

B S R & Co. LLP

Chartered Accountants

Godrej Waterside, Unit No. 603
6th Floor, Tower 1, Plot No. 5, Block - DP
Sector V, Salt Lake, Kolkata - 700091

Telephone: + 91 33 4035 4200
Fax: + 91 33 4035 4295

INDEPENDENT AUDITORS' REPORT

To The Members of Shyam Steel Industries Limited

Report on the Audit of the Standalone Financial Statements (prepared as per Accounting Standards)

We have audited the accompanying standalone financial statements (prepared as per Accounting Standards) of Shyam Steel Industries Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibility

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

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



B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
N.M. Joshi Marg, Mahalakshmi
Mumbai - 400 011

B S R & Co. LLP
Independent Auditors' Report (Continued)
Shyam Steel Industries Limited

Auditors' Responsibility (Continued)

We conducted our audit of the standalone financial statements 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 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 financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone 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 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 financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditors' report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018, its profit and its cash flows for the year ended on that date.

Emphasis of matter

We draw attention to Note no. 6 of the accompanying financial statements regarding adjustment of deferred tax liabilities (net) with Securities Premium Account as per Order of Hon'ble High Court of Calcutta dated 12 May 2008.

Our opinion is not qualified in respect of this matter.



Independent Auditors' Report (Continued)
Shyam Steel Industries Limited

Other Matter

The standalone financial statements of the Company for the year ended 31 March 2017, were audited by another auditor who expressed an unmodified opinion on those statements on 30 August 2017.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' 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 paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act;
 - 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g. With respect to the Other Matter to be included in the Auditors' 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 explanation given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31 March 2018 on its financial position in its standalone financial statements - Refer Note 33(a) to the standalone financial statements;



B S R & Co. LLP
Independent Auditors' Report (Continued)
Shyam Steel Industries Limited

Report on Other Legal and Regulatory Requirements (Continued)

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
- iv. The disclosure in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However, amounts as appearing in the audited standalone financial statements for the period ended 31 March 2017 have been disclosed.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022




Jayanta Mukhopadhyay
Partner
Membership No. 055757

Place: Kolkata
Date: 29 September 2018

B S R & Co. LLP

Shyam Steel Industries Limited

**Annexure A to the Independent Auditors' Report
(referred to in our report of even date)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. In accordance with this programme, certain items of fixed assets have been physically verified during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) According to the information and explanations given to us, the inventory, except goods in transit, have been physically verified by the management during the year and in respect of goods in transit, subsequent goods receipts have been verified. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of paragraph 3(iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not granted any loans or provided any guarantee or security during the year that would attract the provisions of Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act with respect to loans given, investments made and guarantees provided. The Company has not provided any security under the provisions of Section 186 of the Act.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act, in respect of the products manufactured by the Company and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such records with a view to determine whether they are accurate or complete.



Shyam Steel Industries Limited
Annexure A to the Independent Auditors' Report
(referred to in our report of even date)

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Value added tax, Service tax, Goods and Services tax, Duty of customs, Duty of excise, Cess and any other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Sales tax, Income tax, Value added tax, Service tax, Goods and Services tax, Duty of customs, Duty of excise, Cess and any other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Value added tax, Service tax, Goods and Services tax, Duty of customs and Duty of excise which have not been deposited with the appropriate authorities on account of any dispute, except the following:

Name of the statute	Nature of the dues	Total amount under dispute (Rs in Lakhs)	Total amount paid under protest (Rs in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Duty of Excise	160.30	57.16	December 2006 to August 2011	Customs, Excise and Service Tax Appellate Tribunal
		479.51	39.51	2011-12 to 2015-16	Commissioner (Appeals) of Central Excise
Central Sales Tax Act, 1956	Sales Tax	3.18	1.48	2005-06	Hon'ble High Court of Calcutta
		5.62	1.50	2012-13	West Bengal Taxation Tribunal
Income Tax Act, 1961	Income Tax	56.90	56.90	2010-11 and 2011-12	Commissioner of Income Tax (Appeals)
Employee State Insurance, Act, 1948	Employee State Insurance	4.92	1.00	2003-2005	Appellate Authority (ESIC)

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution and banks, during the year. The Company did not have any outstanding loans or borrowings from government or debenture holders during the year.



B S R & Co. LLP

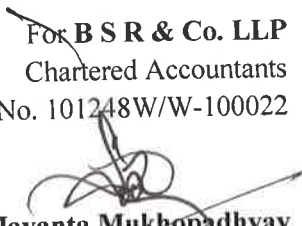
Shyam Steel Industries Limited
Annexure A to the Independent Auditors' Report
(referred to in our report of even date)

- (ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Term loans raised during the year were applied for the purpose for which it was obtained.
- (x) 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.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of paragraph 3 (xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and Section 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of paragraph 3(xvi) of the Order are not applicable to the Company.

Place: Kolkata
Date: 29 September 2018



For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022


Jayanta Mukhopadhyay
Partner
Membership No. 055757

B S R & Co. LLP

Shyam Steel Industries Limited
Annexure B to the Independent Auditors' Report

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

We have audited the internal financial controls with reference to financial statements of Shyam Steel Industries Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls with reference to financial statements

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

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



B S R & Co. LLP
Shyam Steel Industries Limited
Annexure B to the Independent Auditors' Report

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Place: Kolkata
Date: 29 September 2018



For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022


Jayanta Mukhopadhyay
Partner
Membership No. 055757

Shyam Steel Industries Limited
Standalone Balance Sheet as at 31 March 2018

Amount in Rupees Lakhs

	Note	As at 31 March 2018	As at 31 March 2017
I. EQUITY AND LIABILITIES			
1) Shareholders' funds			
(a) Share capital	3	620.00	620.00
(b) Reserves and surplus	4	31,401.39	24,274.64
		<u>32,021.39</u>	<u>24,894.64</u>
2) Non-current liabilities			
(a) Long-term borrowings	5	1,187.80	1,628.81
(b) Deferred tax liabilities (net)	6	1,499.37	1,762.21
(c) Other long-term liabilities	7	6,319.47	5,030.29
(d) Long-term provisions	8	747.51	394.21
		<u>9,754.15</u>	<u>8,815.52</u>
3) Current liabilities			
(a) Short-term borrowings	9	11,895.69	12,031.58
(b) Trade payables			
- total outstanding dues of micro enterprises and small enterprises	10	136.90	87.37
- total outstanding dues of creditors other than micro enterprises and small enterprises	10	5,696.63	3,733.28
(c) Other current liabilities	11	7,662.01	6,711.71
(d) Short-term provisions	8	645.83	11.70
		<u>26,037.06</u>	<u>22,575.64</u>
TOTAL		<u>67,812.60</u>	<u>56,285.80</u>
II. ASSETS			
1) Non-current assets			
(a) Fixed assets			
- Property, plant and equipment	12	13,985.88	12,912.60
- Intangible assets	13	54.49	5.21
- Capital work-in-progress	14	1,326.75	1,334.75
(b) Non-current investments	15	10,862.14	10,741.14
(c) Long-term loans and advances	16	1,702.83	2,162.70
(d) Other non-current assets	17	10.16	5.24
		<u>27,942.25</u>	<u>27,161.64</u>
2) Current assets			
(a) Current investments	18	3,500.00	555.31
(b) Inventories	19	13,338.33	8,253.43
(c) Trade receivables	20	19,426.62	11,024.73
(d) Cash and bank balances	21	874.55	809.42
(e) Short-term loans and advances	22	1,889.49	7,826.44
(f) Other current assets	23	841.36	654.83
		<u>39,870.35</u>	<u>29,124.16</u>
TOTAL		<u>67,812.60</u>	<u>56,285.80</u>

Significant accounting policies 2
Notes to the standalone financial statements 3 to 49

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No. 055757



Place: Kolkata
Date: 29 September 2018

For and on behalf of the Board of Directors of
Shyam Steel Industries Limited
CIN: U27100WB2002PLC094339

Govind Beriwal
Whole-time Director
DIN: 00006100

Tony Paul
Company Secretary

Place: Kolkata
Date: 29 September 2018

Nikunj Beriwal
Whole-time Director
DIN: 00529975



Shyam Steel Industries Limited
Standalone Statement of Profit and Loss for the year ended 31 March 2018

Amount in Rupees Lakhs

	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
I. Revenue from operations	24	157,350.49	101,598.68
II. Other income	25	1,076.15	489.38
III. Total revenue (I + II)		158,426.64	102,088.06
IV. Expenses			
Cost of materials consumed	26	102,893.33	69,098.01
Purchase of stock-in-trade	27	5,140.95	174.85
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(1,433.04)	(1,594.03)
Employee benefits expense	29	7,386.25	4,150.87
Finance costs	30	2,341.39	1,866.77
Depreciation and amortisation expense	12 and 13	1,485.29	1,912.08
Other expenses	31	29,137.31	21,558.33
Total expenses		146,951.48	97,166.88
V. Profit before tax (III - IV)		11,475.16	4,921.18
VI. Tax expenses			
Current tax		3,054.00	1,105.23
MAT credit entitlement		-	(53.25)
Income tax related to prior years		299.77	0.62
Deferred tax	6	(1,451.37)	-
VII. Profit for the year (V - VI)		9,572.76	3,868.58
Earnings per equity share	32		
Basic and Diluted (in Rs)		154.40	59.52
[Nominal value of Rs 10 each (previous year: Rs 10 each)]			
Significant accounting policies	2		
Notes to the standalone financial statements	3 to 49		

