

e) Investments :

- i) Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such is other than temporary, in the opinion of the management.
- ii) Current Investments are stated at lower of cost/quoted fair value, computed categorywise.

f) Inventories :

- i) Inventories are valued at lower of cost and net realizable value, after providing for obsolesces, if any.
- ii) Cost of Raw Materials and stores & spares, Finished Goods & Goods in Process are computed on FIFO basis.
- iii) Cost of Finished Goods and Goods in Process includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.
- iv) Proceeds in respect of sales/disposal of raw materials is credited to the raw material purchases.

g) Excise Duty

- i) The Excise Duty in respect of closing inventory of finished goods is provided in books of account and included as part of inventory.
- ii) CENVAT Credit relating to raw materials/components are debited under current assets for availing credit against CENVAT and credited to respective materials/component account.

h) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

i) **Sale of Products**

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Excise Duty deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability arising during the year.

ii) **Interest**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

i) Borrowing Cost

Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of fixed assets are capitalized only with respect to qualifying fixed assets i.e. those which take substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

j) Contingent Liabilities

Liabilities which are material and whose future outcome cannot be reasonably ascertained are treated as contingent and not provided for and disclosed by way of notes to the accounts.

k) Taxes on Income

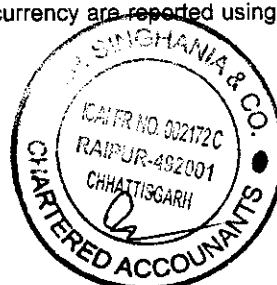
Current Taxes are accounted based on provisions of Income Tax Act, 1961.

Deferred Tax is recognized, subject to the consideration of prudence, in timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

l) Foreign Currency Transactions

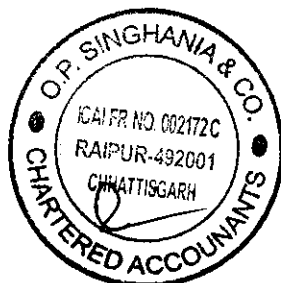
- i) Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate prevailing as on the date of transaction.
- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. Non-monetary items which are carried in terms of historical cost denominating in a foreign currency are reported using the exchange rate at the date of transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values are determined.



Ardent Steel Limited

Notes to financial statements for the year ended 31st March, 2016

- iii) All loans and deferred credits repayable in foreign currency and outstanding at the close of the year are expressed in Indian currency at the appropriate rates of exchange prevailing as on the date of the balance sheet, except in cases where these borrowings are covered by forward exchange contracts. Any increase or reduction in these liabilities are booked to revenue.
- iv) In respect of transactions covered by Forward Foreign Exchange Contracts, the difference between the forward rate and exchange rate at the inception of contract is recognized as income or expenses over the life of the contract.
- m) Retirement and other Employee Benefits**
- i) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contributions payable to the respective funds.
- ii) Gratuity Liability is defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- iii) Value of encashable leave are encashed during the year and charged to the statement of Profit & Loss.
- iv) Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.
- n) Provisions**
- Provisions are recognised, where the company has any legal or constructive obligation or where reliable estimate can be made for the amount of the obligation and as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- o) Impairment of Tangible Assets**
- The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to statement of profit & loss. If at the balance sheet date there is an indication that previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.
- p) Cash and Cash equivalents**
- Cash and Cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.
- q) Earnings Per Share**
- Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.
- For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.



Ardent Steel Limited**Notes to financial statements for the year ended 31st March, 2016**

	2016 ₹	2015 ₹
3. Share capital		
Authorised 10000000 Equity Shares of Rs 10/- each	100,000,000	100,000,000
	<u>100,000,000</u>	<u>100,000,000</u>
Issued, subscribed and fully paid-up 10000000 Equity Shares of Rs 10/- each fully paid-up	<u>100,000,000</u>	<u>100,000,000</u>

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**Equity shares**

	2016		2015	
	No.	₹	No.	₹
At the beginning of the period	10,000,000	100,000,000	10,000,000	100,000,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	<u>10,000,000</u>	<u>100,000,000</u>	<u>10,000,000</u>	<u>100,000,000</u>

b. Terms/rights attached to equity shares

The company has only one class of equity shares having face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares of the company held by holding company

Out of the equity shares issued by the company, shares held by its holding company are as below:

