ANNUAL FINANCIAL STATEMENT

F.Y. 2017-18

ARDENT STEEL LIMITED

RAIPUR (C.G.)

ARDENT STEEL LIMITED
CIN: U27310CT2007PLC007671

DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in presenting the 11th 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 2018.

1. FINANCIAL RESULTS

	Year ended 31.03.2018 (Rs. in Lacs)	Year ended 31.03.2017 (Rs. in Lacs)
Revenue from operations	**29886.09**	**14707.50**
Other Income	43.10	48.47
Total Revenue	**29929.19**	**14755.97**
Profit before Depreciation, Interest and tax	**7642.30**	**2797.04**
Depreciation and amortization expenses	**1122.10**	**1114.46**
Finance Costs	**2225.34**	**2160.85**
Profit Before Tax	**4294.85**	**(478.27)**
Less: Current Tax	953.60	-
Less: Deferred Tax	523.07	(155.53)
Profit for the Period	**2818.18**	**(323.69)**
Other comprehensive income for the year, net of tax Items that will not be reclassified subsequently to profit or loss		
Re-measurement of the net defined benefit liability/asset	**(4.76)**	**0.66**
Profit/(loss) on Fair value of financial assets, net of taxes	**0.81**	**0.22**
Total Comprehensive Income for the Year, Net of Tax	**2814.23**	**(322.81)**

2. REVIEW OF PERFORMANCE:

During the year under review, your Company has registered sales turnover of Rs. 298.86 Crores as compared to Rs. 147.08 Crores during the previous year representing increase of 101.10 % in the sales turnover.

During the year under review your Company incurred Profit before Tax of Rs. 42.95 Crores as compared to Loss of Rs. 4.78 Crores during the previous year and incurred Net Profit of Rs. 28.18 Crores as compared Net Loss of Rs. 3.24 Crores 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, 2018, the paid up Equity Share Capital of the company was Rs.1056.50 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, 2018 none of the Directors of the Company hold convertible instruments of the Company.

The dematerialization facility is available with National Securities Depository Limited (NSDL). 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, 2018.

4. 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.

5. TRANSFER TO RESERVES:

Your Company has not transferred any amount to the General Reserves Account during the Financial Year 2017-18.

6. DIVIDEND:

Your directors have not recommended any dividend for the year ended 31st March 2018.

7. 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 2017-18.

8. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION:

There are no materials changes and commitments affecting the financial position of the company occurred between the 01.04.2018 to the date of this report

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

None of the companies has become Subsidiary, Associate of the Company and the company has also not entered into any Joint Venture during the Financial Year 2017-18.

10. 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 2017-18.

11. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONS:

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

12. CSR COMMITTEE:

The Board of Directors in its Board Meeting held on 12th August, 2017 has dissolved CSR Committee, since the Company's Net Worth, Turnover and profit for the last 3 Financial Years (i.e. 2016-17, 2015-16 and 2014-15) do not exceed the limits as prescribed in Section 135(1) of the Companies Act, 2013. Also, our company was having continuous losses for the aforesaid preceding three consecutive financial years.

However, during the current financial year under report, your Company registered a Profit before of Tax of Rs. 42.89 Crores. Pursuant to Section 135 (1) of the Companies Act, 2013 again the company was required to constitute CSR Committee and accordingly the Board of Directors in its meeting held on 01.05.2018 reconstituted the CSR Committee comprising of Shri B.N. Ojha, Shri Sanjay Gupta and Shri Sanjay Bothra, Directors of the Company.

13. 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 2017-18 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			
		29.05.2017	12.08.2017	10.11.2017	19.01.2018
Mr. B.N. Ojha	Chairman (Independent Director)	Present	Present	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.

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 2017-18, the Board met 04 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	29.05.2017	05
2	12.08.2017	04
3	10.11.2017	04
4	19.01.2018	05

19. AUDITORS:

Statutory Auditors

M/s O.P. Singhania and Co., Chartered Accountants, Auditors of the Company, hold office until the conclusion of the forthcoming Annual General Meeting and pursuant to section 139 of the Companies Act, 2013, and Rule 6 of the Companies (Audit and Auditors) Rules,2014 they being ineligible for re-appointment have not offered themselves for reappointment. The Audit Committee considering the qualifications and experience of M/s. JDS & Co., Chartered Accountants (Firm Regn. No.018400C) has recommended their appointment as Statutory Auditors of the company for the period of 5 years i.e. from the conclusion of ensuing Annual General Meeting to be held in the year 2018 to the conclusion of Annual General Meeting to be held in the year 2023. The Company has received a certificate from M/s. JDS & Co. to the effect of their 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.

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 2017-18.

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 2017-18 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 2017-18 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 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 7). The company has not given any loan nor provided 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 A.**

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:

(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.

Independent Directors' Meeting:

During the year under review, the Independent Directors met on 19.01.2018 inter alia, to discuss:

- Review the performance of Independent Directors.
- Review the performance of the Non-Independent Directors.
- Review the performance of the committees and Board as a whole.
- Review the performance of the Chairman of the company, taking into account the views of Executive Directors and Non Executive Directors.
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

30. NOMINATION AND REMUNERATION COMMITTEE AND POLICY:

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

The Nomination and Remuneration committee met once during the year 2017-18 on 29.05.2017. 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)	01
Shri Sanjay Bothra	Member (Non Executive Director)	01
Miss Bhavna G. Desai	Member (Independent Director)	01

Company's Policy on Directors appointment and Remuneration including criteria for determining qualification, positive attributes, independence of directors and other matters provided under section 178(3) of the Companies Act, 2013 is attached herewith as **ANNEXURE B.**

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 have been received during the year 2017-18.

32. ACKNOWLEGEMENTS:

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: Raipur	**SANJAY GUPTA**	**SANJAY BOTHRA**
Date: 01.05.2018	**DIRECTOR**	**DIRECTOR**

ARDENT STEEL LIMITED
U27310CT2007PLC007671

ANNEXURE-A

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31.03.2018
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS	
CIN:	U27310CT2007PLC007671
REGISTRATION DATE:	30.04.2007
NAME OF THE COMPANY:	ARDENT STEEL LIMITED
CATEGORY/SUB- CATEGORY OF THE COMPANY:	COMPANY LIMITED BY SHARES
ADDRESS OF THE REGISTERED OFFICE AND CONTACT DETAILS:	F-9, HIRA ARCADE. NEAR NEW BUS STAND, PANDRI, RAIPUR, CHATTISGARH PH. NO..: 0771-4082000
WHETHER LISTED COMPANY:	NO
NAME, ADDRESS AND CONTACT DETAILS OF REGISTRAR AND TRANSFER AGENT, IF ANY:	BIGSHARE SERVICES MR. BABU RAPHEL C, SR. MANAGER, BIGSHARE SERVICES PVT. LTD., E-2/3, ANSA INDUSTRIAL ESTATE, SAKI VIHAR ROAD, SAKINAKA, ANDHERI (EAST), MUMBAI-400072 TEL: 022-40430200 FAX: 022-28475207