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No. 055757



For and on behalf of the Board of Directors of
Shyam Steel Industries Limited
CIN: U27100WB2002PLC094339

Govind Beriwal
Whole-time Director
DIN: 00006100

Nikunj Beriwal
Whole-time Director
DIN: 00529975

Tony Paul
Company Secretary

Place: Kolkata
Date: 29 September 2018

Place: Kolkata
Date: 29 September 2018



Shyam Steel Industries Limited
Standalone Cash Flow Statement for the year ended 31 March 2018

Amount in Rupees Lakhs

	For the year ended 31 March 2018	For the year ended 31 March 2017
A. Cash flows from operating activities		
Net profit before tax	11,475.16	4,921.18
Adjustments for:		
Depreciation and amortisation expense	1,485.29	1,912.08
Interest income on investments	(165.25)	(91.42)
Interest income on bank deposits	(30.92)	(28.84)
Finance costs	2,341.39	1,866.77
(Profit)/ Loss on sale/discard of property, plant and equipment (net)	(28.74)	1.03
Provision for gratuity	370.59	187.12
(Reversal)/ provision for diminution in the value of current investments	(6.35)	6.35
Loss/ (Profit) on sale of current investments (net)	36.29	(0.49)
Foreign exchange loss (net)	16.43	-
Liabilities no longer required written back	(45.46)	(25.70)
Provision for doubtful trade receivable	11.78	-
Advances written off	13.88	119.12
Bad debts	360.46	125.97
Operating cash flow before working capital changes	15,834.55	8,993.17
Adjustments for:		
(Increase)/ Decrease in trade receivables	(8,788.01)	1,322.73
Decrease/ (Increase) in loans and advances and other current assets	4,039.87	(2,916.68)
(Increase) in inventories	(5,084.90)	(2,999.54)
Increase in trade payables and other liabilities	5,241.07	1,344.03
(Decrease) in provisions	(6.54)	(15.24)
Cash generated from operations	11,236.04	5,728.47
Income taxes paid	(1,711.27)	(1,054.09)
Net cash provided by operating activities (A)	9,524.77	4,674.38
B. Cash flows from investing activities		
Purchase of fixed assets	(2,587.30)	(1,893.17)
Proceeds from sale of property, plant and equipment	49.31	2.47
Investment in debentures of a wholly owned subsidiary	(121.00)	-
Purchase of investments	(5,957.95)	(1,791.77)
Proceeds from sale/ maturity of current investments	2,983.32	2,391.46
Redemption/ (Investment) of bank deposits	35.03	(121.17)
Interest received	185.13	113.59
Net cash used in investing activities (B)	(5,413.46)	(1,298.59)
C. Cash flows from financing activities		
Buy back of equity shares	-	(1,500.00)
Proceeds from long-term borrowings	113.78	693.56
Repayment of long-term borrowings	(1,739.67)	(1,745.51)
(Increase)/ Decrease in short-term borrowings (net)	(135.89)	1,059.82
Finance cost paid	(2,244.44)	(1,845.95)
Net cash used in financing activities (C)	(4,006.22)	(3,338.08)
Net increase in cash and cash equivalents (A + B +C)	105.09	37.71
Cash and cash equivalents at the beginning of the year	257.32	219.61
Cash and cash equivalents at the end of the year (refer note below)	362.41	257.32



Shyam Steel Industries Limited
Standalone Cash Flow Statement for the year ended 31 March 2018 (Continued)

Amount in Rupees Lakhs

Note:

	As at 31 March 2018	As at 31 March 2017
1. Components of cash and cash equivalents		
Cash on hand	52.29	20.38
Balances with banks		
- Current accounts	310.12	236.94
Cash and cash equivalents at the end of the year	362.41	257.32

2. The above standalone Cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard on Cash Flow Statement (AS 3) notified under Section 133 of the Companies Act, 2013.

3. Purchase of fixed assets includes movements of property, plant and equipment, intangible assets and capital work-in-progress (including capital advances and liability for capital goods) during the year.

4. Previous year's figures have been regrouped and/or rearranged wherever considered necessary to conform to current year's presentation.

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

For **BSR & Co. LLP**
 Chartered Accountants
 Firm's Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of
Shyam Steel Industries Limited
 CIN: U27100WB2002PLC094339


Jayanta Mukhopadhyay
 Partner
 Membership No. 055757





Govind Beriwal
 Whole-time Director
 DIN: 00006100



Nikunj Beriwal
 Whole-time Director
 DIN: 00529975


Tony Paul
 Company Secretary

Place: Kolkata
 Date: 29 September 2018

Place: Kolkata
 Date: 29 September 2018



1. Company overview

Shyam Steel Industries Limited (“the Company”) is a public company domiciled and headquartered in Kolkata, India. It is incorporated under the Companies Act, 1956. The Company is primarily engaged in the manufacturing and trading of TMT Rebar and Structural steel. The Company has operations in India and caters to both domestic and international markets. The Company has one wholly owned subsidiary incorporated in India under the name of Shyam Energy Private Limited and three step down subsidiaries incorporated in India in the name of Shyam Steel Manufacturing Limited, Vaikuntha Tradecom Private Limited and Shyam Mining Private Limited.

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

2.1 Basis of preparation of standalone financial statements

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government of India, which continue to apply under Section 133 of the Companies Act, 2013, (“the Act”) and other relevant provisions of the Act, to the extent notified and applicable, and other accounting principles generally accepted in India. The financial statements are presented as per Schedule III of the Act. The financial statements are presented in Indian rupees lakhs.

2.2 Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Current – non-current classification

All assets and liabilities are classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Act.

2.3.1 Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) It is expected to be realised in, or is intended for sale or consumption in, the Company’s normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is expected to be realised within 12 months after the reporting date; or
- d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non-current financial assets.

All other assets are classified as non-current.

2.3.2 Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) It is expected to be settled in the Company’s normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is due to be settled within 12 months after the reporting date; or



Significant accounting policies (Continued)

Current – non-current classification (Continued)

d) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. 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.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2.4 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation. The cost of an item of property, plant and equipment comprises its purchase price and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Items such as spare parts, stand-by equipment and servicing equipment are capitalised as property, plant and equipment only if they are held for use in the production or supply of goods or services and are expected to be used during a period of more than twelve months.

Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if it is probable that future economic benefits associated with the item will flow to the enterprises and the cost of the item can be measured reliably.

Property, plant and equipment acquired wholly or partly with specific grant/subsidy from government, are recorded at the net acquisition cost to the Company.

Property, plant and equipment under construction are disclosed as capital work-in-progress.

A property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use. Assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and shown under 'Other current assets'. Losses arising from retirement or gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.

2.5 Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use.

Losses arising from retirement and gains or losses arising from disposal 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.



Significant accounting policies (Continued)

2.6 Depreciation and amortisation

Depreciation and amortisation for the year is recognised in the Statement of Profit and Loss.

Depreciation on property, plant and equipment is provided on straight line method over the useful lives of assets, at the rates and in the manner specified in Part C of Schedule II of the Act.

The estimated useful lives of items of property, plant and equipment are as follows:

Assets	Management estimate of useful life (in years)	Useful life as per Schedule II (in years)
Buildings	3-60	3-60
Plant and equipment	15-40	15-25
Office equipments	5-10	5-10
Furniture and fixtures	10	10
Computers	3-6	3-6
Vehicles	8-10	8-10

The useful lives are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the revised remaining useful life.

In case of captive power plant and rolling mill under the head “Plant and equipment”, depreciation has been provided on straight line method at the rates determined considering the useful life of 25 years and 40 years respectively which is based on the technical assessment done by an independent expert. The management believes that the useful life as considered above best represent the period over which the respective assets shall be expected to be in use.

Freehold land is not depreciated. Leasehold land (includes development cost) is amortised on a straight line basis over the period of respective lease.

Intangible assets are amortised in the Statement of Profit and Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis. In accordance with the applicable Accounting Standard, the Company amortises intangible assets over five (5) years from the date when the asset is available for use.

Assets costing individually Rs. 5,000 or less are depreciated fully in the year of purchase.

Depreciation and amortisation method, and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

2.7 Impairment of Assets

The carrying amount of property, plant and equipment, intangible assets and capital work-in-progress are reviewed at each reporting date in accordance with Accounting Standard 28 on 'Impairment of Assets' specified under Section 133 of the Companies Act 2013 to determine if there is any indication of impairment. For assets in respect of which any such indication exists, the assets recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (“Cash Generating Unit” or “CGU”) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.



Significant accounting policies (Continued)

Impairment of Assets (Continued)

The recoverable amount of the assets or CGU is the greater of its value in use and its net selling price. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset or CGU.

Impairment losses are recognised in the Statement of Profit and Loss.

If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists or has decreased, the asset or CGU's recoverable amount is estimated. For assets, the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. Such a reversal is recognised in the Statement of Profit and Loss.

2.8 Operating leases

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit. Initial direct costs incurred specifically for an operating lease are deferred and charged to the Statement of Profit and Loss over the lease term.

2.9 Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is presented under 'current assets' as "current portion of long term investments" in consonance with the current/non-current classification scheme of Schedule III to the Act.

Long-term investments (including current portion thereof) are carried at cost less any other than temporary diminution in value, determined separately for each individual investment.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

2.10 Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade and stores and spares are carried at the lower of cost and net realisable value.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Cost in respect of raw materials and other supplies, stores and spares and stock-in-trade are computed using moving weighted average method. Cost in respect of finished goods and work-in-progress are computed using weighted average method.

In the case of finished goods and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.