	2016 ₹	2015 ₹
Equity shares of ₹ 10 each fully paid 7500000 nos. os shares held by Godawari Power & Ispat Limited, Holding co	75,000,000	75,000,000
	<u>75,000,000</u>	<u>75,000,000</u>

d. Details of shareholders holding more than 5% shares in the company:

	2016		2015	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of ₹ 10 each fully paid				
Maharathi Steel Pvt. Ltd.	1204700	12.05	1204700	12.05
Realframe Infrastructure Pvt. Ltd.	638300	6.38	638300	6.38
Godawari Power & Ispat Limited	7500000	75.00	7500000	75.00
	<u>9343000</u>	<u>93.43</u>	<u>9343000</u>	<u>93.43</u>



Ardent Steel Limited

Notes to financial statements for the year ended 31st March, 2016

	2016 ₹	2015 ₹
4. Reserves and Surplus		
Securities Premium Reserve		
Balance as per last financial statements	490,000,000	490,000,000
	<u>490,000,000</u>	<u>490,000,000</u>
General Reserve		
Balance as per last financial statements	150,000,000	150,000,000
	<u>150,000,000</u>	<u>150,000,000</u>
Surplus(deficit)in the statement of profit and loss:		
Balance as per last financial statements	267,046,608	336,133,306
Add: Profit/(loss) for the year	(438,674,298)	(64,389,286)
Depreciation of those assets whose useful life is nil (net of taxes)	-	4,697,412
Net surplus in the statement of profit & loss	<u>(171,627,690)</u>	<u>267,046,608</u>
Total reserves and surplus	<u>468,372,310</u>	<u>907,046,608</u>

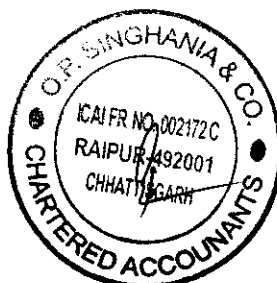
5. Long-term borrowings

	Non-current portion		Current maturities	
	2016 ₹	2015 ₹	2016 ₹	2015 ₹
Term Loans				
Indian rupee loan from banks including FCNRB loan from banks (secured)	356,743,137	672,974,390	489,368,136	407,187,476
Other loans and advances				
Other loans & advances (secured)	723,607	8,511,368	873,555	1,988,224
	<u>357,466,745</u>	<u>681,485,758</u>	<u>490,241,691</u>	<u>409,175,700</u>
The above amount includes				
Secured borrowings	357,466,745	681,485,758	490,241,691	409,175,700
Unsecured borrowings	-	-	-	-
Amount disclosed under the head "other current liabilities" (refer note 9)	-	-	(490,241,691)	(409,175,700)
Net amount	<u>357,466,745</u>	<u>681,485,758</u>	<u>-</u>	<u>-</u>

Terms and conditions:

- The term loans from banks (both rupee and foreign currency) aggregating to Rs. 84.61 Crore (Previous year Rs. 108.02 Crore) (including current maturities of Rs.57.84 Crore (Previous year Rs. 40.72 Crore) classified as 'current liabilities' in note 9) are secured by Pari-passu 1st Charge on entire fixed assets of the company including hypothecation of plant & machineries, equipments, furniture & fixtures, structures, other movable assets present & future and also charge over mortgage of land alongwith building etc. The Term Loan loan are further secured by Pari-passu 2nd charge by way of hypothecation of Entire Current Assets consisting of Raw materials, SIP, Finished goods, Stores & spares etc., & Book debts of the company (present and future) and also secured by Personal Guarantee of Mr. Sanjay Gupta & Mr. BL Agrawal, promoters of the company.
- Other Loans and advances from banks aggregating ₹ 0.16 Crore (including current maturities of ₹ 0.09 Crore classified as 'current liabilities' in note 9) are secured by hypothecation of vehicles.
- The current maturities of the term loans from banks both rupee and foreign currency includes Rs.17.31 Crores of overdue installments which were payable from December, 2015 to March, 2016. Further the interest accrued and due but not paid for the aforesaid mentioned period were disclosed under note 9.

