

ANNUAL REPORT 14|15



Impex Ferro Tech Limited

Corporate Information

Board of Directors

Mr. Suresh Kumar Patni	Chairman cum Managing Director
Mr. Satish Kumar Singh	Executive Director
Mrs. Sujata Agarwal	Independent/Non-Executive Director
Mr. Nanda Samai	Independent/Non-Executive Director
Mr. Rohit Jain	Independent/Non-Executive Director
Mr. Ramesh Seemakurti (appointed w.e.f. 22.08.2015)	Non-Executive Director

Chief Financial Officer

Mr. Sanjeet Kumar Gupta

Company Secretary

Ms. Richa Agarwal

Statutory Auditors

M/s. R. Kothari & Company
Chartered Accountants
16A, Shakespeare Sarani
Kolkata - 700 071

Internal Auditors

M/s NR & Associates
Cost Accountants
16A, Shakespeare Sarani, 5th Floor
Kolkata - 700 071

Cost Auditor

M/s. A.J.S & Associates
Cost Accountants
65B, S.P. Mukherjee Road, Kolkata - 700 023

Secretarial Auditor

M/s. A J & Associates
Practising Company Secretaries
'Diamond Chambers'
4, Chowringhee Lane
Block - 1, 4th Floor, Suite #4M
Kolkata - 700 016

Bankers

State Bank of India
Bank of Baroda
Punjab National Bank
United Bank of India
State Bank of Travancore

Registered office

35, Chittaranjan Avenue
Kolkata - 700 012
Phone: +91 33 4064 0021/0022

Corporate office

SKP House
132A, S. P. Mukherjee Road,
Kolkata - 700 026
Phone: +91 33 4016 8000/8100
Fax: +91 33 4016 8189/8107
E-mail: info@impexferrotech.com
Website: www.impexferrotech.com

Plant Information

Kadavita Dendua Road,
P.O. Kalyaneshwari, P.S – Kulti
Dist - Burdwan,
West Bengal - 713 369

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Notice

NOTICE is hereby given that the 20th Annual General Meeting of the members of the Company will be held on Monday, 28th September, 2015 at 10.00 A.M. at PURBASHREE, Bharatiyam Cultural Multiplex, IB-201, Sector-III, Salt Lake City, Kolkata- 700 106 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2015, the Statement of Profit and Loss for the year ended on that date and the report of the Auditors & Directors' thereon.
2. To appoint a Director in place of Mr. Satish Kumar Singh (DIN: 05295625), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time and also the resolution passed in the Annual General Meeting held on 27.09.2014, the Company hereby ratifies and confirms the appointment of M/s. R. Kothari & Company, Chartered Accountants, (FRN: 307069E) as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 24th Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 160 and other applicable provision, if any, of the Companies Act, 2013 and Rules framed thereunder, read with Schedule IV to the Companies Act, 2013, Mrs. Sujata Agarwal (DIN: 06833458) who was appointed as an Additional Director on the Board of Directors of the Company on October 8, 2014 pursuant to the provision of Section 161 of the Companies Act, 2013 and Rules framed thereunder, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years commencing from October 8, 2014."

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

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 160 and other applicable provision, if any, of the Companies Act, 2013 and Rules framed thereunder, read with Schedule IV to the Companies Act, 2013, Mr. Nanda Samai (DIN: 02566965) who was appointed as an Additional Director on the Board of Directors of the Company on January 16, 2015 pursuant to the provision of

Section 161 of the Companies Act, 2013 and Rules framed thereunder, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years commencing from January 16, 2015."

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

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 160 and other applicable provision, if any, of the Companies Act, 2013 and Rules framed thereunder, read with Schedule IV to the Companies Act, 2013, Mr. Rohit Jain (DIN: 07129693) who was appointed as an Additional Director on the Board of Directors of the Company on March 23, 2015 pursuant to the provision of Section 161 of the Companies Act, 2013 and Rules framed thereunder, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years commencing from March 23, 2015."