Significant accounting policies (Continued)

Inventories (Continued)

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

2.11 Employee benefits

2.11.1. Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries, wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by the employees.

2.11.2 Post-employment benefits

2.11.2.1. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified contributions towards employee provident fund to Government administered provident fund scheme and contributions towards Employee State Insurance (ESI) contribution with Employees' State Insurance Corporation (ESIC) maintained by Government agencies, which are contribution plan. 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.

2.11.2.2. Defined benefit plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs is deducted. The calculation of the Company's obligation under the plan is performed annually by an independent qualified actuary using the projected unit credit method. The Company recognises all actuarial gains and losses arising from defined benefit plan immediately in the Statement of Profit and Loss.

The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

2.11.3. Compensated absences

The Employees cannot carry forward unutilised accrued compensated absences and the same is encashed in the subsequent period. The Company records an obligation for such compensated absences in the year in which the employee renders the services that increase this entitlement. The obligation is measured at actuals at the year end as per the policy of the Company.

2.12 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.



Significant accounting policies (Continued)

Sale of products

Revenue from sale of goods in the course of ordinary activities is recognised when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection.

The amount recognised as revenue is exclusive of Goods and services tax (GST), Sales tax and Value added tax (VAT) and is net of returns, trade discounts, quantity discounts and Excise duty. Excise duty relating to sales is reduced from gross sales for disclosing net revenue from operations.

Export incentives (Duty Drawback/Merchandise Exports from India Scheme) are recognised on accrual basis against goods exported.

Sale of services

Revenue from sale of services (excluding service tax and GST) is recognised on proportionate completion basis method in accordance with terms of the agreement.

Interest income

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

Other income

Insurance and other claims, to the extent considered recoverable, are accounted for on acceptance of claim. However, claims and refunds whose recovery cannot be ascertained with reasonable certainty are accounted for on acceptance from the respective agencies or departments.

2.13 Foreign currency transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated into Indian rupees at the closing exchange rates on that date. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate on the date of transaction.

Exchange differences arising on the settlement or conversion of monetary assets and liabilities are recognised as income or as expense in the year in which they arise.

In respect of transactions covered by forward exchange contracts, the difference between the forward rate and exchange rate at the inception of the contract i.e. premium or discount is recognised as income or expense over the life of the contract. Exchange difference between rate at the inception of such contracts and rate on reporting date are recognised as income or expense for the period. Any gain or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year in which they accrue.

2.14 Provisions

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis



Significant accounting policies (Continued)

Contingencies

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines, penalties etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

2.15 Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.16 Taxation

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income and reversal of timing differences of earlier years.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. In case of tax payable as Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961, the credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case maybe) to be realised.

2.17 Borrowing costs

Borrowing costs are interest and other costs incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred and include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.



Significant accounting policies (Continued)

2.18 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.19 Government grants

Grants from the government are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant relates to a depreciable asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

2.20 Cash and cash equivalents

Cash and cash equivalents include cash and balances with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.



3. Share capital

	As at 31 March 2018	As at 31 March 2017
Authorised		
8,000,000 (previous year: 8,000,000) equity shares of Rs 10 each	800.00	800.00
2,000,000 (previous year: 2,000,000) preference shares of Rs 10 each	200.00	200.00

Issued, subscribed and fully paid up

6,200,000 (previous year: 6,200,000) equity shares of Rs 10 each	620.00	620.00
--	--------	--------

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Equity shares	31 March 2018		31 March 2017	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	6,200,000	620.00	6,500,000	650.00
Buyback of equity shares during the year	-	-	(300,000)	(30.00)
At the end of the year	6,200,000	620.00	6,200,000	620.00

b. Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares with par value of Rs 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of paid-up equity share capital of the Company. Each holder of equity shares is entitled to one vote per share. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c. Particulars of shareholders holding more than 5% of total number of equity shares

	31 March 2018		31 March 2017	
	Number of shares	% of total shares in the	Number of shares	% of total shares in the class
Equity shares of Rs 10 each fully paid up held by:				
Bina Beriwal	639,450	10.31%	-	-
Jyoti Beriwal	473,850	7.64%	-	-
Truimax Ispat Private Limited	525,000	8.47%	525,000	8.47%
Yashashvi Securities Private Limited	409,660	6.61%	409,660	6.61%
Govind Beriwal HUF	-	-	363,550	5.86%
Purushottam Beriwal HUF	-	-	358,450	5.78%
Brijesh Beriwal	537,500	8.67%	318,050	5.13%
Manish Beriwal	562,400	9.07%	317,850	5.13%
Ravi Beriwal	317,550	5.12%	317,550	5.12%
Shyam Sunder Beriwal	408,600	6.59%	317,100	5.11%
Lalit Beriwal	312,650	5.04%	312,650	5.04%

d. Aggregate number of equity shares bought back in the period of five years immediately preceding the reporting date

Pursuant to the resolution passed by the Board of Directors of the Company on 5 September 2016, 300,000 equity shares of Rs 10 each at a premium of Rs 490 were extinguished on buy-back of equity share by the Company. The above had resulted in a total cash outflow of Rs 1,500.00 Lakhs. In line with the requirements of the Companies Act, 2013, an amount of Rs 1,470.00 Lakhs was utilised from Securities Premium Account. Further, Capital Redemption Reserve of Rs 30.00 Lakhs (representing the nominal value of equity shares bought back) was created as an apportionment from Securities Premium Account. Consequent to such buyback, the equity share capital reduced by Rs 30.00 Lakhs.

4. Reserves and surplus

	As at 31 March 2018	As at 31 March 2017
Capital reserve		
At the commencement of the year	1,591.62	1,448.42
Add/ (Less): Government grants (refer note 45)	(1,257.48)	143.20
At the end of the year	334.14	1,591.62
Capital redemption reserve		
At the commencement of the year	30.00	-
Add: Transfer from Securities Premium Account on account of buy back of equity shares	-	30.00
At the end of the year	30.00	30.00



4. Reserves and surplus (Continued)

Securities Premium Account		
At the commencement of the year	6,176.93	7,469.34
Add/ (Less): Adjustment against deferred tax (refer note 6)	(1,188.53)	207.59
Less: Buyback of equity shares	-	(1,470.00)
Less: Transfer to capital redemption reserve on account of buy back of equity shares	-	(30.00)
At the end of the year	<u>4,988.40</u>	<u>6,176.93</u>
Surplus (Balance in Standalone Statement of Profit and Loss)		
At the commencement of the year	16,476.09	12,607.51
Add: Profit for the year	9,572.76	3,868.58
At the end of the year	<u>26,048.85</u>	<u>16,476.09</u>
Total Reserves and surplus	<u>31,401.39</u>	<u>24,274.64</u>

5. Long-term borrowings

	Non-current portion		Current portion*	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Secured				
Term loans from banks				
Rupee loans	3.36	693.56	-	1,200.00
Foreign currency loans	1,162.64	935.25	641.00	551.00
Loan against vehicles from bank	21.80	-	18.43	9.75
	<u>1,187.80</u>	<u>1,628.81</u>	<u>659.43</u>	<u>1,760.75</u>

*Amount disclosed under "Other current liabilities" (refer note 11)

A. Terms of repayment/conversion

Particulars	Interest	Repayment Schedule	As at 31 March 2018	As at 31 March 2017
(i) Term Loan from banks - Rupee loans				
Indian Overseas Bank [(refer note B(i))]	Base Rate + 4.00%	Repaid on 11 April 2017	-	1,200.00
State Bank of India (refer note B(ii))*	Marginal Cost of Funds based Lending Rate (MCLR)+ 1.80%	Repayable at quarterly rest beginning from September 2018 3 of Rs 30.00 Lakhs 12 of Rs 40.00 lakhs 4 of Rs 43.00 Lakhs 2 of Rs 45.00 Lakhs	3.36	693.56
			<u>3.36</u>	<u>1,893.56</u>
(ii) Term Loan from banks - Foreign currency loans *				
State Bank of India [(refer note B(iii)) [USD 7.45 Lakhs (previous year: USD 11.29 Lakhs)]	6 Month LIBOR +3.00%	Repayable at quarterly rest 7 of Rs 68.75 Lakhs	490.19	740.45
State Bank of India [(refer note B(iii)) [USD 7.46 Lakhs (previous year: USD 11.37 Lakhs)]	6 Month LIBOR +3.00%	Repayable at quarterly rest 7 of Rs 69.00 Lakhs	490.95	745.80
State Bank of India [(refer note B(ii)) [USD 12.50 Lakhs (previous year: USD Nil)]	6 Month LIBOR +3.25%	Repayable at quarterly rest beginning from September 2018 3 of Rs 30.00 Lakhs 12 of Rs 40.00 lakhs 4 of Rs 43.00 Lakhs 2 of Rs 45.00 Lakhs	822.50	-
			<u>1,803.64</u>	<u>1,486.25</u>
(iii) Loan against vehicles				
Loans against vehicles [refer note B(iv)].	8.50%	Repayable by way of equal 25 monthly instalments of Rs 1.76 Lakhs	40.23	9.75

*The Rupee term loan from State Bank of India has been converted to Foreign Currency Non-Repatriable Account (FCNR) for a period of twelve months. However, the terms and condition are same as that of the original loan in Indian rupees.