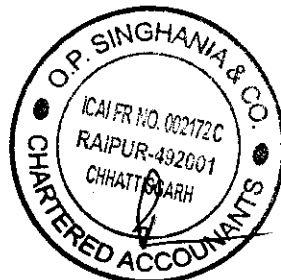
	Maturity Profile (Rs. in Crores)				
	0-1 years	1-2 years	2-3 years	3-4 years	Beyond 4 years
Rupee Term Loans	48.94	35.67	-	-	-
Other Loans & Advances	0.09	0.02	0.02	0.02	0.01



Ardent Steel Limited

Notes to financial statements for the year ended 31st March, 2016

6. Deferred Tax Liabilities (Net)		2016 ₹	2015 ₹		
Deferred Tax Liability					
Fixed assets : Impact of difference between tax depreciation and depreciation charged for the financial reporting		216,815,030	210,758,350		
		<u>216,815,030</u>	<u>210,758,350</u>		
Deferred Tax Assets					
Carried forward unabsorbed depreciation		259,459,781	53,191,062		
Provision for gratuity		975,025	2,191,136		
Gross deferred tax assets		<u>260,434,805</u>	<u>55,382,198</u>		
Net deferred tax liabilities/(assets)		(43,619,775)	155,376,152		
7. Provisions					
	Long-term		Short-term		
	2016 ₹	2015 ₹	2016 ₹	2015 ₹	
Provision for employee benefits					
Provision for gratuity (refer note-28)		2,903,141	6,459,874	252,279	631,181
		<u>2,903,141</u>	<u>6,459,874</u>	<u>252,279</u>	<u>631,181</u>
8. Short-term borrowings					
		2016 ₹	2015 ₹		
Cash Credit from banks (secured)		595,628,153	421,407,822		
Loans & Advances from holding company repayable on demand (unsecured)		9,323,773	-		
		<u>604,951,926</u>	<u>421,407,822</u>		
The above amount includes					
Secured borrowings		595,628,153	421,407,822		
Unsecured borrowings		9,323,773	-		
Cash credit limit from Banks being consortium advances for working capital are secured by hypothecation of entire Current Assets consisting of raw materials, SIP, finished Goods, stores & spares etc. (both Present & Future) ; Hypothecation of book Debts (Present & Future) and second pari passu charge on the entire fixed assets of the company. The cash credit limit is					
9. Other Current Liabilities		2016 ₹	2015 ₹		
Trade payables (including acceptances)(refer note 27 for details of dues for micro enterprises)		16,159,576	333,525,664		
Creditors for capital goods		6,199,058	8,304,431		
Advance From customers		5,661,926	81,112,399		
Other liabilities					
Current maturities of long-term borrowings (refer note -5)		490,241,691	409,175,700		
Interest accrued and due on borrowings		32,441,051	-		
Interest accrued but not due on borrowings		2,027,178	1,672,302		
Other payable		<u>152,865,945</u>	<u>29,598,805</u>		
		<u>705,596,425</u>	<u>863,389,301</u>		



Ardent Steel Limited

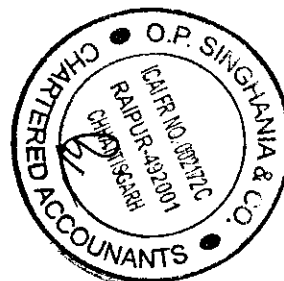
Notes to financial statements for the year ended 31st March, 2016

10.1. Tangible assets

	Freehold Land	Site & Land Development	Factory Shed & Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Total
Cost or valuation							
At 1 April 2014	16,229,048	10,586,471	281,402,922	1,824,034,110	6,779,603	22,578,278	2,161,610,432
Additions	-	-	6,848,323	120,198,689	62,177	11,172,644	138,281,833
Disposals	-	-	-	27,500	-	1,833,814	1,861,314
At 31st March 2015	16,229,048	10,586,471	288,251,245	1,944,205,299	6,841,780	31,917,108	2,298,030,951
Additions	-	-	-	145,783	-	1,130,561	1,276,344
Disposals	-	-	-	19,112,832	-	17,801,624	36,914,456
At 31st March 2016	16,229,048	10,586,471	288,251,245	1,925,238,250	6,841,780	15,246,045	2,262,392,839
Depreciation							
At 1 April 2014	-	-	19,528,544	287,361,165	1,083,382	4,195,148	312,168,239
Charge for the year	-	-	45,319,617	76,630,331	793,738	3,434,980	126,178,666
Disposals / adjustment	-	-	-	(3,520,430)	-	-	(3,520,430)
At 31st March 2015	-	-	64,848,161	367,511,926	1,877,120	7,630,128	441,867,335
Charge for the year	-	-	45,608,889	88,417,401	803,926	3,874,865	138,705,081
Disposals / adjustment	-	-	-	5,275,072	-	4,915,138	10,190,210
At 31st March 2016	-	-	110,457,050	450,654,255	2,681,046	6,589,855	570,382,206
Net Block							
At 31st March 2015	16,229,048	10,586,471	223,403,084	1,576,693,373	4,964,660	24,286,980	1,856,163,613
At 31st March 2016	16,229,048	10,586,471	177,794,195	1,474,583,995	4,160,734	8,656,189	1,692,010,633