II.PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products/ services	NIC Code of the Product/ Service	% total turnover of the company
1.	Iron Ore Pellet	13100	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsi -diary /Associate	% of shares held	Applicable section
1.	Godawari Power and Ispat Limited	L27106CT1999PLC013756	Holding	76.34%	2(87)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year	No. of Shares held at the beginning of the year	No. of Shares held at the beginning of the year	No. of Shares held at the beginning of the year	No. of Shares held at the end of the year	No. of Shares held at the end of the year	No. of Shares held at the end of the year	No. of Shares held at the end of the year	% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
1. INDIAN									
a)Individual/HUF	273100	0.00	273100	2.58	273100	0.00	273100	2.58	0.00

b) Central Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) State Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Bodies Corp.	8065000	0.00	8065000	76.34	8065000	0.00	8065000	76.34	0.00
e) Banks/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Any other/PAC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (A) (1)	8338100	0.00	8338100	78.92	8338100	0.00	8338100	78.92	0.00
2. FOREIGN									
a)NRIs-Individual	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b)Other- Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Bodies Corp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Banks/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Any Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (A) (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Shareholding of Promoter (A)= (A) (1) + (A) (2)	**8338100**	**0.00**	**8338100**	**78.92**	**8338100**	**0.00**	**8338100**	**78.92**	**0.00**
B.PUBLIC SHAREHOLDING									
1. INSTITUTIONS									
a) Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Banks/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Central Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) State Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e)Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f)Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g) FIIs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h)Foreign Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) Others (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (B) (1)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.NON INSTITUTIONS									
a) Bodies Corp.									
i) Indian	1867300	0.00	1867300	17.68	1867300	0.00	1867300	17.68	0.00
ii) Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lacs	14900	6600	21500	0.20	14900	6600	21500	0.20	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lacs	338100	0.00	338100	3.20	338100	0.00	338100	3.20	0.00
c) Others									

i) Clearing Member	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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**	**21.08**	**2220300**	**6600**	**2226900**	**21.08**	**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)	**10558400**	**6600**	**10565000**	**100**	**10558400**	**6600**	**10565000**	**100**	**0.00**

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year	Shareholding at the beginning of the year	Shareholding at the beginning of the year	Shareholding at the end of the year	Shareholding at the end 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	8065000	76.34	0.00	8065000	76.34	0.00	0.00
2.	Sanjay Gupta	71400	0.68	0.00	71400	0.68	0.00	0.00
3.	Harkishan Das	58300	0.55	0.00	58300	0.55	0.00	0.00
4.	Sumit Gupta	94900	0.90	0.00	94900	0.90	0.00	0.00
5.	Chirag Gupta	11600	0.11	0.00	11600	0.11	0.00	0.00
6.	Narender Kumar	15000	0.14	0.00	15000	0.14	0.00	0.00
7.	Surender Gupta	20300	0.19	0.00	20300	0.19	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)

There is no Change in promoters 'shareholding.

S. No.	Particulars	Shareholding at the beginning of the year	Shareholding at the beginning of the year	Cumulative Shareholding during the year	Cumulative Shareholding during the year
	GODAWARI POWER & ISPAT LIMITED	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 as on 01.04.2017	8065000	76.34	8065000	76.34
2.	Date wise Increase/ Decrease in Promoters shareholding during	NA	NA	NA	NA

	the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):				
3.	At the end of the year as on 31.03.2018	8065000	76.34	8065000	76.34

(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	Shareholding at the beginning of the year	Cumulative Shareholding during the year	Cumulative Shareholding during the year
	MAHARATHI STEEL PRIVATE LIMITED	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 as on 01.04.2017	1204700	11.40	1204700	11.40
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 31.03.2018	1204700	11.40	1204700	11.40

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Shareholding at the beginning of the year	Cumulative Shareholding during the year	Cumulative Shareholding during the year
	SANGEETA GULATI	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 as on 01.04.2017	208800	1.98	208800	1.98
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 31.03.2018	208800	1.98	208800	1.98

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Shareholding at the beginning of the year	Cumulative Shareholding during the year	Cumulative Shareholding during the year
	REALFRAME	No. of Shares	% of total shares	No. of Shares	% of total shares

	INFRASTRUCTURE PRIVATE LIMITED		of the company		of the company
1.	At the beginning of the year as on 01.04.2017	638300	6.04	638300	6.04
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 10.11.2017	(434900)	4.12	(434900)	4.12
3.	At the end of the year (or on the date of separation, if separated during the year) as on 31.03.2018	203400	1.92	203400	1.92

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Shareholding at the beginning of the year	Cumulative Shareholding during the year	Cumulative Shareholding during the year
	NITIN KUMAR	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 as on 01.04.2017	49900	0.47	49900	0.47
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 31.03.2018	49900	0.47	49900	0.47

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Shareholding at the beginning of the year	Cumulative Shareholding during the year	Cumulative Shareholding during the year
	ALOK FERRO ALLOYS LIMITED	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 as on 01.04.2017	NA	NA	NA	NA
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 10.11.2017	434900	4.12	434900	4.12
3.	At the end of the year (or on the date of separation, if separated during the year) as on 31.03.2018	434900	4.12	434900	4.12

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Shareholding at the beginning of the year	Cumulative Shareholding during the year	Cumulative Shareholding during the year
	LAXMI GUPTA	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 as on 01.04.2017	46100	0.44	46100	0.44
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 31.03.2018	46100	0.44	46100	0.44

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Shareholding at the beginning of the year	Cumulative Shareholding during the year	Cumulative Shareholding during the year
	SUSHMA RANI	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 as on 01.04.2017	33300	0.32	33300	0.32
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 31.03.2018	33300	0.32	33300	0.32

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Shareholding at the beginning of the year	Cumulative Shareholding during the year	Cumulative Shareholding during the year
	AAG STEELS PRIVATE LIMITED	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 as on 01.04.2017	24300	0.23	24300	0.23
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	24300	0.23	24300	0.23

	date of separation, if separated during the year) as on 31.03.2018				

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Shareholding at the beginning of the year	Cumulative Shareholding during the year	Cumulative Shareholding during the year
	MANISH SOMANI	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 as on 01.04.2017	3300	0.031	3300	0.031
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 31.03.2018	3300	0.031	3300	0.031

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of Director	Shareholding at the beginning of the year	Shareholding at the beginning of the year	Cumulative Shareholding during 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	0.68	71400	0.68
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	0.68	71400	0.68

S. No.	Name of Director	Shareholding at the beginning of the year	Shareholding at the beginning of the year	Cumulative Shareholding during 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	3300	0.031	3300	0.031
2.	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat	NA	NA	NA	NA

	equity etc):				
3.	At the end of the year	3300	0.031	3300	0.031

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	1,72,81,64,798	0	0	1,72,81,64,798
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	1,72,81,64,798	0	0	1,72,81,64,798
Change in Indebtedness during the financial year				
Addition	3,82,89,02,304	4,50,00,000	0	3,87,39,02,304
Reduction	4,04,67,62,859	4,50,00,000	0	4,09,17,62,859
Net Change	(21,78,60,554)	0	0	(21,78,60,554)
Indebtedness at the end of financial year				
i) Principal Amount	1,51,03,04,243	0	0	1,51,03,04,243
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	1,51,03,04,243	0	0	1,51,03,04,243

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.)
		Shri Sanjay Gupta (WTD)	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	67,50,000/-	67,50,000/-
	(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	NIL	NIL

	Income tax Act, 1961		
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	67,50,000/	67,50,000/-
	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	

B. Remuneration to other directors:

S.No.	Particulars of Remuneration	Name of Director	Name of Director	Name of Director	Name of Director	Total Amount
		Shri B.N. Ojha	Miss Bhavna G. Desai	Shri Sanjay Bothra	Shri Subhasish Das	
1.	Independent Directors					
	Fee for attending Board/ Committee meetings	70,000	70,000	65,000	20,52,000	22,57,000
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	70,000	7,0000	65,000	20,52,000	22,57,000
2.	Other Non-Executive Directors					
	Fee for attending Board/ Committee meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL
	TOTAL (1+2)	70,000	70,000	65,000	20,52,000	22,57,000
	Overall ceiling as per the Act	Rs. 100000/- per meeting	Rs. 100000/- per meeting	Rs. 100000/- per meeting	Rs. 100000/- per meeting	

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

S. No.	Particulars of Remuneration	Key Managerial Personnel	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	10,86,000/-	7,28,000/-	18,14,000/-
	(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
4.	Commission	NIL	NIL	NIL
	As % of profit	NIL	NIL	NIL
	Others (if any specify)	NIL	NIL	NIL
5.	Others	NIL	NIL	NIL
	Total	10,86,000/-	7,28,000/-	18,14,000/-

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

Ardent Steel Limited

Director

Ardent Steel Limited

Director

ARDENT STEEL LIMITED

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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.