B. Details of Security

- (i) The Loan is secured by first charge of the entire fixed assets of the Company both present and future on pari passu basis.
- (ii) The Loan is secured by (a) equitable mortgage of Leasehold land measuring 20 acres at Mouza Raturia and building and Structures thereon on pari passu basis, (b) by first charge on Plant and Machinery, furniture and fixtures and other fixed assets (other than captive power plant) of the Angadpur unit on pari passu basis, (c) the second charge on the entire current assets of the Company on pari passu basis, (d) personal guarantees by Mr. Purushottam Beriwal, Mr. Ravi Beriwal, Mr. Lalit Beriwal and Mr. Govind Beriwal, the promoters of the Company and (e) Mr. Purushottam Beriwal, Mr. Ravi Beriwal, Mr. Lalit Beriwal, Mr. Govind Beriwal, Mr. Brijesh Beriwal, Mr. Manish Beriwal and Mr. Shyam Sunder Beriwal, the promoters of the Company have pledged 677,790 (previous year: 677,790) equity shares.
- (iii) The term loan is secured by way of (a) first charge of equitable mortgage of leasehold land at Angadpur, Durgapur and building and structure thereon on pari passu basis, (b) second charge on hypothecation of the entire current assets of the Company, (c) personal guarantees by the promoters of the Company and (d) The promoters of the Company have pledged 677,790 (previous year: 677,790) equity shares.
- (iv) Vehicle loans are secured by way of hypothecation of the underlying asset financed.

6. Deferred tax liabilities (net)

	As at 31 March 2018	As at 31 March 2017
Deferred tax liabilities		
Difference between written down value of depreciable assets as per books of account and written down value as per Income Tax Act, 1961	1,980.65	1,907.38
	<u>1,980.65</u>	<u>1,907.38</u>
Deferred tax assets		
Expenditure allowable on payment basis	472.41	145.17
Provision for doubtful trade receivable	8.87	-
	<u>481.28</u>	<u>145.17</u>
Deferred Tax Liabilities (net)	<u>1,499.37</u>	<u>1,762.21</u>

The Hon'ble High Court of Calcutta vide its order dated 12 May 2008 had allowed the Company to utilise the Securities Premium Account, disclosed under the head "Reserves and Surplus", for adjusting Deferred tax liabilities computed as per the Accounting Standard on "Accounting for Taxes on Income" (AS-22), instead of debiting to the Statement of Profit and Loss, and accordingly, the Company had, in past, adjusted Securities Premium Account for deferred tax liabilities (net). Further, during the earlier years, the Company had adjusted an amount of Rs 1,188.53 Lakhs of deferred tax assets (net) in the Securities Premium Account. However, during the current financial year, the Company has appropriately recognised the above amount in deferred tax in the Statement of Profit and Loss.

7. Other long-term liabilities

	Non-current portion		Current portion*	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Security deposits	5,261.17	3,045.96	-	-
Trade payables	1,058.30	1,984.33	463.02	-
	<u>6,319.47</u>	<u>5,030.29</u>	<u>463.02</u>	<u>-</u>

*Amount included under "Trade payables" (Total outstanding dues of creditors other than micro enterprises and small enterprises) (refer note 10)

Trade payables includes balance amount payable of Rs 463.02 Lakhs (previous year: Rs Nil) to Damodar Valley Corporation (DVC) as energy charges as per revised tariff for the period May 2010 to August 2013. Pending final directives of Hon'ble Supreme Court to DVC and confirmation from DVC of amount payable, no adjustment has been made in the books of account.

8. Provisions

	Long-term		Short-term	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits				
Gratuity (refer note 36)	747.51	394.21	22.45	11.70
Other provisions				
Provision for income tax [(net of advance income tax Rs 3,738.40 Lakhs) (previous year: Rs Nil)]	-	-	623.38	-
	<u>747.51</u>	<u>394.21</u>	<u>645.83</u>	<u>11.70</u>



9. Short-term borrowings

	As at 31 March 2018	As at 31 March 2017
Loans repayable on demand		
Secured		
From banks: Working capital borrowings		
Ruppee loan	10,075.34	7,977.60
Foreign currency loans	1,686.49	3,863.23
Unsecured		
From related parties (refer note 37)	108.12	180.11
From others	25.74	10.64
	<u>11,895.69</u>	<u>12,031.58</u>

Details of Security

- (i) Working capital borrowings from banks aggregating to **Rs 11,486.49 Lakhs** (previous year: Rs 9,295.11 Lakhs) are secured by (a) first charge on hypothecation of current asset of the Company both current and future on pari passu basis, (b) second charge over all fixed assets of the Company, (c) personal guarantees by Mr. Purushottam Beriwal, Mr. Ravi Beriwal, Mr. Lalit Beriwal and Mr. Govind Beriwal, the promoters of the Company and (d) Mr. Purushottam Beriwal, Mr. Ravi Beriwal, Mr. Lalit Beriwal, Mr. Govind Beriwal, Mr. Brijesh Beriwal, Mr. Manish Beriwal and Mr. Shyam Sunder Beriwal, the promoters of the Company have pledged 677,790 (previous year: 677,790) equity shares.
- (ii) Working capital borrowings from banks aggregating to **Rs 271.71 Lakhs** (previous year: Rs 2,541.46 Lakhs) are secured by (a) first charge on hypothecation of current asset of the Company both current and future on pari passu basis, (b) second charge over all fixed assets of the Company and (c) personal guarantees by the promoters of the Company.
- (iii) Working capital borrowings from banks aggregating to **Rs 3.63 Lakhs** (previous year: Rs 4.26 Lakhs) is secured by personal guarantee by Mr Lalit Beriwal, the promoter of the Company.
- (iv) Working capital borrowings facilities carry interest ranging between **8% to 10% per annum** (previous year: 8% to 10% per annum) computed on a monthly basis on the amount utilised and are repayable on demand.
- (v) Loans from related and other parties have been accepted from various parties. The same is unsecured and repayable at the end of the tenure of 12 months. The loan is renewed as decided both by the parties at the end of the loan period. The unsecured loan taken from others carries interest rate @ **9% per annum** (9% per annum).
- (vi) Loan from related parties includes an interest free short term borrowing taken from Mr. Purushottam Beriwal, a Whole-time Director, of **Rs 33.27 Lakhs** (previous year: Rs 83.16 Lakhs). The Company has repaid **Rs 60.09 Lakhs** (previous year: Rs 71.30 Lakhs) during the year and accordingly as at 31 March 2018, the amount payable is **Rs. 24.17 Lakhs** (previous year Rs.50.99 Lakhs). The Company has also availed interest free loan from related parties other than director of the Company.

10. Trade payables

	As at 31 March 2018	As at 31 March 2017
Total outstanding dues of micro enterprises and small enterprises (refer note 39)	136.90	87.37
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,696.63	3,733.28
	<u>5,833.53</u>	<u>3,820.65</u>

11. Other current liabilities

	As at 31 March 2018	As at 31 March 2017
Current maturities of long-term debts (refer note 5)	659.43	1,760.75
Interest accrued but not due on borrowings	184.76	87.82
Advance from customers	1,914.09	1,619.96
Liability for capital creditors	106.94	43.06
Employee benefits payable	669.17	407.05
Forward contracts payable (net)	42.57	355.14
Security deposits	78.90	351.28
Statutory liabilities (refer note below)	1,558.51	1,249.71
Dues to related parties (refer note 37)	67.55	22.58
Liability for expenses	2,266.96	629.20
Other payables	113.13	185.16
	<u>7,662.01</u>	<u>6,711.71</u>
Statutory liabilities comprises of:		
Tax deducted at source/Tax collected at source payable	263.83	255.16
Provident fund and Professional tax payable	86.89	165.87
Excise duty and Service tax payable	-	356.14
Goods and Services tax payable	625.81	-
Central sales tax and Value added tax payable	-	33.80
Others	581.98	438.74
	<u>1,558.51</u>	<u>1,249.71</u>



Shyam Steel Industries Limited
Notes to standalone financial statements for the year ended 31 March 2018 (Continued)

Amount in Rupees Lakhs

12. Property, plant and equipment

	Freehold Land	Leasehold Land	Buildings	Plant and equipment (including electrical installations)	Office equipments	Furniture and fixtures	Computers	Vehicles	Total
Gross block									
Balance as at 1 April 2016	212.83	100.00	4,399.82	18,240.92	241.33	402.72	223.83	742.62	24,564.07
Additions during the year	36.73	-	-	443.56	30.74	2.22	46.28	119.88	679.41
Disposals/ discard during the year	-	-	-	-	-	-	-	24.17	24.17
Other adjustments	-	-	-	-	-	-	-	-	-
- Borrowing costs	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2017	249.56	100.00	4,399.82	18,684.48	272.07	404.94	270.11	838.33	25,219.31
Balance as at 1 April 2017	249.56	100.00	4,399.82	18,684.48	272.07	404.94	270.11	838.33	25,219.31
Additions during the year	-	94.26	180.19	1,841.20	49.11	26.27	61.57	318.84	2,571.44
Disposals/ discard during the year	-	-	-	67.24	-	-	-	101.99	169.23
Other adjustments	-	-	-	-	-	-	-	-	-
- Borrowing costs	-	-	-	5.98	-	-	-	-	5.98
Balance as at 31 March 2018	249.56	194.26	4,580.01	20,464.42	321.18	431.21	331.68	1,055.18	27,627.50
Depreciation									
Balance as at 1 April 2016	-	16.67	908.07	8,610.43	179.12	255.52	196.45	251.05	10,417.31
Depreciation for the year	-	1.85	135.14	1,600.23	19.22	54.07	12.26	87.31	1,910.08
Accumulated depreciation on disposals/discard	-	-	-	-	-	-	-	20.68	20.68
Balance as at 31 March 2017	-	18.52	1,043.21	10,210.66	198.34	309.59	208.71	317.68	12,306.71
Balance as at 1 April 2017	-	18.52	1,043.21	10,210.66	198.34	309.59	208.71	317.68	12,306.71
Depreciation for the year	-	10.23	138.46	1,113.57	22.24	55.71	28.48	114.88	1,483.57
Accumulated depreciation on disposals/discard	-	-	-	61.23	-	-	-	87.43	148.66
Balance as at 31 March 2018	-	28.75	1,181.67	11,263.00	220.58	365.30	237.19	345.13	13,641.62
Net block									
As at 31 March 2017	249.56	81.48	3,356.61	8,473.82	73.73	95.35	61.40	520.65	12,912.60
As at 31 March 2018	249.56	165.51	3,398.34	9,201.42	100.60	65.91	94.49	710.05	13,985.88

1) Leasehold land includes 142.12 acres of Leasehold land of Rs 94.26 lakhs ;previous year: Rs Nil) not in possession of the Company and possession is under dispute.