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152, 160 and other applicable provision, if any, of the Companies Act, 2013 and Rules framed thereunder, Mr. Ramesh Seemakurti (DIN: 00096163) who was appointed as an Additional Director on the Board of Directors of the Company on August 22, 2015 to hold office upto the date of Annual General Meeting of the Company pursuant to the provision of Section 161 of the Companies Act, 2013 and Rules framed thereunder, be and is hereby appointed as a Non-Executive Director of the Company, whose period of office would be liable to be determined by retirement of Directors by rotation."

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule-V and other applicable provisions of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof for the time being in force and such consents, approvals or permissions as may be required, the approval of the Company be and is hereby accorded for the re-appointment of Mr. Satish Kumar Singh (DIN: 05295625), Executive Director of the Company for a further period of 3 (three) years w.e.f. August 24, 2015, subject however that his office shall be liable to retire by rotation in terms of Section 160 of the Companies Act, 2013 on such terms and conditions including remuneration as set out in the agreement.

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RESOLVED FURTHER THAT subject to such approvals, permission and consents as may be required, in the event of loss or inadequacy of profits in any financial year the remuneration payable to Mr. Satish Kumar Singh shall be restricted to the ceiling provided in Section II of Part II of Schedule V of the Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the appointment and/or remuneration, subject to the same not exceeding the limit specified in Schedule V of the Companies Act, 2013.”

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

“**RESOLVED THAT** subject to the applicable provisions of the Companies Act, 2013 and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of Impex Ferro Tech Limited (the “Company”), listing agreements entered into with stock exchanges on which the equity shares of the Company are listed, the applicable rules, notifications, guidelines issued by the Government of India, the Reserve Bank of India and any regulatory or other appropriate authorities, and subject to approvals, permissions, sanctions and consents as may be necessary from any regulatory or other appropriate authorities (including but not limited to SEBI, the Corporate Debt Restructuring Empowered Group (the “CDR EG”), the Reserve Bank of India (the “RBI”), Government of India, etc. which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which terms shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred under this resolution the Company hereby approves, ratify and confirms the Corporate Debt Restructuring package by and between the Company and the lenders of the Company, which has been approved by the CDR EG and communicated to the Company by the Corporate Debt Restructuring Cell (the “CDR Cell”) vide its letter of approval dated November 21, 2014 and set forth under the Master Restructuring Agreement (the “MRA”) entered into between the Company and the CDR Lenders and the Board and/or any person authorised by the Board in respect thereof from time to time, be and is hereby authorised on behalf of the Company to discuss, negotiate, amend, if required, the terms of the CDR LOA in the manner as may be approved by and between the Company and the CDR Lenders, amend or make changes to the MRA and enter into other documents in pursuance of the CDR LOA and the MRA, implement the CDR LOA and the MRA, on the basis of the terms set out in the CDR LOA

and the MRA as may be agreed between the respective parties, and execute the necessary documents for the same including, inter alia issuance of Equity Shares to the promoters of the Company in terms of the CDR LOA and MRA.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactments thereof), the regulations/guidelines, if any, issued/prescribed by the Government of India, Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI), and in accordance with the relevant provisions of Memorandum and Articles of Association of the Company, the listing agreements entered into by the Company with the respective stock exchanges where the equity shares of the Company are listed, and all other concerned and relevant authorities from time to time, to the extent applicable and subject to such approvals of relevant statutory/governmental authorities as may be required, the consent of the Company be and is hereby accorded to the Loans restructured and/or the loans to be granted to the Company by the CDR lenders in accordance with the Scheme of Corporate Debt Restructuring approved by the Corporate Debt Restructuring Empowered Group (CDR EG) vide letter of approval dated November 21, 2014 (CDR LOA) and the Master Restructuring Agreement (the “MRA”) entered into between the Company and the CDR Lenders, which scheme/agreement, inter alia, grants an option to the CDR lenders to convert their outstanding loans (including interest thereon) into Equity Shares of the Company in such manner and on such terms and conditions as are specified in the said Scheme of Corporate Debt Restructuring and the Master Restructuring Agreement.”