10.2. Intangible assets

	Know-how	Total
Gross Block		
At 1st April 2014	50,000,000	50,000,000
Purchase	-	-
At 31st March, 2015	50,000,000	50,000,000
Purchase	-	-
At 31st March, 2016	50,000,000	50,000,000
Amortization		
At 1 April 2014	5,000,000	5,000,000
Charge for the year	5,000,000	5,000,000
At 31st March, 2015	10,000,000	10,000,000
Charge for the year	5,000,000	5,000,000
At 31st March, 2016	15,000,000	15,000,000
Net Block		
At 31st March, 2015	45,000,000	40,000,000
At 31st March, 2016	35,000,000	35,000,000



Ardent Steel Limited
Notes to financial statements for the year ended 31st March, 2016

11. Non-current investments	2016 ₹	2015 ₹
Trade Investment		
Unquoted Equity instruments, fully Paid up 19,900 equity shares of Rs.10/- each in Sag International Limited	199,000	199,000
Unquoted Preference instruments, fully Paid up 150000 6% Preference Shares of Rs.10/- each in Keonjhar Infrastructure Development Company Limited	1,500,000	1,500,000
25019.40 units of Canara Bank-Robeco Mutual Fund	500,000	500,000
	<u>2,199,000</u>	<u>2,199,000</u>

12. Loans and advances (unsecured, considered good)

	Non-current		Current	
	2016 ₹	2015 ₹	2016 ₹	2015 ₹
Advances recoverable in cash or in kind			95,058,771	231,351,062
Advance for capital goods	1,642,536	1,939,838		
Other loans and advances				
Prepaid expenses			408,024	35,940,700
Mat credit entitlement			60,598,948	60,598,948
Balance with statutory/govt. authorities			34,836,976	81,332,198
Security deposit with govt. & others	8,936,284	31,669,907	-	-
Total	<u>10,578,820</u>	<u>33,609,745</u>	<u>190,902,719</u>	<u>409,222,908</u>

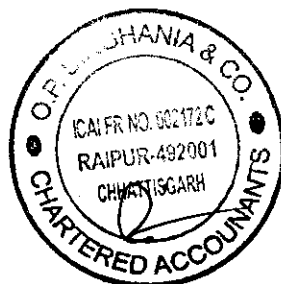
13. Trade receivables and other assets

13.1 Trade receivables

	Current	
	2016 ₹	2015 ₹
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment	16,138,853	6,508,277
Other receivables	118	155,924,228
Total	<u>16,138,971</u>	<u>162,432,505</u>

13.2 Other assets

	Non-current		Current	
	2016 ₹	2015 ₹	2016 ₹	2015 ₹
Unsecured, considered good unless stated otherwise				
Non-current bank balances (refer note-15)	3,208,198	8,423,456		
Others				
Interest accrued on fixed deposits	-	1,835	-	109,734
	<u>3,208,198</u>	<u>8,425,291</u>	<u>-</u>	<u>109,734</u>



Ardent Steel Limited

Notes to financial statements for the year ended 31st March, 2016

14. Inventories (valued at lower of cost and net realizable value)

	2016	2015
	₹	₹
Raw Materials and components (refer note 18)	13,780,462	107,427,584
Work-in-progress (refer note 19)	767,040	8,284,378
Finished goods (refer note 19)	6,300,023	258,752,296
Stores & spares	170,996,800	185,084,118
	<u>191,844,324</u>	<u>559,548,376</u>