2) Buildings includes gross block of Rs 3,941.41 Lakhs (previous year: Rs 3,322.80 Lakhs) situated on leasehold land at Angadpur, Durgapur.



13. Intangible assets

	As at 31 March 2018	As at 31 March 2017
Computer software		
Gross block		
Balance as at beginning of the year	166.79	166.14
Additions during the year	51.00	0.65
Balance as at end of the year	<u>217.79</u>	<u>166.79</u>
Amortisation		
Balance as at beginning of the year	161.58	159.58
Amortisation for the year	1.72	2.00
Balance as at end of the year	<u>163.30</u>	<u>161.58</u>
Net block as at end of the year	<u>54.49</u>	<u>5.21</u>

14. Capital work-in-progress

	As at 31 March 2018	As at 31 March 2017
Balance as at beginning of the year	1,334.75	229.55
Additions during the year	1,755.61	1,215.58
Capitalised during the year	<u>(1,763.61)</u>	<u>(110.38)</u>
Balance as at end of the year	<u>1,326.75</u>	<u>1,334.75</u>

15. Non-current investments

(Valued at cost unless stated otherwise)

	As at 31 March 2018	As at 31 March 2017
Trade investments - unquoted		
Investment in Equity Instruments		
5,034,400 (previous year: 5,034,400) equity share of Shyamsteel Energy Private Limited, a wholly owned subsidiary (face value - Rs 10 each, fully paid up)	503.44	503.44
42,000 (previous year: 42,000) equity share of Shyam Mining Private Limited, a subsidiary (face value - Rs 10 each, fully paid up)	4.20	4.20
	<u>507.64</u>	<u>507.64</u>
Investment in debentures		
9,354,000 (previous year: 9,233,000) 0% Optionally Fully Convertible Debentures of Shyamsteel Energy Private Limited, a wholly owned subsidiary (face value - Rs 100 each, fully paid up)	9,354.00	9,233.00
1,000,000 (previous year: 1,000,000) 1% Fully Convertible Debentures of Shyam Steel Manufacturing Limited (erstwhile Sova Ispat Limited), a subsidiary (face value - Rs 100 each, fully paid up)	1,000.00	1,000.00
	<u>10,354.00</u>	<u>10,233.00</u>
Other non-current investments		
Investment in Government securities		
5 Year National Savings Certificates of Rs 10,000 each	0.50	0.50
	<u>10,862.14</u>	<u>10,741.14</u>
Aggregate book value of unquoted non-current investments	10,862.14	10,741.14

16. Long-term loans and advances

(unsecured, considered good)

	As at 31 March 2018	As at 31 March 2017
To parties other than related parties		
Capital advances	220.64	189.88
Security and other deposits	148.81	67.44
Deposits against demand in disputes	115.22	-
Advance income tax [net of provision for income tax Rs 3,324.19 Lakhs] (previous year: Rs 4,743.14 Lakhs)]	759.71	961.36
MAT credit entitlement	-	817.47
Prepaid expenses	25.25	1.55
	<u>1,269.63</u>	<u>2,037.70</u>
To related parties		
Security and other deposits (refer note 37)	433.20	125.00
	<u>1,702.83</u>	<u>2,162.70</u>



17. Other non-current assets

	As at 31 March 2018	As at 31 March 2017
Bank deposits due to mature after 12 months from the reporting date (refer note 21) *	9.71	4.78
Interest accrued on bank deposits	0.45	0.46
	<u>10.16</u>	<u>5.24</u>

* Held as margin money against bank guarantees, letter of credits etc.

18. Current investments

	As at 31 March 2018	As at 31 March 2017
Investment in bonds- quoted		
Housing & Urban Development Corporation Ltd- Tranche II Nil (previous year: 18,950) unit of 7.39% Tax Free Secured Redeemable Non-Convertible Bonds in the nature of Debenture Series (15 March 2031) of Rs 1,000 each, fully paid	-	193.14
India Infrastructure Finance Company Ltd Nil (previous year: 9,620) unit of 7.36% Tax Free Secured Redeemable Non-Convertible Bonds in the nature of Debenture Series (22 January 2028) of Rs 1,000 each, fully paid	-	104.55
Power Finance Company Limited Nil (previous year: 19,247) unit of 7.27% Tax Free Secured Redeemable Non-Convertible Bonds in the nature of Debenture Series (17 October 2030) of Rs 1,000 each, fully paid	-	210.76
Nil (previous year: 3,800) unit of 8.67% Tax Free Secured Redeemable Non-Convertible Bonds in the nature of Debenture Series (16 November 2033) of Rs 1,000 each, fully paid	-	46.86
	-	<u>555.31</u>
Investment in debentures - unquoted		
600,000 (previous year: Nil) units of 9% Non Convertible Debentures in Shyamsree Infrastructure Private Limited (face value - Rs 100 each, fully paid up)	600.00	-
	<u>600.00</u>	-
Investments in mutual funds - quoted		
5,500,000 (previous year: Nil) units of Kotak Fixed Maturity Plan series 221-1140 days of Rs 10 each	550.00	-
5,500,000 (previous year: Nil) units of ICICI Fixed Maturity Plan 82-1135 PLAN U of Rs 10 each	550.00	-
3,500,000 (previous year: Nil) units of ICICI Fixed Maturity Plan 82-1170 PLAN R of Rs 10 each	350.00	-
5,500,000 (previous year: Nil) units of Reliance Fixed Horizon Fund-XXXVI-Series 8 of Rs 10 each	550.00	-
3,500,000 (previous year: Nil) units of Reliance Fixed Horizon Fund-XXXVI-Series 9 of Rs 10 each	350.00	-
5,500,000 (previous year: Nil) units of UTI Fixed Term Income Fund Series XXVIII-XIII of Rs 10 each	550.00	-
	<u>2,900.00</u>	-
	<u>3,500.00</u>	<u>555.31</u>
Quoted current investments		
Aggregate book value	2,900.00	555.31
Aggregate market value	2,906.48	570.93
Aggregate book value of unquoted current investments	600.00	-
Aggregate of write-down of current investments	-	6.35

19. Inventories

(Valued at the lower of cost and net realisable value)

	As at 31 March 2018	As at 31 March 2017
Raw materials [including goods-in-transit Rs 811.17 Lakhs (previous year: Rs Nil)]	7,598.40	4,322.48
Work-in-progress	962.25	1,618.61
Finished goods [including goods-in-transit Rs 1,069.64 Lakhs (previous year: Rs 99.26 Lakhs)]	2,866.41	1,191.33
Stock-in-trade [including goods-in-transit Rs 259.70 Lakhs (previous year: Rs Nil)]	415.43	1.11
Stores and spares [including goods-in-transit Rs 4.13 Lakhs (previous year: Rs Nil)]	1,495.84	1,119.90
	<u>13,338.33</u>	<u>8,253.43</u>



20. Trade receivables	As at 31 March 2018	As at 31 March 2017
Receivables outstanding for a period exceeding six months from the date they became due for payment		
(a) Secured, considered good	52.99	19.25
(b) Unsecured, considered good	592.07	560.47
(c) Doubtful	25.34	13.56
	<u>670.40</u>	<u>593.28</u>
Less: Provision for doubtful trade receivables	<u>25.34</u>	<u>13.56</u>
	<u>645.06</u>	<u>579.72</u>
Other receivables		
(a) Secured, considered good	4,345.62	1,930.26
(b) Unsecured, considered good	14,435.94	8,514.75
	<u>18,781.56</u>	<u>10,445.01</u>
	<u>19,426.62</u>	<u>11,024.73</u>
21. Cash and bank balances		
	As at 31 March 2018	As at 31 March 2017
Cash and cash equivalents		
- Cash on hand	52.29	20.38
- Balances with banks		
On current accounts	<u>310.12</u>	<u>236.94</u>
	<u>362.41</u>	<u>257.32</u>
Other bank balances		
- Bank deposits due to mature within 12 months of the reporting date	<u>512.14</u>	<u>552.10</u>
	<u>874.55</u>	<u>809.42</u>
Details of bank balances/deposits		
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	310.12	236.94
Bank deposits due to mature after 3 months of original maturity but within 12 months of the reporting date included under 'Other bank balances'*	512.14	552.10
Bank deposits due to mature after 12 months of the reporting date included under 'Other non-current assets' (refer note 17)*	9.71	4.78
	<u>831.97</u>	<u>793.82</u>
* Held as margin money against bank guarantees, letter of credits etc.		
22. Short-term loans and advances (Unsecured, considered good)		
	As at 31 March 2018	As at 31 March 2017
To parties other than related parties		
Security and others deposits	583.88	594.86
Advance for supply of goods and services	742.63	3,730.12
Balances with government authorities	106.22	633.28
Prepaid expenses	212.45	10.26
Other receivables	149.22	22.01
	<u>1,794.40</u>	<u>4,990.53</u>
To related parties		
Advance for supply of goods and services	-	2,834.47
Security and others deposits	81.80	-
Other receivables	13.29	1.44
	<u>95.09</u>	<u>2,835.91</u>
	<u>1,889.49</u>	<u>7,826.44</u>
23. Other current assets (Unsecured, considered good)		
	As at 31 March 2018	As at 31 March 2017
Interest accrued on current investments	36.40	13.04
Interest accrued on bank deposits	4.93	17.24
Interest receivable from customers	-	13.00
Government grants receivable	681.78	421.22
Export incentive receivable	65.60	36.51
Claims and refunds receivable	31.02	81.44
Unamortised premium on forward contracts	21.63	72.38
	<u>841.36</u>	<u>654.83</u>