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. AMENDEMENTS

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; 4061216
Email:opsinghania.co@gmail.com

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

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Ardent Steel Limited** ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Financial Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including the Ind AS, of the financial position of the Company as at 31 March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143(3) of the Act, we report that:

   (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) the balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

   (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;

   (e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

O.P. SINGHANIA & CO. CHARTERED ACCOUNTANTS CAI FR NO. 002172C RAIPUR-492001 CHHATTISGARH

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

i. the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 27 to the standalone Ind AS financial statements;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Sanjay Singhania
Partner
Membership number: 076961

Raipur, 1st May, 2018

O.P. SINGHANIA & CO.
ICAI FR NO. 002172C
RAIPUR-492001
CHHATTISGARH
CHARTERED ACCOUNTANTS

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2018, we report that:

(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 3 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 compiled 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 any 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, goods & services 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 some cases. According to the information & explanations given to us, no undisputed amounts of statutory dues as stated above were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.

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(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, goods & services 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
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
The Odisha Entry Tax Act,1999	ET For The Period 01.04.2013 To 30.09.2015 and Penalty thereon.	678496	Addl. Commissioner Of Commercial Taxes, Cuttack, Odisha
The Payment of Wages Act, 1936	Delayed wages with compensation for the F.Y. 2015-16	5571000	SDJM, Kendujhar, Odisha
Income Tax Act, 1961	Demand related to addition made A.Y. 2008-09	532270	Commissioner of Income Tax (Appeal), Raipur

* Net of deposits

(viii) Based on our audit procedures, and according to the information and explanations given to us, during the year, the company has not defaulted in repayment of loans or borrowings to any financial institution or bank or government as at the balance sheet date. Further, the company has not issued any debentures.

(ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. 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.

O.P. SINGHANIA & CO. CAI FR NO. 002172C RAIPUR-492001 CHHATISGARH CHARTERED ACCOUNTANTS

(xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act, wherever applicable. 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) During the year 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

Sanjay Singhania
Partner
Membership number: 076961

O.P. SINGHANIA & CO. CHARTERED ACCOUNTANTS
ICAI FR NO. 002172C
RAIPUR 492001
CHHATTISGARH

Raipur, 1st May, 2018

generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 31 March 2018, 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

O.P. SINGHANIA & CO.
ICAI FR NO. 002172C
RAIPUR-492001
CHHATTISGARH
CHARTERED ACCOUNTANTS

Sanjay Singhania
Partner
Membership number: 076961

Raipur, 1st May, 2018

Ardent Steel Limited

Balance sheet as at 31.03.2018

Particulars	Note No.	As at 31.03.2018 ₹	As at 31.03.2017 ₹
ASSETS			
(1) Non -current assets			
(a) Property, Plant and Equipment	3	1,585,849,447	1,691,928,385
(b) Capital work-in-progress		2,759,366	847,500
(c) Other intangible assets	4	25,000,000	30,000,000
(d) Intangible assets under development		-	4,474,834
(e) Financial assets			
(i) Investments	5	2,180,170	2,237,315
(f) Deferred tax assets (net)	6	72,348,476	124,367,141
(g) Other non-current assets	7	56,248,099	28,055,056
(2) Current-assets			
(a) Inventories	8	450,797,902	229,778,751
(b) Financial assets			
(i) Trade Recievables	9	171,751,121	103,249,627
(ii) Cash and cash equivalents	10	14,238,267	135,496,703
(iii) Bank balances other than cash and cash equivalents mentioned above	10	1,912,153	7,839,877
(c) Other current assets	7	217,945,686	208,440,525
Total Assets		**2,601,030,686**	**2,566,715,715**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	105,650,000	105,650,000
(b) Other equity		743,134,741	461,651,341
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	1,434,903,112	1,544,146,327
(b) Provisions	13	8,749,401	4,083,073
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	11,864,732	144,794,902
(ii) Trade Payables	15	188,045,204	223,147,759
(iii) Other Financial Liabilities	16	63,842,160	51,087,349
(b) Other current liabilities	17	8,797,242	31,903,617
(c) Current Tax liabilities		35,414,030	-
(d) Provisions	13	630,064	251,347
Total Equity and Liabilities		**2,601,030,686**	**2,566,715,715**
Summary of significant accounting policies	**2**		

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

per Sanjay Singhania
Partner
Membership No.076961

O.P. SINGHANIA & CO. CHARTERED ACCOUNTANTS ICAI FR NO. 002172C RAIPUR-492001 CHHATTISGARH

Place : Raipur
Date : 01.05.2018

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

Sanjay Gupta
Whole Time Director

Sanjay Bothra
Director

Rishi Dave
Company Secretary

Bibhu Prasanna Jena
CFO

Ardent Steel Limited
Statement of Profit & Loss for the year ended 31st March, 2018

	Notes	2018	2017
		₹	₹
INCOME			
Revenue from operations (Gross)	18	2,988,609,405	1,470,749,823
Other Income	19	4,310,466	4,846,773
TOTAL REVENUE (I)		2,992,919,871	1,475,596,596
EXPENDITURE			
Cost of raw material and component consumed	20	1,068,887,600	552,801,303
(Increase)/decrease in inventories of finished goods work-in-progress and traded goods	21	(19,269,758)	(16,330,316)
Excise duty on Sales		27,338,920	289,732
Employees benefits expenses	22	92,866,276	47,316,222
Finance costs	23	222,533,995	216,084,872
Depreciation and amortization expenses	24	112,210,228	111,446,329
Other expenses	25	1,058,867,069	611,815,963
TOTAL EXPENDITURE (II)		2,563,434,331	1,523,424,105
Profit/(loss) before tax		**429,485,541**	**(47,827,509)**
Tax expenses			
Current tax		95,359,709	95,000
Deferred tax		52,307,043	(15,553,409)
Total tax expenses		**147,666,752**	**(15,458,409)**
Profit/(loss) for the year from contining operations		**281,818,789**	**(32,369,100)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gain/(loss) on defined benefit plans, net of taxes		(476,719)	66,375
Items that will be reclassified to profit or loss			
Profit/(loss) on Fair value of financial assets, net of taxes		81,631	21,649
Total Comprehensive Income for the period (Comprising Profit/(Loss) and Other Comprehensive Income for the period)		**281,423,700**	**(32,281,076)**
Earnings per equity share [nominal value of share @ ₹ 10/- (31st March,2017" ₹ 10)	26		
Basic		**26.67**	**(3.12)**
Diluted		**26.67**	**(3.12)**
Summary of significant accounting policies	**2**		