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

“**RESOLVED THAT** as per the provisions of Section 61 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules framed thereunder including any statutory modification or re-enactment thereof, for the time being in force, and pursuant to the provisions of Memorandum and Articles of Association of the Company, the Authorized Share Capital of the Company be and is hereby increased from ₹ 82,50,00,000/- (Rupees Eighty Two Crores and Fifty Lacs) divided into 8,25,00,000 (Eight Crores and Twenty Five Lacs) Equity Shares of ₹ 10/- each to ₹ 95,00,00,000/- (Rupees Ninety Five Crores) divided into 9,50,00,000 (Nine Crores Fifty Lacs) Equity Shares of ₹ 10/- each by creation of 1,25,00,000 Equity Shares of ₹ 10/- each.

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RESOLVED FURTHER THAT in terms of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 and consequent upon the increase in the Authorised Share Capital as mentioned aforesaid, the existing Clause V of the Memorandum of Association of the Company be and is hereby substituted with the following new Clause V:

V. The Authorized Share Capital of the Company is ₹ 95,00,00,000/- (Rupees Ninety Five Crores) divided into 9,50,00,000 (Nine Crores Fifty Lacs) Equity shares of ₹ 10/- each with power to the Board to increase or reduce the capital of the Company and to divide or sub-divide the shares in capital of the Company for the time being into several classes and to attach thereto such preferential qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of the Company for the time being.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution and for removal of any doubts or difficulties, the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any committee constituted or to be constituted by the Board to exercise its powers including the powers conferred by this resolution), be and is hereby authorized to do all such acts, deeds, matters and things and settle any or all questions or matters arising with respect to the increase in authorized share capital of the Company and the amendment to the Memorandum of Association of the Company and make all necessary filings and intimations to the Registrar of Companies and other appropriate authorities, and to give, from time to time, such directions as may be necessary, expedient, usual or proper as the Board in its absolute discretion may think fit and its decision shall be final and binding on all members and other interested persons.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the stock exchanges, where the shares of the Company are listed, applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as may be modified or re-enacted from time to time (SEBI ICDR Regulations), the applicable rules, notifications, guidelines

issued by various authorities and subject to the approvals, permissions, sanctions and consents as may be necessary from such regulatory and other appropriate authorities, the SEBI, the Corporate Debt Restructuring Empowered Group (the CDR EG), the RBI, the Government of India, etc., and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, sanctions and consents and all such other approvals, which may be agreed to by the Board of Directors (hereinafter referred to as the Board, which term shall be deemed to include any Committee thereof) and in terms of the Corporate Debt Restructuring package by and between the Company and the lenders of the Company, which has been approved by the CDR EG and communicated to the Company by the Corporate Debt Restructuring Cell (the CDR Cell) vide its letter of approval dated November 21, 2014 and set forth under the Master Restructuring Agreement (the “MRA”) entered into between the Company and the CDR Lenders and the Board, consent of the Company be and is hereby accorded to the Board to offer, issue and allot in one or more tranches not more than 63,35,000 (Sixty Three Lacs Thirty Five Thousand) fully paid-up equity shares of ₹ 10/- (Rupees Ten) each of the Company, for an aggregate amount of ₹ 12.67 Crores (Rupees Twelve Crore and Sixty Seven Lacs only) against the conversion of unsecured loan, at a price of ₹ 20/-, determined in accordance with SEBI ICDR Regulations, to the following entity as per the terms of CDR Scheme, on preferential basis and in such manner and on such other terms and conditions, as the Board may, in its absolute discretion, think fit.

Name of the Allottee	No. of Shares to be allotted
Promoter Group	
Astabhuja Properties Pvt. Ltd	63,35,000
Total	63,35,000

RESOLVED FURTHER THAT as per the provisions of Chapter VII of the SEBI ICDR Regulations, the ‘Relevant Date’ for determining the price for the equity shares to be issue shall be October 20, 2014 being the date on which Corporate Debt Restructuring Package of the Company was approved by the CDR EG.

RESOLVED FURTHER THAT the Equity Shares to be allotted upon shall be fully paid on allotment and shall rank pari-passu with the existing Equity Shares of the Company in all respects and the Equity Shares shall be subject to lock-in for such period as stipulated by the applicable SEBI ICDR Regulations.