24. Revenue from operations

	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of products		
- Finished goods (Manufactured goods)	152,956.09	112,500.37
- Stock-in-trade (For trading)	5,711.95	195.84
Sale of products (gross)	158,668.04	112,696.21
Less: Excise duty	3,837.59	12,283.06
Sale of products (net)	154,830.45	100,413.15
Sale of services		
Commission and supervision charges	-	951.18
Other operating revenues		
Government grants (refer note 45)	1,518.02	-
Export incentive	27.92	25.56
Sale of scrap	974.10	208.79
	2,520.04	234.35
	157,350.49	101,598.68

Upto 30 June 2017, Revenue from operations was gross of excise duty. Effective 1 July 2017, revenue from operations are disclosed net of Goods and Services Tax. Accordingly, the figures for the current year is not comparable with the previous year.

Break-up of revenue from sale of products

Finished goods (Manufactured goods)		
Hot rolled steel products	147,047.93	105,392.88
Billet	5,224.34	6,637.62
Others	683.82	469.87
	152,956.09	112,500.37
Stock-in trade (For trading)		
Hot rolled steel products	5,028.30	102.84
Others	683.65	93.00
	5,711.95	195.84

25. Other income

	For the year ended 31 March 2018	For the year ended 31 March 2017
From related parties		
Interest income on		
- 1% Fully Convertible Debentures in Shyam Steel Manufacturing Limited	10.00	10.00
- 9% Non Convertible Debentures in Shyamsree Infrastructure Private Limited	13.56	-
- Others (from loan)	93.24	-
From others		
Interest income on		
- Current investments	141.69	81.42
- Bank deposits	30.92	28.84
- From customers	520.97	302.23
- Others	17.59	23.33
Profit on sale of current investments (net)	-	0.49
Profit on sale of property, plant and equipment (net)	28.74	-
Foreign exchange gain (net)	11.38	-
Liabilities no longer required written back	45.46	25.70
Others	162.60	17.37
	1,076.15	489.38



26. Cost of materials consumed

	For the year ended 31 March 2018	For the year ended 31 March 2017
Inventory of raw materials at the beginning of the year	4,322.48	2,926.94
Purchases	106,169.25	70,493.55
Inventory of raw materials at the end of the year	(7,598.40)	(4,322.48)
	<u>102,893.33</u>	<u>69,098.01</u>

Break-up of cost of raw materials consumed

Sponge iron/ Pig iron and scrap	63,677.93	42,465.78
Ingot/ Billet	20,457.73	13,983.36
Iron ore/ Iron ore pellets	5,867.72	4,791.05
Coal	5,220.86	3,843.42
Silico manganese	3,560.34	2,429.66
Others *	4,108.75	1,584.74
	<u>102,893.33</u>	<u>69,098.01</u>

Break-up of inventory of raw materials

Sponge iron/ Pig iron and scrap	2,185.62	2,286.18
Ingot/ Billet	342.45	106.68
Iron ore/ Iron ore pellets	2,229.54	736.77
Coal	2,477.14	1,079.12
Silico manganese	165.81	46.55
Others *	197.84	67.18
	<u>7,598.40</u>	<u>4,322.48</u>

* Consists of various items each of whose value is less than 10% of total value of raw materials

27. Purchase of stock-in-trade

	For the year ended 31 March 2018	For the year ended 31 March 2018
Hot rolled steel products	4,425.89	94.22
Others *	715.06	80.63
	<u>5,140.95</u>	<u>174.85</u>

* Consists of various items each of whose value is less than 10% of total value of stock-in-trade

28. Changes in inventories of finished goods, work-in-progress and stock-in-trade

	For the year ended 31 March 2018	For the year ended 31 March 2017
Opening inventory		
Finished goods	1,191.33	892.69
Work-in-progress	1,618.61	323.22
Stock-in-trade	1.11	1.11
	<u>2,811.05</u>	<u>1,217.02</u>
Closing inventory		
Finished goods	2,866.41	1,191.33
Work-in-progress	962.25	1,618.61
Stock-in-trade	415.43	1.11
	<u>4,244.09</u>	<u>2,811.05</u>
	<u>(1,433.04)</u>	<u>(1,594.03)</u>

29. Employee benefits expense

	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and bonus	6,625.82	3,748.11
Contribution to provident and other funds (refer note 36)	705.20	362.35
Staff welfare expenses	55.23	40.41
	<u>7,386.25</u>	<u>4,150.87</u>



30. Finance costs	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest expenses		
- Bank	1,270.77	1,023.96
- Others	774.48	495.11
Net loss on foreign currency transactions and translation to the extent regarded as adjustment to borrowings costs	62.26	11.91
Other borrowing costs	233.88	335.79
	<u>2,341.39</u>	<u>1,866.77</u>

31. Other expenses	For the year ended 31 March 2018	For the year ended 31 March 2017
Consumption of stores and spares*	2,452.66	1,723.75
Excise duty related to (decrease)/ increase in inventory	(295.90)	168.69
Power and fuel	13,528.63	11,596.82
Outsourced manpower cost	1,251.90	548.41
Freight and delivery expenses (net)	145.61	590.58
Rent (refer note 34)	280.41	82.45
Repairs to		
- Buildings	193.25	47.53
- Plant and machinery	457.89	358.01
- Others	238.45	142.97
Insurance	93.64	63.89
Rates and taxes	795.27	139.58
Legal and professional fees	297.17	112.79
Travelling and conveyance	504.68	253.41
Payment to auditors' [refer note (a) below]	31.09	22.49
Brokerage and commission	937.00	464.50
Rebates and discounts	466.02	385.64
Advertisement and sales promotion	6,332.71	4,245.69
Provision for doubtful trade receivable	11.78	-
Bad debt	360.46	125.97
Advances written off	13.88	119.12
Foreign exchange loss (net)	-	9.90
Loss on sale of investment (net)	36.29	6.35
Less: Adjusted with provision for diminution in the value of current investment	<u>6.35</u>	-
Loss on sale of property, plant and equipment (net)	-	1.03
Donations	701.85	68.99
Corporate social responsibility [refer note (b) below]	69.77	41.45
Miscellaneous expenses	239.15	238.32
	<u>29,137.31</u>	<u>21,558.33</u>

* excludes stores and spares consumed and included under the heads "Repairs" Rs 576.13 Lakhs (previous year: Rs 434.28 Lakhs)

(a) Payment to auditors'		
As auditors'		
- Statutory audit	25.00	14.60
- Tax audit	-	3.65
In other capacity		
- Other services	6.09	3.90
Reimbursement of expenses	-	0.34
	<u>31.09</u>	<u>22.49</u>

(b) Contribution towards Corporate social responsibility expenses

The Company has spent Rs. 69.77 Lakhs (previous year: Rs. 41.45 Lakhs) towards various schemes of Corporate Social Responsibility as prescribed under Section 135 of the Companies Act, 2013. The details are:

(1) Gross amount required to be spent by the Company during the year

	For the year ended 31 March 2018		For the year ended 31 March 2017	
	In cash	Yet to be paid in cash	In cash	Yet to be paid in cash
(2) Amount spent during the year on:				
(i) Construction / acquisition of any asset	21.53	-	18.00	-
(ii) On purpose other than (i) above	48.24	-	23.45	-
	<u>69.77</u>	-	<u>41.45</u>	-



32. Earnings per share (EPS)

Basic and diluted earnings per share	For the year ended 31 March 2018	For the year ended 31 March 2017
Earnings		
Profit after tax	9,572.76	3,868.58
Net Profit attributable to equity shareholders for calculation of basic and diluted EPS	9,572.76	3,868.58
Shares		
Number of equity shares at the beginning of the year	6,200,000	6,500,000
Number of equity shares at the end of the year	6,200,000	6,200,000
Weighted average number of equity shares outstanding during the year for calculation of basic and diluted EPS (in numbers)	6,200,000	6,499,178
Basic and diluted earning per share (in Rs)	154.40	59.52
Nominal value of equity share (in Rs)	10.00	10.00

33. Contingent liabilities and commitments

(to the extent not provided for)

Contingent liabilities

	As at 31 March 2018	As at 31 March 2017
(a) Claims against the Company not acknowledged as debts:		
(i) Excise duty matters in dispute/ under appeal	628.60	-
(ii) Sales tax matters in dispute/ under appeal	8.80	-
(iii) Others	4.92	-
(b) Corporate guarantee given to banks for loans taken by a subsidiary	7,841.89	11,919.61

Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for [(net of capital advances Rs 220.64 Lakhs (previous year: Rs 189.88 Lakhs)]	740.00	391.63
--	--------	--------

34. Leases

The Company has taken various facilities under cancellable operating leases. These lease agreements are normally renewed on expiry. Lease payments recognised in Statement of Profit and Loss with respect to operating leases Rs 280.41 Lakhs (previous year: Rs 82.45 Lakhs) included under "Rent" under "Other expenses" (refer note 31).