15. Cash and bank balances

	Non-current		Current	
	2016	2015	2016	2015
	₹	₹	₹	₹
Cash and cash equivalents				
Balances with banks:				
On current accounts			1,010,143	14,657,240
Deposits with original maturity of less than three months			9,237,360	4,241,704
Cash on hand			69,908	452,869
			<u>10,317,411</u>	<u>19,351,813</u>
Other bank balances				
Deposits with original maturity for more than 12 months	3,208,198	8,423,456	-	-
Deposits with original maturity for more than 3 months but less than 12 months	-	-	14,865,493	21,379,869
	<u>3,208,198</u>	<u>8,423,456</u>	<u>14,865,493</u>	<u>21,379,869</u>
Amount disclosed under non-current assets (note 13.2)	<u>3,208,198</u>	<u>8,423,456</u>		
	<u>3,208,198</u>	<u>8,423,456</u>	<u>25,182,904</u>	<u>40,731,682</u>

Deposits with a carrying amount of Rs.273.11 lacs (31st March 2015 : Rs.340.45 lacs) are pledged with the bank against letter of credit and bank guarantee

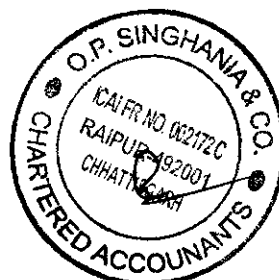
16. Revenue from operations

	2016	2015
	₹	₹
Revenue from operations		
Sale of products		
Manufacturing Goods	1,803,855,783	2,145,924,275
Other operating revenue		
Scrap sales	171,173	21,454,516
Revenue from operations (gross)	1,804,026,956	2,167,378,791
Less: Excise duty	214,906,847	238,911,891
Revenue from operations (net)	<u>1,589,120,109</u>	<u>1,928,466,900</u>

Excise duty on sales amounting to Rs. 21,48,87,828/- (31st March, 2015: Rs. 23,89,11,891/-) has been reduced from sale in statement of profit & loss and excise duty on increase/decrease in stock amounting to (Rs.12814504/-) (31st March,2015: Rs. 5361468/-) has been considered as (income)/expense in note 21 of financial statements.

Details of products sold

	2016	2015
	₹	₹
Finished Goods Sold		
Iron Ore Pellet	1,803,855,783	2,145,924,275
	<u>1,803,855,783</u>	<u>2,145,924,275</u>



Ardent Steel Limited**Notes to financial statements for the year ended 31st March, 2016****17. Other Income**

	2016 ₹	2015 ₹
Interest Income on		
Bank Deposits	3,723,014	1,474,711
Interest on loan	11,433,239	14,750,629
Other non-operating income (net of expenses directly attributable to such income)	44,487	2,025,558
	<u>15,200,741</u>	<u>18,250,899</u>

18. Cost of raw material and components consumed

	2016 ₹	2015 ₹
Inventory at the beginning of the year	107,427,584	117,266,534
Add: purchases	814,684,882	921,028,104
	<u>922,112,466</u>	<u>1,038,294,638</u>
Less : Inventory at the end of the year	13,780,462	107,427,584
Cost of raw material and components consumed	<u>908,332,004</u>	<u>930,867,054</u>

Details of Inventory

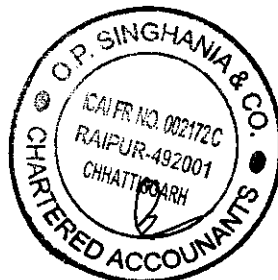
	2016 ₹	2015 ₹
Raw Material and Components		
Iron Ore fines	12,131,320	105,671,607
Others	1,649,142	1,755,977
	<u>13,780,462</u>	<u>107,427,584</u>

19. (Increase)/Decrease in Inventories

	2016 ₹	2015 ₹	(Increase)/Decrease ₹
Inventories at the end of the year			2016
Finished goods	6,300,023	258,752,296	252,452,273
Work-in-progress including red pellet	767,040	8,284,378	7,517,338
	<u>7,067,063</u>	<u>267,036,674</u>	<u>259,969,611</u>
Inventories at the beginning of the year			2016
Finished goods	258,752,296	210,029,431	(48,722,865)
Work-in-progress	8,284,378	62,418,274	54,133,896
	<u>267,036,674</u>	<u>272,447,705</u>	5,411,031
Net (increase)/decrease in inventories	<u>259,969,611</u>	<u>5,411,031</u>	