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RESOLVED FURTHER THAT the equity shares so allotted shall be listed on the stock exchanges where the shares of the Company are listed.

RESOLVED FURTHER THAT the Company do make application to the National Securities Depository Limited (NSDL) and Central Depository Services (I) Limited (CDSL) for admission of the new equity shares to be issued on preferential basis.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution(s), the Board be and is hereby authorized on behalf of the Company to take all actions and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem fit, necessary, proper or desirable for such purpose, including to seek listing, apply for in-principle listing approval of the equity shares to be issued and allotted and to modify, accept and give effect to any modifications in the terms and conditions of the issue as may be required by the statutory, regulatory and other appropriate authorities (including but not limited to SEBI, CDR EG, RBI, the Government of India, etc.) and such other approvals (including approvals of the existing lenders of the Company, if required) and as may be agreed by the Board, and to settle all questions/queries, difficulties or doubts that may arise in the proposed issue, pricing of the issue, offer and allotment of the equity shares and to execute all such deeds, documents, writings, agreements, applications in connection with the proposed issue as the Board may in its absolute discretion deem necessary or desirable without being required to seek any further consent or approval of the Members or otherwise with the intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized in its entire discretion to decide to proceed with the issue of Equity Shares as contemplated above and to delegate all or any of the powers herein conferred to any Committee of Directors to give effect to this resolution.

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

“RESOLVED THAT pursuant to the provisions of Section 148(2) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the remuneration of ₹ 35,000/- plus applicable taxes and reimbursement of out of pocket expenses payable to M/s. A J S & Associates, Cost Accountant (Registration No. 0001060), who has been re-appointed by the Board of Directors of the Company as Cost Auditor to conduct an

audit of the cost accounting records maintained by the Company for the year ending 31st March, 2016 be and is hereby ratified.”

By Order of the Board
For **Impex Ferro Tech Limited**
Richa Agarwal
Company Secretary

Place: Kolkata

Date: 22nd August, 2015

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE, INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE Company. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE CORPORATE OFFICE OF THE Company NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business to be transacted at the Meeting, is annexed hereto.
3. The relevant details, as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges; of person seeking appointment/re-appointment as Director under Item No. 2, 4, 5, 6, 7 and 8 is annexed hereto as additional information.
4. The Register of Members and Share Transfer Books shall remain closed from Monday, 21st September, 2015 to Monday, 28th September, 2015 (both days inclusive).
5. Shareholders holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics (P) Ltd., 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001 and to their respective DPs in respect of Equity Shares held in dematerialized form.
6. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

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7. Members/Proxies are requested to bring their Attendance Slip for attending the Meeting.
8. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least ten days before the meeting so that the same could be complied in advance.
10. Since the securities of the Company are compulsorily tradable in electronic form, to ensure better investor service and elimination of risk of holding securities in physical form, it is requested that the members holding shares in physical form to get their shares dematerialised at the earliest.
11. All documents referred to in the Notice will be available for inspection at the Company's Corporate Office during normal business hours on working days upto the date of AGM.
12. Electronic copy of the Annual Report for 2015 is being sent to all the Members whose e-mail ids are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For the Members who have not registered their e-mail address, physical copies of the Annual Report for 2015 is being sent in the permitted mode. Rule 18(3) (i) of the Companies (Management and Administration) Rules, 2014 requires a Company to provide advance opportunity atleast once in a financial year, to the Member to register his e-mail address and any changes therein. In compliance with the same, we request the Members who do not have their e-mail id registered with the Company to get the same registered with the Company. Members are also requested to intimate to the Company the changes, if any in their e-mail address. The Annual Report of the Company, circulated to the Members of the Company, will also be made available on the Company's website i.e. www.impexferrotech.com.
13. Electronic copy of the Notice of the 20th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes. For members

who have not registered their e-mail address, physical copies of the Notice of the 20th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

14. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Members are informed that the Company is pleased to offer e-voting facility to cast their vote electronically. The Company has made necessary arrangement with the Central Depository Services (India) Ltd. (CDSL) to facilitate e-voting.