The Company has taken a factory facilities under non-cancellable operating leases, the future minimum lease payments in respect of which are as follows:

	For the year ended 31 March 2018	For the year ended 31 March 2017
Not later than one year	180.00	-
Later than one year and not later than five years	225.00	-

35. Segment information

The Company's sole business segment is 'manufacturing and trading of iron and steel products' and the principal geographical segment is India. The Company considers business segment as the primary segment and geographical segment based on location of customer as secondary segment. Since the Company has a single business segment and a single geographical segment, disclosure pertaining to primary and secondary segments as per Accounting Standard 17 - "Segment Reporting" have not been presented.



36. Employee benefits: Post employment benefit plans

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident fund aggregates to **Rs 438.46 Lakhs** (previous year: Rs 248.57 Lakhs).

The Company contributes its Employee State Insurance (ESI) contribution with Employees' State Insurance Corporation (ESIC) maintained by Government agencies. Contributions made by the Company for ESI is based on the current salaries. In the ESI scheme, contributions are also made by the employees. The annual contribution amount of **Rs 103.83 Lakhs** (previous year: Rs 60.11 Lakhs) has been charged to the Statement of Profit and Loss in relation to the above defined contribution scheme.

Defined benefit plan

Retirement benefits in the form of gratuity is considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service at the retirement/exit. As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation.

The following table summarises the position of assets and obligations relating to the gratuity plan:

	31 March 2018	31 March 2017
Net Asset / (liability) recognised in Balance Sheet as at the year end		
Fair value of plan assets	769.96	405.91
Present value of obligations	<u>(769.96)</u>	<u>(405.91)</u>
Asset/(liability) recognised in balance sheet		
Classification into current / non-current		
Current portion	22.45	11.70
Non-current portion	<u>747.51</u>	<u>394.21</u>
	<u>769.96</u>	<u>405.91</u>
Movement in present values of defined benefit obligations		
Defined benefit obligation at 1 April	405.91	234.03
Current service cost	93.84	73.40
Interest cost	30.22	18.24
Past service cost	30.63	-
Benefits paid	(6.54)	(15.24)
Actuarial (gains) / losses	<u>215.90</u>	<u>95.48</u>
Defined benefit obligation at 31 March	<u>769.96</u>	<u>405.91</u>
Expense recognised in Statement of Profit and Loss		
Current service cost	93.84	73.40
Past service cost	30.63	-
Interest on obligation	30.22	18.24
Net actuarial (gain)/ loss recognised in the year	<u>215.90</u>	<u>95.48</u>
Total included in 'Employee benefits expense' (refer note 29)	<u>370.59</u>	<u>187.12</u>
Principal actuarial assumptions		
Discount rate as at 31 March	7.60%	7.45%
Future salary increases	10.00%	7.00%
Withdrawal rate		
Up to 44 years	2.00%	2.00%
Above to 44 years	1.00%	1.00%
Mortality rates	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

The estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

The discount rate indicated above reflects the estimated timing and currency of benefit payments. The rate is based on the prevailing market yield on Indian government bonds at the valuation date for the expected term of the obligation.

Assumptions regarding future mortality are based on published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions.

Five-year information

Amounts for the current and previous four years are as follows:

	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
Present value of defined benefit obligation	769.96	405.91	234.03	137.60	143.86
Fair value of plan assets	-	-	-	-	-
(Surplus) / deficit in the plan	-	-	-	-	-
Experience adjustments arising on plan liabilities [(gain)/ loss]	(35.95)	75.16	53.62	-	-
Experience adjustments arising on plan assets [(gain)/ loss]	-	-	-	-	-



37. Related party disclosures

(i) Names of the related parties where control exists

Subsidiaries

Shyamsteel Energy Private Limited
Shyam Steel Manufacturing Limited (formerly Sova Ispat Limited)

Vaikuntha Tradecom Private Limited
Shyam Mining Private Limited

Nature of relationship

Wholly owned subsidiary (WoS)
Subsidiary of Shyamsteel Energy Private Limited
(WoS with effect from 3 May 2017)
WoS of Shyam Steel Manufacturing Limited
Subsidiary of Shyam Steel Manufacturing Limited
(80% owned by Shyam Steel Manufacturing Limited and
20% owned by the Company)

(ii) Names of the other related parties with whom transactions have taken place during the year and previous year

(a) **Key Managerial Personnel**

Mr. Purushottam Beriwal
Mr. Nikunj Beriwal
Mr. Deepak Chowdhary
Mr. Govind Beriwal

Whole-time Director
Whole-time Director
Whole-time Director
Whole-time Director (appointed with effect from 1 April 2018)

(b) **Relatives of Key Managerial Personnel**

Mr. Shriram Beriwal
Mrs. Bina Beriwal
Mr. Siddharth Beriwal
Mr. Govind Beriwal
Mr. Suket Beriwal
Mr. Shyam Sundar Beriwal
Mr. Manish Beriwal
Mr. Ravi Beriwal
Mr. Raghav Beriwal
Mr. Lalit Beriwal
Ms. Megha Beriwal
Ms. Vrinda Beriwal

Father of Mr. Purushottam Beriwal
Wife of Mr. Purushottam Beriwal
Son of Mr. Purushottam Beriwal
Brother of Mr. Purushottam Beriwal
Son of Mr. Govind Beriwal
Brother of Mr. Shriram Beriwal
Son of Mr. Shyam Sundar Beriwal
Son of Mr. Shyam Sundar Beriwal
Son of Mr. Ravi Beriwal
Son of Mr. Shyam Sundar Beriwal
Daughter of Mr. Lalit Beriwal
Daughter of Mr. Lalit Beriwal

(c) **Enterprises owned or significantly influenced by the Key Managerial Personnel or their relatives**

DFN Chemicals & Coatings Private Limited
Konark Hirise Private Limited
Lakeview Builders Private Limited
Octagon BPO Private Limited
Shyam Analytical Labs Private Limited
Shyam Kutir Private Limited
Shyam Technical Services Private Limited
Shyamshree Enclave Private Limited
Shyamshree Niketan Private Limited
Shyamsree Developers Private Limited
Shyamsree Food Processing Private Limited
Shyamsree Infrastructure Private Limited
Shyamsree Mansion Private Limited
Shyamsteel Power Private Limited
Swastika Mansion Private Limited
Unnati Nirman Private Limited
Vanlita Consultants Private Limited
Vasudeo Enclave Private Limited
Yashashvi Securities Private Limited
GB Resorts LLP
Gunina Tie-Up LLP
Shree Nivas Buildstates LLP
SSB Estates LLP
Shyam Ispat Udyog
Beriwala Seva Trust



37. Related party disclosures (Continued)

(iii) Transactions with related parties during the current year and previous year

Name of the related party	Nature of transaction	For the year ended 31 March 2018	For the year ended 31 March 2017
Shyam Steel Manufacturing Limited	Purchase of raw materials	16,574.07	12,975.60
	Sale of finished goods	518.66	44.04
	Loan given	2,585.00	-
	Loan repaid	2,585.00	-
	Interest received	103.24	10.00
Shyamsteel Energy Private Limited	Investment in Debentures	121.00	-
	Purchase of Investments	1,100.55	-
Shyam Mining Private Limited	Sale of Investments	2.42	15.88
Mr. Purushottam Beriwal	Remuneration	318.66	106.50
	Loan taken	33.27	83.16
	Loan repaid	60.09	71.30
Mr. Nikunj Beriwal	Remuneration	29.52	27.56
	Remuneration	19.83	13.99
Mr. Deepak Chowdhary	Remuneration	318.66	100.17
Mr. Siddharth Beriwal	Remuneration	318.66	106.50
Mr. Govind Beriwal	Loan taken	27.05	73.19
	Loan repaid	45.19	69.18
Mr. Manish Beriwal	Remuneration	439.44	106.50
Mr. Ravi Beriwal	Remuneration	-	106.50
	Loan taken	58.31	72.08
	Loan repaid	90.52	82.87
Mr. Raghav Beriwal	Remuneration	219.84	100.17
Mr. Suket Beriwal	Remuneration	318.66	96.87
Ms. Megha Beriwal	Remuneration	9.00	5.25
Mr. Lalit Beriwal	Loan taken	23.91	117.45
	Loan repaid	28.28	145.14
Shree Nivas Buildestates LLP	Rent paid	18.00	9.00
Vasudeo Enclave Private Limited	Rent paid	8.70	1.20
DIN Chemicals & Coatings Private Limited	Rent paid	9.02	9.08
	Reimbursement of expense	5.57	2.79
SSB Estates LLP	Rent paid	18.00	9.00
GB Resorts LLP	Rent paid	18.00	9.00
Gunima Tie-Up LLP	Rent paid	18.00	9.00
Mr. Shriram Beriwal	Rent paid	-	0.68
Mr. Shyam Sundar Beriwal	Rent paid	-	0.52
Shyam Technical Services Private Limited	Technical services received	30.23	-
Octagon BPO Private Limited	Security deposit given	390.00	-
Shyamshree Mansion Private Limited	Sale of Investments	2.77	0.45
Unnati Nirman Private Limited	Sale of Investments	11.49	6.50
Konark Hirise Private Limited	Sale of Investments	3.46	2.47
Lakeview Builders Private Limited	Sale of Investments	2.54	2.47
Shyam Analytical Labs Private Limited	Sale of Investments	3.69	7.95
Shyam Kutir Private Limited	Sale of Investments	5.94	-
Shyamshree Enclave Private Limited	Sale of Investments	2.19	2.13
Shyamshree Niketan Private Limited	Sale of Investments	3.00	2.24
Shyamsree Food Processing Private Limited	Sale of Investments	770.65	1,203.52
	Purchase of Investments	-	269.90
Shyamsree Infrastructure Private Limited	Investment in Debentures	600.00	-
	Interest received	13.56	-
Shyamsteel Power Private Limited	Sale of Investments	1.56	-
Swastika Mansion Private Limited	Sale of Investments	4.96	1.46
Vrinda Beriwal	Sale of Investments	24.05	-
Vanlila Consultants Private Limited	Loan taken	382.75	474.15
	Loan repaid	397.19	577.45
Yashashvi Securities Private Limited	Loan taken	87.75	362.37
	Loan repaid	63.75	392.60
Shyam Ispat Udyog	Sale of finished goods	472.64	206.64
	Purchase of raw materials	17.44	59.24
Shyamsree Developers Private Limited	Reimbursement of expense	2.44	-
	Donation	700.00	65.00
Beriwal Seva Trust	Corporate social responsibility	69.77	36.45