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

per Sanjay Singhania
Partner
Membership No.076961

O.P. SINGHANIA & CO.
ICAI FR NO. 002172C
RAIPUR-492001
CHHATTISGARH
CHARTERED ACCOUNTANTS

Place : Raipur
Date : 01.05.2018

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

Sanjay Gupta
Whole Time Director

Sanjay Bothra
Director

Rishi Dave
Company Secretary

Bibhu Prasanna Jena
CFO

Ardent Steel Limited
Cash Flow Statement for the year ended 31st March, 2018

Particulars		2018 ₹	2017 ₹
Profit/(loss) before tax		429,485,541	(47,827,509)
Non-cash adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortization expenses		112,210,228	111,446,329
Provision for gratuity		1,946,181	1,275,056
Provision for leave encashment		2,373,043	-
Loss on sale of fixed assets		1,368,412	984,776
Provision for doubtful debts		1,118,709	3,632,149
Loss on sale of longterm investments		38,671	-
Interest Expenses		222,533,995	216,084,872
Interest Income		(2,421,146)	(1,724,132)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**768,653,634**	**283,871,541**
Changes in assets and liabilities			
Trade payables		(35,102,555)	206,988,183
Other financial liabilities		12,754,811	(473,622,571)
Other current liabilities		(23,106,375)	(132,823,312)
Trade receivables		(69,620,203)	(97,828,454)
Inventories		(221,019,150)	(99,744,552)
Long-term loans and advances		(28,193,043)	(17,476,236)
Short-term loans and advances		(9,505,161)	(77,748,880)
Cash generated from/(used in) operations		**394,861,958**	**(408,384,281)**
Income Tax Paid		(59,945,677)	(482,874)
Net Cash flow from/(used in) operating activities	**A**	**334,916,281**	**(408,867,155)**
Cash flows from investing activities			
(Increase)/decrease in PPE including Capital WIP		(4,383,611)	(26,553,348)
Sale of Property, plant & equipment		4,446,875	695,000
Sale of non-current investments		120,529	-
Interest received		2,421,146	1,724,132
Net cash flow from/(used in) investing activities	**B**	**2,604,939**	**(24,134,216)**
Cash flows from financing activities			
Proceeds/(repayment) of long-term borrowings		(109,243,215)	1,190,288,746
Proceeds/(repayment) of short-term borrowings		(132,930,170)	(460,157,025)
Interest paid		(222,533,995)	(216,084,872)
Proceeds from Issue of equity shares		-	33,900,000
Net cash flow from/(used in) financing activities	**C**	**(464,707,381)**	**547,946,849**
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		(127,186,160)	114,945,478
Cash and Cash Equivalents at the beginning of the year		143,336,580	28,391,102
Cash and Cash Equivalents at the end of the year		**16,150,420**	**143,336,580**

Notes:

(a)	Cash and cash equivalent include the following :		
	Cash in hand	292,713	371,624
	With banks- on current account	1,384,496	124,029,185
	- on deposit account	14,473,211	18,935,772
		16,150,420	**143,336,580**
(b)	Previous year figures have been recast/restated wherever necessary.		
(c)	Figures in brackets represent outflows.		

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 : 01.05.2018

O.P. SINGHANIA & CO. CHARTERED ACCOUNTANTS ICAI FR NO. 002172C RAIPUR 492001 CHHATTISGARH

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

Sanjay Gupta
Whole Time Director

Sanjay Bothra
Director

Rishi Dave
Company Secretary

Bibhu Prasanna Jena
CFO

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. **SIGNIFICANT ACCOUNTING POLICIES**

2.1 BASIS OF PREPARATION AND PRESENTATION

i) The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules,2015.

ii) The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities and
- Defined benefit plans - plan assets

iii) Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets are classified as non-current.

A liability is current when it is:

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

b) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value.

However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This categorisation is based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Financial assets and financial liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re- assessing categorisation at the end of each reporting period.

c) Property, Plant and Equipment (PPE)

i) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

ii) The cost of an item of property, plant and equipment is measured at :

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation which is to be incurred either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

iii) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

iv) After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any.

v) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.

vi) If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts/ inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection carried out.

vii) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

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d) Capital Work in Progress

i) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ii) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.

iii) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under "Capital work in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

e) Intangible Assets

i) Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

ii) Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses, if any.

iii) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. 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 recognised in the Statement of Profit and Loss when the asset is derecognised.

f) Leases

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

- Leased assets

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

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g) **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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Based on the Educational Material on Ind AS 18 issued by the ICAI, the company has considered that recovery of excise duty flows to the company on its own account. Therefore it is a liability of the manufacturer and forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the company on its own account, revenue includes excise duty.

However, Sales Tax/Value Added Tax (VAT) and Goods & Services Tax are not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

ii) Interest income

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

iii) Dividends

Revenue is recognised when the company's right to receive payment is established, which is generally when shareholders approve the dividend.

h) **Depreciation on Property, Plant & Equipment and Amortization of Intangible Assets**

i) Depreciation on Property, Plant & Equipment 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 with the exception of the following:

- spares classified as plant and equipment are depreciated over 3 to 15 years based on the technical evaluation of useful life done by the management.
- assets costing Rs. 5,000 or less are fully depreciated in the year of purchase.

ii) Depreciation on additions to /deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the date on which the asset is available for use / disposal.

iii) The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

iv) Where the life and / or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively over the revised / remaining useful life determined by technical assessment.

v) Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery or their useful life whichever is lower.

vi) Leasehold land is amortised annually on the basis of tenure of lease period. Freehold land is not depreciated.

vii) Other Intangible assets are amortized over technically useful life of the assets.

i) **Inventories :**

i) Inventories are valued at lower of cost and net realizable value, after providing for obsolences, if any.

ii) Cost of Raw Materials, Stores & Spares, Work in Progress, Finished Goods and Stock-in-Trade are computed on Moving Average basis.

iii) Cost of Work in Progress and Finished Goods includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.

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iv) The cost is determined using moving average cost formula and net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

j) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k) Income Taxes

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In which case the tax is also recognised directly in equity or in other comprehensive income.

i) Current tax
Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

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

l) Foreign Currency Transactions

i) Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date.

ii) Exchange differences arising on translation or settlement of monetary items are recognised as income or expenses in the period in which they arise in the Statement of Profit and loss.

m) Employee Benefits Expense

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Contributory Pension Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefits Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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The company has recognized the gratuity payable to the employees as per the Payment of Gratuity Act,1972 and Leave Encashment Benefits as defined benefit plans. The liability in respect of these benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

n) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are not recognized but are disclosed in the financial statements when inflow of economic benefits is probable.

o) Impairment of non-financial assets - property, plant and equipment and intangible assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

p) Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

q) Financial Intruments

i) Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

<u>**Financial assets carried at amortised cost**</u>

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

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A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Investment in subsidiaries
The Company has accounted for its investments in subsidiaries at cost.

D. Other Equity Investments
All other equity investments are measured at fair value through Other Comprehensive Income with value changes recognised therein.

E. Impairment of financial assets
In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through OCI.

Expected credit losses are measured through a loss allowance at an amount equal to:
- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

ii) Financial Liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement
Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derecognition of financial instruments
The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

r) 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.

s) Dividend Distribution
Dividend distribution to the Company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the Company's shareholders.

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t) Statement of Cash Flows
i) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However for Balance Sheet presentation, Bank overdrafts are classified within borrowings in current liabilities.

ii) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard.

2.3 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The estimated useful lives and residual values of the assets are reviewed annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes and other related matters. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the period of overdues, the amount and timing of anticipated future payments and the probability of default.

c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of resources resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Measurement of defined benefit obligations

The measurement of defined benefit and other post-employment benefits obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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Ardent Steel Limited

Statement of Changes in Equity

(Amount in ₹)

Particulars	Equity Share Capital	Other Equity – Reserves and Surplus: Securities Premium Reserve	Other Equity – Reserves and Surplus: General Reserve	Other Equity – Reserves and Surplus: Retained Earnings	Equity instrument through Other Comprehensive Income (Net of Tax)	Other items of Other Comprehensive Income (Gain/loss on employee benefit) (Net of Tax)	Total Equity
Balance as of April 1, 2016	100,000,000	490,000,000	150,000,000	(177,761,298)	22,201	3,421,514	565,682,417
Re-measurement gain/(loss) on defined benefit plans, net of taxes						66,375	66,375
Fair value of Financial assets through OCI, net of taxes					21,649		21,649
Allotment of equity shares during the year	5,650,000	28,250,000					33,900,000
Profit/(loss) for the period				(32,369,100)			(32,369,100)
Balance as of March 31, 2017	**105,650,000**	**518,250,000**	**150,000,000**	**(210,130,398)**	**43,850**	**3,487,889**	**567,301,341**