The e-voting facility is available at the link www.evotingindia.com vide the EVSN **150822018**.

The e-voting facility will be available during the following voting period :

Commencement of e-voting	From : 10.01 a.m. of 25th September, 2015
End of e-voting	Upto : 5.00 p.m. of 27th September, 2015

E-voting shall not be allowed beyond 5.00 p.m. of 27th September, 2015.

The detailed procedure is mentioned below. For the aforesaid purpose the Company has appointed M/s A J & Associates, Practicing Company Secretaries for scrutinizing the e-voting process in a true and transparent manner.

15. e-Voting Procedure

The procedure and instructions for Shareholders Voting electronically are as under :

- (i) The voting period begins on 25th September, 2015 at 10.01 a.m. and ends on 27th September, 2015 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits

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Client ID,

- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein

they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for **IMPEX FERRO TECH LIMITED** on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on "Forgot Password" & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be

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able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

DISTRIBUTION OF GIFTS

Attention of the Members is drawn that in conformity with recent regulatory requirements, the Company will NOT be distributing any gift, gift coupons or cash in lieu of gifts at the Annual General Meeting (AGM) or in connection therewith.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4 to 6

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors which came into effect from April 1, 2014, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation.

The Board of Directors of the Company have decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the amended Listing Agreement.

All the aforesaid Directors as proposed to be appointed under these resolutions are Non-Executive Independent Directors of the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mrs. Sujata Agarwal, Mr. Nanda Samai and Mr. Rohit Jain, being eligible, offer themselves for appointment, and are proposed to be appointed as Independent Directors for a term as stated in the respective resolutions.

Mrs. Sujata Agarwal, Mr. Nanda Samai and Mr. Rohit Jain, Non-Executive Independent Directors of the Company,

have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, each of these Directors fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for their appointment as Independent Directors of the Company and they are independent of the management. These Directors are not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and they have given their consent to act as Director.

Notices have been received from member signifying their intention to propose the appointment of these Directors along with a deposit of ₹ 1,00,000/- each. A copy of the draft Letters of Appointment for Independent Directors, setting out terms and conditions of their appointment, is available for inspection at the Corporate Office of the Company during business hours on any working day till the date of Annual General Meeting and is also available on the website of the Company www.impexferrotech.com.

Except these directors, being appointees, none of the Directors/Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions set out at Item No.4 to 6 of the Notice.

The Board commends the resolutions in relation to the appointment of these directors as Independent Directors, for the approval by the shareholders.

Item No. 7

Mr. Ramesh Seemakurti, aged about 47 years was appointed as an Additional Director of the Company at the Board Meeting held on August 22, 2015 and in terms of Section 161 of the Companies Act, 2013. He holds office upto the date of Annual General Meeting.

The Company has obtained from Mr. Seemakurti his consent in Form DIR-2 to act as a Director and intimation in Form DIR-8 to the effect that he is not disqualified to be appointed as a Director in any Company.

The Company has received Notice in writing under section 160 of the Companies Act, 2013, from a Member along with a deposit of ₹ 1,00,000/- proposing the candidature of Mr. Seemakurti, as a Director in any Company.

Mr. Seemakurti does not hold any membership in any committee of the Board of Directors of the aforesaid Company. Mr. Seemakurti does not hold any share in the Company.

The Board considers that association of Mr. Seemakurti will be of immense benefit to the Company and it would be prudent to appoint Mr. Seemakurti as a Non-Executive Director of the Company.

Notice

Accordingly, the Board recommends the Resolution in relation to appointment of Mr. Seemakurti as a Non-Executive Director, for approval by the Members.

Except Mr. Seemakurti himself and Mr. Suresh Kumar Patni, being Promoter-Director and his relatives are deemed to be interested in the resolution. No other Directors and Key Managerial Personnel (KMPs) of the Company or their relatives are concerned or interested in resolution.