Details of Inventories

	2016 ₹	2015 ₹
Work-in-progress		
Filter Cake & Red Pellet	767,040	8,284,378
	<u>767,040</u>	<u>8,284,378</u>
Finished goods		
Iron Ore Pellet	6,300,023	258,752,296
	<u>6,300,023</u>	<u>258,752,296</u>



Ardent Steel Limited

Notes to financial statements for the year ended 31st March, 2016

20. Employee benefit expense

	2016	2015
	₹	₹
Salaries, wages and bonus	81,625,509	68,615,328
Contribution to provident and other fund	3,953,708	6,083,578
Gratuity Expense (refer note-28)	3,353,048	2,268,449
Workmen and staff welfare expenses	500	3,000
	88,932,765	76,970,355

21. Other Expense

	2016	2015
	₹	₹
Consumption of stores and spares	34,505,156	70,489,118
Increase/(decrease) of excise duty on inventory	(12,814,504)	5,361,468
Power & Fuel (Electricity expenses)	382,989,265	345,260,114
Other manufacturing expenses	5,709,106	7,695,765
Rent	2,840,422	3,340,002
Rates and taxes		
- Others	13,064,981	14,264,362
Insurance	1,508,721	1,508,478
Repairs and maintenance		
- Plant and machinery	28,965,651	30,179,739
- Buildings	3,956,843	9,525,273
- Others	4,565,914	6,692,486
Commission		
- Other than Sole selling agents	7,686,090	9,784,376
Travelling and conveyance	1,885,365	2,311,320
Communication expenses	1,557,752	2,470,953
Printing and stationery	170,189	222,429
Legal and professional fees	3,901,755	7,236,443
Directors' sitting fees	210,000	165,000
Loss on sales of Fixed assets	5,046,130	820,188
Directors' remuneration	4,000,000	6,000,000
Payment to Auditor	210,000	348,111
Freight and forwarding charges	142,114,189	142,202,840
Security service charges	6,416,685	7,514,704
Preliminary expenses written off	-	96,400
Miscellaneous expenses	6,265,116	12,768,347
	644,754,825	686,257,916

Payment to Auditor

	2016	2015
	₹	₹
As auditor :		
Audit fee	125,000	250,000
Tax Audit fee	50,000	50,000
In other capacity		
Taxation matters	35,000	48,111
	210,000	348,111

22. Depreciation expense

	2016	2015
	₹	₹
Depreciation on tangible assets	138,705,081	126,178,667
Amortization of intangible assets	5,000,000	5,000,000
	143,705,081	131,178,667

23. Finance Costs

	2016	2015
	₹	₹
Interest		
- on term loans	105,272,396	149,599,631
- on working capital	57,868,247	49,353,376
- on LC	19,488,269	20,775,396
Foreign exchange gain/loss	10,095,277	11,368,115
Bank charges & Others	3,572,600	1,377,100
	196,296,790	232,473,619

24. Earnings per share (EPS)

	2016	2015
	₹	₹
Net profit/(loss) as per statement of profit and loss	(438,674,298)	(64,389,286)
Net profit/(loss) for calculation of basic EPS & Diluted EPS	(438,674,298)	(64,389,286)
Weighted average number of equity shares in calculating Basic EPS	10,000,000	10,000,000
Weighted average number of equity shares in calculating Diluted EPS	10,000,000	10,000,000
Basic & Diluted EPS		
- Basic earning per share	(43.87)	(6.44)
- Diluted earning per share	(43.87)	(6.44)



Ardent Steel Limited

Notes to financial statements for the year ended 31st March, 2016

25. Contingent Liabilities not provided for in respect of :-

- i. Disputed liability of Rs. 248.78 lacs (Previous Rs.307.64 lacs) on account of VAT/CST/Entry Tax against which the company has preferred an appeal.
- ii. Disputed liability of Rs. 5.36 lacs (Previous Year Rs. 5.36 lacs) on account of CENVAT against which the company has preferred an appeal.
- iv. Counter Guarantees given to banks against Bank guarantees issued by the Company Banker aggregate to Rs. 66.63 lacs (Previous Year Rs. 66.63 lacs.)
- v. During the year, the Income Tax Department has conducted a search operation in office premises of the company on 29.07.2015 u/s132 of the Income Tax Act,1961. During the course of search various documents and records have been seized by them. The company does not foresee any liability at this stage, however the due provision of liability, if any, shall be made after completion of the block assessment.