Particulars	Equity Share Capital	Other Equity – Reserves and Surplus: Securities Premium Reserve	Other Equity – Reserves and Surplus: General Reserve	Other Equity – Reserves and Surplus: Retained Earnings	Equity instrument through Other Comprehensive Income (Net of Tax)	Other items of Other Comprehensive Income (Gain/loss on employee benefit) (Net of Tax)	Total Equity
Balance as of April 1, 2017	105,650,000	518,250,000	150,000,000	(210,130,398)	43,850	3,487,889	567,301,341
Re-measurement gain/(loss) on defined benefit plans, net of taxes						(476,719)	(476,719)
Profit/(loss) on Fair value of Financial assets through OCI, net of taxes					141,331		141,331
Profit/(loss) for the period				281,818,789			281,818,789
Balance as of March 31, 2018	**105,650,000**	**518,250,000**	**150,000,000**	**71,688,390**	**185,181**	**3,011,170**	**848,784,741**

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 : 01.05.2018

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

Sanjay Gupta
Whole Time Director

Sanjay Bothra
Director

Rishi Dave
Company Secretary

Bibhu Prasanna Jena
CFO

3. Property, Plant and Equipment

(Amount in ₹)

	Freehold Land	Site & Land Development	Factory Shed & Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Total
Gross Block							
Carring Value							
At 1 April 2016	16,229,048	10,586,471	223,403,084	1,628,129,761	4,964,660	10,514,803	1,893,827,827
Additions	-	-	19,672,259	29,083,507	580,429	752,300	50,088,495
Disposals	-	-	-	1,221,214	-	1,565,853	2,787,066
At 31 March, 2017	16,229,048	10,586,471	243,075,343	1,655,992,054	5,545,089	9,701,250	1,941,129,256
Additions	-	-	1,084,937	3,465,681	182,956	2,213,005	6,946,579
Disposals	-	-	-	8,061,759	-	5,275,488	13,337,247
At 31 March, 2018	**16,229,048**	**10,586,471**	**244,160,280**	**1,651,395,976**	**5,728,045**	**6,638,767**	**1,934,738,588**
Depreciation							
At 1 April 2016	-	-	45,608,888	95,590,403	803,926	1,858,613	143,861,831
Charge for the year	-	-	7,661,907	96,123,414	825,531	1,835,478	106,446,329
Disposals/Adjustment	-	-	-	483,707	-	623,584	1,107,290
At 31 March, 2017	-	-	53,270,796	191,230,110	1,629,457	3,070,507	249,200,870
Charge for the year	-	-	10,163,618	94,513,600	865,460	1,667,550	107,210,228
Disposals/Adjustment	-	-	-	4,609,172	-	2,912,785	7,521,957
At 31 March, 2018	-	-	**63,434,414**	**281,134,539**	**2,494,916**	**1,825,272**	**348,889,141**
Net Block							
At 31 March, 2017	**16,229,048**	**10,586,471**	**189,804,547**	**1,464,761,944**	**3,915,632**	**6,630,743**	**1,691,928,385**
At 31 March, 2018	**16,229,048**	**10,586,471**	**180,725,866**	**1,370,261,437**	**3,233,129**	**4,813,495**	**1,585,849,447**

4. Other intangible assets

	Knowhow	Total
Gross Block		
Carring Value		
At 1 April 2016	40,000,000	40,000,000
Purchase/additions	-	-
At 31 March, 2017	40,000,000	40,000,000
Purchase/additions	-	-
At 31 March, 2018	**40,000,000**	**40,000,000**
Amortization		
At 1 April 2016	5,000,000	5,000,000
Charge for the year	5,000,000	5,000,000
At 31 March, 2017	10,000,000	10,000,000
Charge for the year	5,000,000	5,000,000
At 31 March, 2018	**15,000,000**	**15,000,000**
Net Block		
At 31 March, 2017	**30,000,000**	**30,000,000**
At 31 March, 2018	**25,000,000**	**25,000,000**

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5. Non-current investments

	31.03.2018 ₹	31.03.2017 ₹
Trade investments (valued at cost)		
Unquoted equity instruments, fully Paid up		
Carried at Fair Value through OCI		
Unquoted equity instruments, fully Paid up		
0 (19,900) equity shares of Rs.10/- each in Saq International Limited	-	99,500
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
Investments in mutual fund, fully Paid up		
25019.40 Units of Canara Bank Robeco Saving Plus Fund - Regular	680,170	637,815
	2,180,170	2,237,315
Agrregate amount of quoted investments and market value thereof	680,170	637,815
Agreegate amount of Unquoted investments	1,500,000	1,599,500
Investment carried at fair value through OCI	2,180,170	2,237,315

6. Deferred Tax Assets/(Liabilities)

	31.03.2018 ₹	31.03.2017 ₹
Deferred Tax (Liabilities)		
Temporary differences on account of PPE & Other intangible assets	(261,846,105)	(227,956,481)
Temporary differences on account of fair valuation of financial assets	(25,970)	-
Deferred Tax Assets		
Temporary differences on account of Employee Benefits	3,219,032	1,339,336
Temporary differences on account of fair valuation of financial assets	-	40,513
Unused tax credits	151,641,541	60,598,948
Temporary differences on account of receivables	4,062,289	3,311,800
On account of carry forward unabsorbed depreciation & losses	175,297,688	287,033,025
Net deferred tax assets/(liabilities)	**72,348,476**	**124,367,141**

RECONCILIATION OF DEFERRED TAX ASSETS/LIABILITIES (NET)	31.03.2018 ₹	31.03.2017 ₹
Deferred tax (liability)/assets at the beginning of the year	124,367,141	108,839,552
Deferred tax (liability) / assets during the year on account of timing difference	(143,061,258)	15,527,589
MAT Credit (utilized)/arised	91,042,593	-
NET DEFERRED TAX ASSETS/LIABILITIES AT THE END OF THE YEAR	**72,348,476**	**124,367,141**

7. Other Assets (unsecured, considered good)

	Non-current		Current	
	31.03.2018 ₹	31.03.2017 ₹	31.03.2018 ₹	31.03.2017 ₹
Advances for capital goods	26,705,141	2,734,739	-	-
Advances other than capital advances				
Advance to Vendor	-	-	90,330,452	83,883,442
Prepaid expenses	-	-	405,203	1,755,123
Balance with statutory/govt. authorities	-	-	126,414,136	122,801,961
Security deposit with govt. & others	29,542,958	25,320,317	-	-
Interest accured on deposit	-	-	795,895	-
Total	56,248,099	28,055,056	217,945,686	208,440,525

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8. Inventories (Valued at lower of cost and net realizable value)

	31.03.2018 ₹	31.03.2017 ₹
Raw Materials and components	287,904,834	93,373,584
Work-in-progress	4,228,980	3,794,980
Finished goods	38,438,157	19,602,399
Stores & spares	120,225,931	113,007,788
	450,797,902	**229,778,751**

9. Trade receivables

	Current	
	31.03.2018	31.03.2017
Unsecured, considered good unless stated otherwise		
Trade receivables	183,587,628	113,967,425
Less: Provision for doubtful receivables	11,836,507	10,717,798
	171,751,121	**103,249,627**

10. Bank, Cash and Cash Equivalent

	31.03.2018 ₹	31.03.2017 ₹
Cash and cash equivalents		
Balances with banks:		
On current accounts	1,384,496	124,029,185
Deposits with original maturity of less than three months	12,561,058	11,095,895
Cash on hand	292,713	371,624
	14,238,267	**135,496,703**
Other bank balances		
Deposits with original maturity for more than 12 months	1,668,300	3,657,997
Deposits with original maturity for more than 3 months but less than 12 months	243,853	4,181,880
	1,912,153	**7,839,877**
	16,150,420	**143,336,580**

Out of total deposits, deposits of Rs.144.73 lacs (31st March 2017: Rs.189.36 lacs) are pledged with various banks for availing LC, Bank Guarantee and Margin Money.