37. Related party disclosures (Continued)

(iv) Balances at the year end

Name of the related party	Nature of transaction	As at	As at
		31 March 2018	31 March 2017
Shyamsteel Energy Private Limited	Investment in Debentures	9,354.00	9,233.00
Shyam Steel Manufacturing Limited	Investment in Debentures	1,000.00	1,000.00
	Advance for supply of goods and services	-	2,834.47
	Corporate guarantee given	7,841.89	11,919.61
Octagon BPO Private Limited	Security and other deposits	390.00	-
DIN Chemicals & Coatings Private Limited	Security and other deposits	125.00	125.00
	Other receivable	1.08	1.44
Shyam Ispat Udyog	Trade receivable	349.46	118.07
Mr. Purushottam Beriwal	Short-term borrowings	24.17	50.99
	Remuneration payable	11.60	4.57
Mr. Nikunj Beriwal	Remuneration payable	1.32	1.32
Mr. Deepak Chowdhary	Remuneration payable	1.40	1.10
Mr. Manish Beriwal	Remuneration payable	15.17	3.10
Ms. Megha Beriwal	Remuneration payable	-	0.68
Mr. Raghav Beriwal	Remuneration payable	6.36	1.54
Mr. Suket Beriwal	Remuneration payable	9.62	0.43
Mr. Lalit Beriwal	Short-term borrowings	-	4.37
Mr. Ravi Beriwal	Remuneration payable	-	4.43
	Short-term borrowings	5.93	38.14
Mr. Govind Beriwal	Remuneration payable	11.52	4.57
	Short-term borrowings	-	18.14
Mr. Siddharth Beriwal	Remuneration payable	10.56	0.84
Yashashvi Securities Private Limited	Short-term borrowings	37.81	13.81
Shyamsree Infrastructure Private Limited	Investment in Debentures	600.00	-
	Other receivable	12.21	-
Vanilla Consultants Private Limited	Short-term borrowings	40.21	54.66

38. Disclosure under Section 186 (4) of the Companies Act, 2013

- (i) Details of loan: Loan given to M/s Shyam Steel Manufacturing Limited, (a wholly owned subsidiary of the Company) for business purpose @ 9% interest rate p.a. which has been given and repaid during the year.
- (ii) Details of investments: The details of Investments as required under Section 186(4) of the Companies Act, 2013 have been disclosed in note 15 and note 18.
- (iii) Details of Corporate guarantee/ stand by letter of credit given by the Company to Shyam Steel Manufacturing Limited is as below:

Date of undertaking	Purpose	As at	As at
		31 March 2018	31 March 2017
28 July 2015	Long term loan facilities (Fund based)	528.00	662.40
28 September 2016	Long term loan facilities (Fund based)	295.17	694.00
3 March 2017	Long term loan facilities (Fund based)	1,939.54	2,861.75
28 September 2016	Short term loan facilities (Fund based)	445.65	2,513.68
3 March 2017	Short term loan facilities (Fund based)	2,770.53	2,792.99
28 September 2016	Short term facilities (Non fund based)	465.00	2,098.79
3 March 2017	Short term facilities (Non fund based)	1,398.00	296.00

39. Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and small enterprises are as below:

	As at	As at
	31 March 2018	31 March 2017
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
- Principal	136.90	87.37
- Interest	-	-
(ii) the amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under MSMED Act, 2006.	-	-



40. Derivative instruments

The Company uses forward exchange contracts to hedge its exposure in foreign currency. The information on derivative instruments is as follows:

	As at 31 March 2018		As at 31 March 2017	
	Amount (in original currency)	Amount	Amount (in original currency)	Amount
Amount payable (USD)	53.23	3,502.72	96.76	6,347.27

41. Value of imports on CIF basis

	For the year ended 31 March 2018	For the year ended 31 March 2017
Raw materials	3,843.12	3,612.19
Stock-in trade	563.01	-
Stores and spares	94.75	61.81
	<u>4,500.88</u>	<u>3,674.00</u>

42. Expenditure in foreign currency

	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest expenses	123.58	122.81
Travelling expenses	28.66	-
Others	-	18.73
	<u>152.24</u>	<u>141.54</u>

43. Earnings in foreign currency

	For the year ended 31 March 2018	For the year ended 31 March 2017
F.O.B. value of exports	646.81	1,331.22
	<u>646.81</u>	<u>1,331.22</u>

44. Details of imported and indigenous raw materials, stores and spares consumed

	For the year ended 31 March 2018		For the year ended 31 March 2017	
	Amount	% of total consumption	Amount	% of total consumption
Raw materials				
Imported	4,237.35	4%	3,737.66	5%
Indigenous	98,655.98	96%	65,360.35	95%
	<u>102,893.33</u>	<u>100%</u>	<u>69,098.01</u>	<u>100%</u>
Stores and spares				
Imported	87.77	3%	40.36	2%
Indigenous	2,941.02	97%	2,117.67	98%
	<u>3,028.79</u>	<u>100%</u>	<u>2,158.03</u>	<u>100%</u>

45. During the earlier years, the Company had recognised an amount of Rs 1,257.48 Lakhs received/receivable from West Bengal Industrial Development Corporation Limited (WBIDCL) as government grant towards Industrial Promotion Assistance (IPA) under the head "Capital Reserve". However, during the current financial year, the Company has appropriately recognised the same as "Other operating revenues" in accordance with the requirements of Accounting Standard on "Accounting for Government Grants" (AS-12).

46. The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31 March 2018. Corresponding amounts as appearing in the audited standalone financial statements for the period ended 31 March 2017 have been disclosed as below:

Particulars	Specified Bank Notes*	Other Denomination Notes	Total
Closing cash in hand as on 8 November 2016	70.00	4.71	74.71
Add: Permitted receipts	-	25.84	25.84
Less: Permitted payments	-	13.41	13.41
Less: Amount deposited in banks	70.00	-	70.00
Closing cash in hand as on 30 December 2016	-	17.14	17.14

* For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, department of Economic Affairs numbers 3407(E), dated 8 November 2016.



47. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulations under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documents for the transactions entered into with the associated enterprises during the financial year. The management is of the opinion that its transactions are at arm's length so that the aforesaid legislation will not have any impact on the standalone financial statements, particularly on the amount of tax expense for the year and that of provision for taxation.
48. The standalone financial statements of the previous year were audited by a firm of chartered accountants other than B S R & Co. LLP.
49. Certain amounts reported in the Standalone Balance Sheet as at 31 March 2017 and Standalone Statement of Profit and Loss for the year ended 31 March 2017, require regrouping to conform to the current year's classification. The following table shows the amounts reported in the standalone financial statement for the year ended 31 March 2017 and how these amount would have appeared in the standalone financial statement for the year ended 31 March 2017 if the current year's grouping / reclassification were applied:

	31 March 2017 (as per grouping of 31 March 2018)	31 March 2017 (as per audited grouping of 31 March 2017)
(i) Note 11: Other current liabilities		
Security deposits	351.28	
Statutory liabilities	437.47	
Liability for expenses	629.20	
Note 6: Other long-term liabilities		
Security deposits (unsecured)		351.28
Note 9: Trade payables		
Trade payables for goods and services - Others		1,066.67
(ii) Note 22: Short term loans and advances		
Security and others deposits	594.86	
Advance for supply of goods and services	3,730.12	
Other receivables - To related parties	1.44	
Note 18: Trade Receivable		
Others - Unsecured, considered good		1.44
Note 20: Short-term loans and advances		
Commercial advances and deposits		4,324.98
(iii) Note 25: Other income		
Others	15.45	
Note 22: Revenue from operations		
Other operating revenues - Others		15.45

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No. 055757



For and on behalf of the Board of Directors of
Shyam Steel Industries Limited
CIN: U27100WB2002PLC094339

Govind Beriwal
Whole-time Director
DIN: 00006100

Tony Paul
Company Secretary

Nikunj Beriwal
Whole-time Director
DIN: 00529975

Place: Kolkata
Date: 29 September 2018

Place: Kolkata
Date: 29 September 2018