26. Information on Related Party as required by Accounting Standard-18, "Related Party Disclosures" issued by The Institute of Chartered Accountants of India, are given below :

i) Related Parties

a) Holding Company
Godawari Power & Ispat

b) Key Management Personnel

- Shri Sanjay Gupta (Whole time director)
- Shri Bibhu Prasanna Jena (CFO)
- Miss Niharika Verma (Company Secretary) (Resigned on 30.04.2015)
- Shri Hariom Haritash (Director) (Resigned on 10.12.2015)
- Shri Rishi Dave (Company Secretary) (Appointed on 01.05.2015)

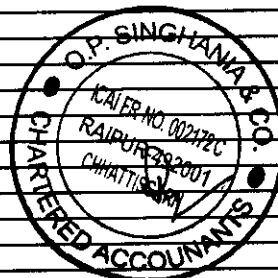
c) Relative of Key Management Personnel

-- SMT Meena Gupta (Wife of Whole time director)

ii) Transaction with Related Parties in the ordinary course of business		₹ in lacs	
		2016	2015
Holding Company	Purchase of Raw Materials & Other	44.48	8.61
	Purchase of Capital Goods	7.01	38.94
	Advances given	0.00	4086.17
	Advances received back	0.00	4086.17
	Loan Taken	823.00	0.00
	Loan Repayment	716.00	0.00
	Interest Paid	20.60	0.00
	Travelling and Other Expenses	0.22	2.26
	Sale of Capital Goods	127.98	0.00
	Scrap and Other Sale	0.00	25.62
	Sale of Finished Goods (Oversized)	0.00	100.11
Outstandings			
Payables	121.59	2.30	
Key Management personnel	Remuneration paid	64.99	90.72
Relative of Key Management personnel	Rent paid	8.00	12.00
	Rent deposit	30.00	30.00

iii) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year

Particulars	2016	2015
Purchase of Raw Materials:		
Godawari Power & Ispat Ltd.	44.48	8.61
Purchase of Capital Goods:		
Godawari Power & Ispat Ltd.	7.01	38.94
Loan/Advance Given:		
Godawari Power & Ispat Ltd.	0.00	4086.17
Repayment receipt of Loan/Advance given:		
Godawari Power & Ispat Ltd.	0.00	4086.17
Loan Taken:		
Godawari Power & Ispat Ltd.	823.00	0.00
Repayment of Loan Taken:		
Godawari Power & Ispat Ltd.	716.00	0.00
Interest Paid:		
Godawari Power & Ispat Ltd.	20.60	0.00
Remuneration/salary paid		
Shri Sanjay Gupta	40.00	60.00
Shri Hariom Haritash	15.73	19.20
Shri Bibhu Prasanna Jena	8.62	6.72
Miss Niharika Verma	0.64	4.80
Shri Rishi Dave	9.76	0.00
Reimbursement of Other Expenses		
Godawari Power & Ispat Ltd.	0.22	2.26
Sale of Capital Goods		
Godawari Power & Ispat Ltd.	127.98	0.00
Sale of Finished Goods (Oversized)		
Godawari Power & Ispat Ltd.	0.00	100.11
Scrap and Other Sale		
Godawari Power & Ispat Ltd.	0.00	25.62
Rent Paid		
SMT Meena Gupta	8.00	12.00



Ardent Steel Limited

Notes to financial statements for the year ended 31st March, 2016

27. The Company has identified the amount due to Micro, Small and Medium Enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31st March, 2016.

	(₹ in lacs)	
	2016	2015
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at 31st March, 2016		
Principal Amount	0.00	0.00
Interest	0.00	0.00
ii) The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day for the year ending 31st March, 2016	0.00	0.00
iii) The amount of interest due and payable for the period of delay in making payment (beyond the appointed day during the year)	0.00	0.00
iv) The amount of interest accrued and remaining unpaid for the year ending 31st March,	0.00	0.00
v) The amount of further interest remaining due and payable for the earlier years.	0.00	0.00

Note : The information has been given in respect of such suppliers to the extent they could be identified as "Micro, Small and Medium" enterprises on the basis of information available with the Company.