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11. Equity Share Capital

	31.03.2018		31.03.2017	
	No.	Rs.	No.	Rs.
Authorised				
Equity Shares of ₹ 10/- each	**11000000**	**110,000,000**	**11000000**	**110,000,000**
Issued, Subscribed and fully paid up				
Equity Shares of ₹ 10/- each	10565000	105,650,000	10565000	105,650,000

a. Reconciliation of the shares outstanding at the beginning and at the end of the Reporting period:

	31.03.2018		31.03.2017	
	No.	Rs.	No.	Rs.
Equity Shares				
At the beginning of the period	10565000	105,650,000	10000000	100,000,000
Issued during the period	-	-	565000	5,650,000
Outstanding at the end of the Period	**10565000**	**105,650,000**	**10565000**	**105,650,000**

b. Terms/right 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 distribtion of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Number of Shares of the company held by Holding Company:
Out of the eqquity shares issued by the company, shares held by its holding company are as below

	31.03.2018	31.03.2017
Equity shares of Rs.10 each fully paid held by holding company		
Godawari Power & Ispat Limited	8,065,000	8,065,000
	8,065,000	8,065,000

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

	31.03.2018		31.03.2017	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of Rs.10 each fully paid				
Maharathi Steel Pvt. Ltd.	423300	4.01%	1204700	11.40%
Realframe Infrastructure Pvt. Ltd.	203400	1.93%	638300	6.04%
Alok Ferro Alloys Limited	831300	7.87%	-	0.00%
Godawari Power & Ispat Limited	8065000	76.34%	8065000	76.34%
	9523000	**90.14%**	**9908000**	**93.78%**

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12. Borrowings

	31.03.2018	31.03.2017	Current maturities 31.03.2018	Current maturities 31.03.2017
	₹	₹	₹	₹
Term Loans				
Indian rupee loan from banks	1,434,903,112	1,543,677,015	63,536,400	39,001,889
Other loans and advances				
Other loans & advances (secured)	-	469,312	-	221,682
	1,434,903,112	1,544,146,327	63,536,400	39,223,571
The above amount includes				
Secured borrowings	1,434,903,112	1,544,146,327	63,536,400	39,223,571
Amount disclosed under the head "other current financial liabilities" (refer note 16)			(63,536,400)	(39,223,571)
Net amount	1,434,903,112	1,544,146,327	-	-

Security and terms & conditions for above loans:

a. The term loans from banks (both rupee and foreign currency) agreegating to Rs. 149.84 Crore (Previous year Rs. 158.27 Crore) (including current maturities of Rs.6.35 Crore (Previous year Rs. 4.10 Crore) classified as 'other current financial liabilities' in note 16) 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). Also secured by Personal Guarantee of Mr. Sanjay Gupta & Mr. BL Agrawal, promoters of the company and Pledge of 51% Shares of the entire equity share capital of the Borrower, until the Final Settlement date.

b. Other Loans and advances from banks agrregating Rs. Nil (Previous year Rs.0.07 Crore) (including current maturities of Rs. 0.02 Crore classified as 'other current financial liabilities' in note 16) are secured by hypothecation of vehicles.

Repayment terms for term loans:

a. Rupee term loan from banks outstanding aggregating to Rs.128.73 lacs are repayable in 125 monthly instalments which shall be ended in August, 2028.

b. Rupee term loan from banks outstanding aggregating to Rs.351.96 lacs are repayable in 53 monthly instalments which shall be ended in August,2022.

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13. Provisions

	Long Term		Short Term	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	₹	₹	₹	₹
Provision for employee benefits				
Provision for employee benefits	8,749,401	4,083,073	630,064	251,347
	8,749,401	4,083,073	630,064	251,347

14. Borrowings

	31.03.2018	31.03.2017
	₹	₹
Cash Credit facility from banks (secured)	11,864,732	144,794,902
The above amount includes	11,864,732	144,794,902
Secured borrowings	11,864,732	144,794,902

Terms & Conditions of Secured Loans

1. The cash credit facilities from Banks are secured by first pari passu charge over entire current assets i.e. stocks of raw materials, finished goods, stock in process, stores & consumables, trade receivables of the Company and second charge over the other movable assets and immovable assets of the Company.
2. The above credit facilities are also secured by personal guarantee of promoter directors of the Company.
3. The working capital facilities (including cash credit) are also secured in line with rupee term loans by pledge of 51% equity shares capital of the borrower company, until the Final Settlement date.

	31.03.2018	31.03.2017
	₹	₹
15. Trade Payable		
Trade payables (refer note 35 for details of dues for micro and small enterprises)	188,045,204	223,147,759
	188,045,204	223,147,759
16. Other Financial liabilities		
Current maturities of long-term borrowings (secured) (refer note-12)	63,536,400	39,223,571
Interest accrued but not due on borrowings	305,760	11,863,778
	63,842,160	51,087,349
17. Other current liabilities		
Creditors for capital goods	890,847	702,486
Advances From Customer	4,525,691	4,919,423
Other Payable	3,380,704	26,281,708
	8,797,242	31,903,617

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18. Revenue from operations

	2018 ₹	2017 ₹
Revenue from operations		
Sale of products		
Manufacturing Goods	2,978,485,748	1,469,929,883
Other operating revenue		
Sale Scrap	10,123,657	819,940
Revenue from operations (gross)	**2,988,609,405**	**1,470,749,823**

19. Other Income

	2018 ₹	2017 ₹
Interest Income on		
Bank Deposits	829,356	1,724,132
Others	1,591,790	-
Commission received	-	875,000
Other non-operating income (net of expenses directly attributable to such income)	1,889,320	2,247,641
	4,310,466	**4,846,773**

20. Cost of raw material and components consumed

	2018 ₹	2017 ₹
Inventory at the beginning of the year	93,373,584	13,780,462
Add: purchases	1,263,418,850	632,394,425
	1,356,792,434	646,174,887
Less : Inventory at the end of the year	287,904,834	93,373,584
Cost of raw material and components consumed	**1,068,887,600**	**552,801,303**

21. (Increase)/Decrease in Inventories

	2018 ₹	2017 ₹	(Increase)/Decrease ₹
			2018
Inventories at the end of the year			
Finished goods and by-products	38,438,157	19,602,399	(18,835,758)
Work-in-progress	4,228,980	3,794,980	(434,000)
	42,667,137	23,397,379	(19,269,758)
Inventories at the beginning of the year			2017
Finished goods and by-products	19,602,399	6,300,023	(13,302,376)
Work-in-progress	3,794,980	767,040	(3,027,940)
	23,397,379	7,067,063	(16,330,316)
Net (increase)/decrease in inventories	(19,269,758)	(16,330,316)	

22. Employee benefits expenses

	2018	2017
	₹	₹
Salaries, wages and other benefits	82,539,029	43,234,616
Contribution to provident and other fund	5,683,052	1,588,888
Gratuity Expenses	1,946,181	1,275,056
Workmen and staff welfare expenses	2,698,014	1,217,662
	92,866,276	47,316,222

23. Finance Costs

	2018	2017
	₹	₹
Interest		
- on term loans	193,159,189	135,867,179
- on working capital	11,925,004	76,871,876
Bank charges & Others	17,449,802	3,345,817
	222,533,995	216,084,872

24. Depreciation and amortization expenses

	2018	2017
	₹	₹
Depreciation on tangible assets	107,210,228	106,446,329
Amortization of intangible assets	5,000,000	5,000,000
	112,210,228	111,446,329

25. Other Expenses

	2018	2017
	₹	₹
Consumption of stores and spares	70,524,469	40,495,889
(Increase)/decrease of excise duty on inventory	-	(797,820)
Power & Fuel	547,960,238	272,292,542
Other manufacturing expenses	14,347,694	6,454,028
Rent	1,045,780	599,550
Rates and taxes		
-Others	6,831,019	5,108,694
Insurance	681,777	754,097
Repairs and maintenance		
- Plant and machinery	34,488,791	15,756,419
- Buildings	4,550,126	1,415,382
- Others	11,995,953	6,615,843
Commission		
- Other than Sole selling agents	2,025,748	-
Rebate, shortage claims & other deductions	30,940,133	-
Travelling and conveyance	1,948,714	1,287,420
Communication expenses	643,166	579,626
Printing and stationery	444,708	369,527
Legal and professional fees	5,067,843	3,876,768
Directors' sitting fees	205,000	105,000
Loss on sale of fixed assets (net)	1,368,412	984,776
Loss on sale of long term investments	38,671	-
Directors' remuneration	8,802,000	2,412,000
Payment to Auditor (Refer details below)	575,000	192,500
Frieght and forwarding charges	298,084,301	243,030,093
Security service charges	4,777,928	3,607,604
Provision for impairment loss on debtors	1,118,709	3,632,149
Miscellaneous expenses	10,400,888	3,043,876
	1,058,867,069	611,815,963

Payment to Auditor	2018	2017
As auditor :	₹	₹
Audit fee	500,000	133,680
Tax Audit fee	75,000	26,736
In other capacity		
Taxation matters	-	32,084
	575,000	192,500

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26. Earnings per share (EPS)

	2018 ₹	2017 ₹
Net profit/(loss) for the year as per statement of profit and loss	281,818,789	(32,369,100)
Net profit/(loss) attributable to equity shareholders for calculation of basic EPS & Diluted EPS	281,818,789	(32,369,100)
Nominal Value of Equity Shares (₹)	10	10
Weighted average number of equity shares in calculating Basic EPS	10,565,000	10,007,740
Weighted average number of equity shares in calculating Diluted EPS	10,565,000	10,007,740
Basic & Diluted EPS		
- Basic earning per share	26.67	(3.23)
- Diluted earning per share	26.67	(3.23)

27. Contingent Liabilities and Capital Commitments are not provided for in respect of :-

i) Disputed liability of Rs.251.12 lacs (Previous Year Rs. 248.78 lacs) on account of VAT/CST/Entry Tax against which the company has preferred an appeal.

ii) 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).

iii) Disputed payment for delayed wages as estimated Rs. 5.57 Lacs plus 10 times compensation amounting to Rs. 55.71 Lacs is pending case under The Payment of Wages Act,1936, case with SDJM, Kendujhar.

iv) Disputed demand of Rs.6.27 lacs (Previous Year Rs. Nil) on account of Income Tax against which the company has preferred an appeal.

28. During the financial year 2015-16, a search operation was conducted in the premises of the company u/s 132 of the Income Tax Act, 1961. The settlement proceedings are pending before the competent authority. The company does not foresee any further liability on this account.

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29. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Company's principal financial liabilities comprise of loans and borrowings in domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to the following risks from its use of financial instruments:
- Credit risk
- Liquidity risk
- Interest rate risk
- Currency risk
- Price risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.This note presents information about the risks associated with its financial instruments, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Credit Risk

The Company is exposed to credit risk as a result of the risk of counterparties non performance or default on their obligations. The Company's exposure to credit risk primarily relates to investments, accounts receivable and cash and cash equivalents. The Company monitors and limits its exposure to credit risk on a continuous basis. The Company's credit risk associated with accounts receivable is primarily related to party not able to settle their obloigation as agreed. To manage this the Company periodically reviews the finanial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

Trade receivables

Trade receivables represent the most significant exposure to credit risk and are stated after an allowance for impairment and expected credit loss.

Loans and Advances

Financial assets in the form of loans and advances are written off when there is no reasonable expectations of recovery. Where recoveries are made, these are recognise as income in the statement of profit and loss. The company measures the expected credit loss of dues based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and passed trends. Based on historical data, loss on collection of dues is not material hence no additional provisions considered.

Bank, Cash and cash equivalents

Bank, Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to cash. These are subject to insignificant risk of change in value or credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Amount in INR Lacs

	31/Mar/18	31/Mar/17
Trade receivables	1,717.51	1,032.50
Bank, Cash and cash equivalents	161.50	1,433.37

Impairment losses	**31/Mar/18**	**31/Mar/17**
Trade and other receivables (measured under life time excepted credit loss model)		
Opening balance	107.18	70.86
Provided during the year	11.19	36.32
Reversal of provision	-	-
Closing balance	**118.37**	**107.18**

Ageing analysis	**31/Mar/18**	**31/Mar/17**
Upto 3 months	1,679.07	986.83
3-6 months	3.37	4.33
More than 6 months	35.07	41.34
	1,717.51	**1,032.50**

No significant changes in estimation techniques or assumptions were made during the reporting period

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Liquidity risk

The Company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Company has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the Company's liquidity risk, the Company's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Company's reputation.

Financing arrangements

The Company has access to following undrawn borrowing facilities at the end of the reporting period:

	31/Mar/18	31/Mar/17
Cash Credit facility	1,728.35	430.05

Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

As at 31 March 2018	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	754.01	6,088.54	8,260.49	**15,103.04**
Trade payables	1,880.45	-	-	**1,880.45**
Other financial liabilities	3.06	-	-	**3.06**
	2,637.52	6,088.54	8,260.49	16,986.55

As at 31 March 2017	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	1,840.18	5,066.64	10,374.83	**17,281.65**
Trade payables	2,231.48	-	-	**2,231.48**
Other financial liabilities	118.64	-	-	**118.64**
	4,190.30	5,066.64	10,374.83	19,631.77

Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversley effect the borrowing cost of the company. The Company is exposed to long term and short-term borrowings, Commercial Paper Program. The Company manages interest rate risk by monitoring its mix of fixed and floating rate instruments, and taking action as necessary to maintain an appropriate balance.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

a) Interest rate risk exposure

	31/Mar/18	31/Mar/17
Variable rate borrowings	15,103.04	17,281.65
Fixed rate borrowings	-	-

b) Sensitivity analysis

Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates.

	Impact on profit after tax	
	31/Mar/18	31/Mar/17
Interest rates - increase by 70 basis points	105.72	(128.27)
Interest rates - decrease by 70 basis points	(105.72)	128.27

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PRICE RISK:

The entity is exposed to equity price risk, which arised out from FVTOCI unquoted equity shares and mutual funds The management monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the management. The primary goal of the entity's investment strategy is to maximize investments returns.

Sensitivity Analysis for Price Risk:

Equity Investments carried at FVTOCI are not listed on the stock exchange. For equity investments classified as at FVTOCI, the impact of a 2 % in the index at the reporting date on profit & loss would have been an increase of Rs.0.44 lacs (2016-17: Rs. 0.45 lacs); an equal change in the opposite direction would have decreased profit and loss.

30. CAPITAL MANAGEMENT

The Company's main objectives when managing capital are to:
The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Company manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of cash and cash equivalents) divided by total equity

Amount in INR Lacs

	31 March 2018	31 March 2017
Total liabilities	14,984.40	15,833.70
Less : Bank, Cash and cash equivalent	161.50	1,433.37
Net debt	**14,822.89**	**14,400.33**
Total equity	8,487.85	5,673.01
Net debt to equity ratio	**1.75**	**2.54**

The Company has complied with the covenants as per the terms of the major borrowing facilities throughout the reporting

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31. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS:

1. The following methods and assumptions were used to estimate the fair values:

   Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

   The Company uses the following hierarchy fordetermining and disclosing the fair value of financial instruments by valuation techniquie:

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

   Level 2 : other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directlyof indirectly.

   Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

	Carrying amount As at	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade Receivables	1,717.51	-	-	-
Bank, Cash and cash Equivalents	1,433.37	-	-	-
Total	3,150.88	-	-	-
Financial assets at fair value through other comprehensive income:				
Investments	21.80	6.80	15.00	-
Total	21.80	6.80	15.00	-
Financial liabilities at amortised cost:				
Long term Borrowings	14,349.03	-	-	-
Short term Borrowings	118.65	-	-	-
Trade Payables	1,880.45	-	-	-
Other financial liabilities	638.42	-	-	-
Total	16,986.55	-	-	-

	Carrying amount As at	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade Receivables	1,032.50	-	-	-
Bank, Cash and cash Equivalents	1,433.37	-	-	-
Total	2,465.86	-	-	-
Financial assets at fair value through other comprehensive income:				
Investments	22.37	6.38	16.00	-
Total	22.37	6.38	16.00	-
Financial liabilities at amortised cost:				
Long term Borrowings	15,441.46	-	-	-
Short term Borrowings	1,447.95	-	-	-
Trade Payables	2,231.48	-	-	-
Other financial liabilities	510.87	-	-	-
Total	**19,631.76**	-	-	-

During the reporting period ending 31st March, 2018 and 31st March, 2017, there were no transfers between Level 1 and Level 2 fair value measurements.

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32. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS:

a. Defined Contribution Plan:

Amount of Rs. 56.83 lacs (P.Y. Rs.15.89 lacs) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans:

Benefit (Contribution to):	2017-18	2016-17
Provident and other fund	56.83	15.89
Total	56.83	15.89

b. Defined benefit plan:

Gratuity:

The Company provides for gratuity, a defined banefit retirement plan covering eligible employees. The Gratuity plan provides a lumpsum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 to 30 days salary for each completed year of service subject to a maximum of Rs.20 Lacs. Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

The Company makes annual contributions to Crompton Greaves Limited Gratuity Trust, which is funded defined benefit plan for qualifying employees.

	Particular	Gratuity	
		2017-18 (Non Funded)	2016-17 (Non Funded)
I	**Change in Present value of defined benefit obiligation during the year:**		
	Present value of defined benefit obiligation at the beginning of the ye	**43.34**	31.55
	Interest Cost	**3.36**	2.52
	Current Service Cost	**16.10**	10.22
	Past Service Cost		
	Benefit paid	-	-
	Acturial Changes arising from changes in demographic assumption	-	-
	Acturial Changes arising from changes in financial assumption	**(1.58)**	3.20
	Acturial Changes arising from changes in expirence assumption	**7.27**	(4.15)
	Present value of defined benefit obiligation at the end of the year	**68.49**	43.34
II	**Net asset / (liability) recognised in the balance sheet:**		
	Present Valur of defined benefit obiligation at the end of the year	**68.49**	43.34
	Fair value of plan assets at the end of the year	-	-
	Amount recognised in the balance sheet	-	-
	Net asset / (liability) - Current	**4.36**	2.51
	Net asset / (liability) - Non Current	**64.14**	40.83
III	**Expenses recognized in the statement of profit and loss for the year:**		
	Current Service Cost	**16.10**	10.22
	Interest Cost on benefit obiligation (Net)	**3.36**	2.52
	Total expenses included in employee benefits expenses	**19.46**	12.74

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IV	**Recognized in other comprehensive income for the year:**		
	Acturial Changes arising from changes in demographic assumption	-	-
	Acturial Changes arising from changes in financial assumption	**(1.58)**	3.20
	Acturial Changes arising from changes in expirence assumption	**7.27**	(4.15)
	Return on plan assets excluding interest income	-	-
	Recognized in other comprehensive income for the year:	**5.69**	(0.95)
V	**Maturity profile of defined benefit obiligation:**		
	Within the next 12 months (next annual reporting period)	**3.65**	-
	Between 2 and 5 years	**19.68**	1.66
	Between 6 and 10 years	**27.30**	41.68
VI	**Quantitative Sensitivity analysis for significant assumption is as below:**		
1	1% point increase in discount rate	**61.71**	37.21
	1% point decrease in discount rate	**76.59**	50.68
	1% point increase rate of salary Increase	**76.99**	50.72
	1% point decrease rate of salary Increase	**61.28**	37.08
	1% point increase rate of employee turnover rate	**69.03**	43.82
	1% point decrease rate of employee turnover rate	**67.79**	42.95

2 Sensitivity Analysis Method:

Sensitivity Analysis is determined based on the expected movement in liability if the assumption were not proved to be true on different count.

	Particulars	Gratuity	
		2017-18	2016-17
		Non Funded	Non Funded
VII	**Actuarial assumptions:**		
1	Discount rate	7.75%	7.50%
2	Salary escalation	6.00%	6.00%
3	Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
4	Mortality post retirement rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
5	Rate of Employee Turnover	1% to 8%	1% to 8%

Expected contribution to the defined plan for the next reporting period:

Notes:
The actuarial valuation of plan assets and the present value of the defined obligation were carried out at 31st March, 2018. The present value of the defined benefit obligation and the related current service cost and past service cost,were measured using the projected Unit Credit Method.

32. DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013.

Investment made are given under the respective heads. Further the company has not given any guarantee and any loan.

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34. RELATED PARTY DISCLOSURE

i) Related Parties

a) **Holding Company**
-- Godawari Power & Ispat Limited

b) **Key Management Personnel**
-- Shri Sanjay Gupta (Whole Time Director)
-- Shri Subhashish Das (Director)
-- Shri Bibhu Prasanna Jena (CFO)
-- Shri Rishi Dave (Company Secretary)
-- Shri Sanjay Bothra (Director)

c) **Other related parties**
-- Smt. Meena Gupta (Wife of Whole Time Director)
-- Smt. Atasi Das (Wife of Director)

ii) Transaction with Related Parties in the ordinary course of business (Rs.in lacs)

			2017-18	2016-17
a)	Holding Company	Purchase of Materials	59.39	240.36
		Purchase of Capital Goods	-	127.78
		Advances Received	450.00	348.93
		Advances Repaid	450.00	442.17
		Interest Paid	-	30.81
		Travelling & Other Expenses	12.42	4.45
		Sale of Capital Goods	27.73	-
		Issue of Equity Shares	-	339.00
		Outstandings		
		Payables	-	-
b)	Key Management Personnel	Remuneration/salary paid	106.16	38.34
c)	Relative of Key Management	Salary Paid	13.50	5.50
		Rent Deposit Refunded	-	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

		2017-18	2016-17
a)	**Purchase of Materials:**		
	Godawari Power and Ispat Limited	59.39	240.36
b)	**Purchase of Capital Goods**		
	Godawari Power and Ispat Limited	-	127.78
c)	**Advances Received**		
	Godawari Power and Ispat Limited	450.00	348.93
d)	**Advances Repaid**		
	Godawari Power and Ispat Limited	450.00	442.17
e)	**Interest Paid**		
	Godawari Power and Ispat Limited	-	30.81
f)	**Reimbursement of Expenses**		
	Godawari Power and Ispat Limited	12.42	4.45
g)	**Issue of Equity Shares**		
	Godawari Power and Ispat Limited	-	339.00
h)	**Sale of Capital Goods**		
	Godawari Power and Ispat Limited	27.73	-
i)	**Security Deposit Refunded**		
	-- Smt. Meena Gupta	-	30.00

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Remuneration/Salary Paid:		
Shri Sanjay Gupta	**67.50**	15.00
Shri Subhasis Das	**20.52**	9.12
Shri Bibhu Prasanna Jena	**7.28**	3.36
Shri Rishi Dave	**10.86**	10.86
Smt Atasi Das	**13.50**	5.50

35. There was no amount due to Micro, Small and Medium Enterprises under The Micro, Small and Medium Enterprises Development Act,2006 (MSMED Act) as at 31st March,2018.

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

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

per Sanjay Singhania
Partner
Membership No.076961

O.P. SINGHANIA & CO. CHARTERED ACCOUNTANTS ICAI FR NO. 002172C RAIPUR-492001 CHHATTISGARH

Place : Raipur
Date : 01.05.2018

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

Sanjay Gupta
Whole Time Director

Sanjay Bothra
Director

Rishi Dave
Company Secretary

Bibhu Parasanna Jena
CFO