28. Gratuity and other post-employment benefit plans :

The Company has a defined gratuity benefit plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employees after completion of 5 years of service. The Gratuity liability has not been externally funded. Company makes provision of such gratuity liability in the books of account on the basis of actuarial valuation as per the Projected unit credit method.

The following tables summarise the components of net benefit expense recognized in the profit and loss account and the unfunded status and amounts recognized in the balance sheet for the Gratuity.

Profit and Loss account

Net employee benefit expense (recognized in Employee Cost)

	₹ in Lacs	
	(Gratuity) 2016	(Gratuity) 2015
Current Service cost	4.49	14.61
Interest cost on benefit obligation	4.10	4.77
Expected return on plan assets	0.00	0.00
Net actuarial loss recognised in the year	(47.95)	3.31
Past service cost	0.00	0.00
Actual return on plan assets	-39.36	22.69

Balance Sheet

Details of provision for Gratuity

	₹ in Lacs	
	2016	2015
Defined benefit obligation	31.55	70.91
Fair value of plan assets	0.00	0.00
	31.55	70.91
Less : Unrecognised past service cost	0.00	0.00
Plan liability	31.55	70.91

Changes in the present value of the defined benefit obligation are as follows :

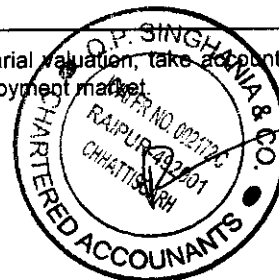
	₹ in Lacs	
	2016	2015
Defined benefit obligation as at 1st April, 2015	70.91	48.22
Interest cost	4.10	4.77
Current Service Cost	4.49	14.61
Benefits paid	0.00	0.00
Actuarial losses on obligation	(47.95)	3.31
Defined benefit obligation as at 31st March, 2016	31.55	70.91

Since the entire amount of plan obligation is unfunded therefore changes in the fair value of plan assets are not given. Further the entire amount of plan obligation is unfunded therefore categories of plan assets as a percentage of the fair value of total plan assets and Company's expected contribution to the plan assets in the next year is not given.

The principal assumptions used in determining gratuity benefit obligations for the company's plans are shown below :

	2016	2015
Discount Rate	8%	8%
Increase in Compensation cost	6.00	5.00%
Rate of return on plan assets	0.00	0.00
Expected average remaining working lives of employee (years)	25.86	25.86

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



Ardent Steel Limited

Notes to financial statements for the year ended 31st March, 2016

	2016	₹ in Lacs 2015
Contribution to Defined Contribution Plans :		
Provident Fund	39.54	60.84

29. Foreign currency exposure that are not hedged by derivative instruments or Forward Contracts as at 31st March, 2016 amounting to Rs.1563.60 lacs (Previous Year Rs.2009.79 lacs)

30. In the opinion of the Board, the value of realization of short term and long term loans & advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated.

31. BREAKUP OF RAW MATERIAL CONSUMED	2016		2015	
	%	₹ in Lacs	%	₹ in Lacs
Imported	0.00%	-	0.00%	-
Indigenous	100.00%	9083.32	100.00%	9308.67
	100.00%	9083.32	100.00%	9308.67

32. BREAKUP OF STORES & SPARES CONSUMED	2016		2015	
	%	₹ in Lacs	%	₹ in Lacs
Imported	0.00%	-	24.07%	169.66
Indigenous	100.00%	345.05	75.93%	535.23
	100.00%	345.05	100.00%	704.89

33. Value of import on CIF basis - Stores & Spares	₹ in Lacs	
	2016	2015
	-	175.06

	₹ in Lacs	
	2016	2015
34. Earning in Foreign Exchange	0.00	0.00
35. Expenditure in Foreign Currency	0.00	0.00

36. Previous year figures have been regrouped or rearranged wherever necessary.

The accompanying notes are integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors of Ardent Steel Limited

For O.P. Singhania & Co.

(ICAI Firm Reg. No.002172C)

Chartered Accountants

Sanjay Singhania
per Sanjay Singhania
Partner
Membership No.076961



Place : Raipur
Date : 07.05.2016

Sanjay Gupta
Sanjay Gupta
Whole Time Director
Rishi Dave
Rishi Dave
Company Secretary

Sanjay Bothra
Sanjay Bothra
Director
Bibhu Prasanna Jena
Bibhu Prasanna Jena
CFO