Item No. 8

Mr. Satish Kumar Singh is an Executive Director of the Company. His current term of appointment as an Executive Director of the Company is expiring on August 23, 2015. Considering the experience and services rendered by Mr. Satish Kumar Singh and based on the recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company have re-appointed him as an Executive Director of the Company for a further period of 3 (three) years with effect from August 24, 2015 on the terms and conditions as set out in the Agreement dated 22nd August, 2015 executed between the Company and Mr. Satish Kumar Singh.

Mr. Satish Kumar Singh, Executive Director shall be paid the following remuneration for the services rendered by him:

1. **Remuneration:** Salary of ₹ 75,000/- (Rupees Seventy Five Thousand only) per month with an authority to the Board to grant such further increases from time to time as they may deem fit, within the limits specified in Section II of Part II of Schedule V of the Act, as may be amended from time to time.
2. **Perquisites:** Perquisites applicable to the Executive Director are as follows:-
 - i. **Leave:** He will be entitled to leave as per applicable Rule of the Company.
 - ii. **Leave Encashment:** As per applicable Rule of the Company
 - iii. Company's contribution to Provident Fund and Gratuity shall not be included in the computation of limits for remuneration or perquisites.

However, in case of absence or inadequacy of net profits in any

financial year, the remuneration payable to Mr. Satish Kumar Singh shall be restricted to Section II of Part II of Schedule V of the Act.

All other terms and conditions are set out in the Agreement referred to above. The relevant Agreement entered into by the Board with Mr. Satish Kumar Singh is available for inspection by members at the Corporate Office of the Company on any working day during business hours till the date of Annual General Meeting.

Except Mr. Satish Kumar Singh, none of the Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No-8 of the Notice.

The Board recommends the resolution set out at Item No-8 of the Notice for approval by the Shareholders.

Statement pursuant to item (iv) under second proviso to clause (B) of Section II of Part II of Schedule V to the Companies Act, 2013 with respect to Item No- 8

I. GENERAL INFORMATION

1. **Nature of Industry:** Impex Ferro Tech Limited was incorporated on 7th June, 1995 and is engaged in manufacturing of Ferro Alloys, such as Silico Manganese (SiMn) and Ferro Manganese (FeMn) through Submerged Arc Furnace (SAF) route. The Company is also engaged in Trading of Iron and Steel Products. Ferro Alloys are intermediate products and used as an essential ingredients of making special grade steel having specific properties. Hence growth of these industries is linked with the growth of Iron & Steel Industry sector.
2. The Company has a manufacturing facilities located at Kalyaneshwari in West Bengal.
3. **Date of Commencement of Commercial Production:** The Company commenced its Commercial Production in 1998.
4. **Financial Performance of the Company:** The Financial Performance of the Company is as follows:

Notice

(₹ in Crores)

Particulars	2014-15	2013-14	2012-13
Sales and other Income	508.85	704.32	644.20
Profit before Depreciation, Interest and Tax but after Prior Period Items	(22.46)	(18.06)	53.38
Depreciation/Amortization	8.64	11.77	11.42
Interest and Finance Charges	30.34	35.96	35.78
Tax Expenses	0.00	(10.94)	2.21
Profit/(Loss) before Exceptional items	(61.44)	(54.86)	3.96
Exceptional Gain /(Loss)	0.00	0.00	0.00
Profit/(Loss) after Tax	(61.44)	(54.86)	3.96

5. Foreign Earnings, investments or collaborations:

(₹ in Crores)

Particulars	2014-15	2013-14	2012-13
Foreign Investments or Collaborations	-	-	-

I. INFORMATION ABOUT APPOINTEE

Sl. No.	Particulars	Mr. Satish Kumar Singh
1	Background Details	He is B.Tech (Electrical & Electronic Engineering) and has been actively involved in the overall management of the Company's Manufacturing facility at Kalyaneshwari.
2	Past Remuneration	Remuneration received from Impex Ferro Tech Limited ₹ 75,000/- (Rupees Seventy Five Thousand Only) per month for the year ended 31.03.2015.
3	Job Profile & his suitability	Overall management of the Company's Manufacturing facility at Kalyaneshwari.
4	Remuneration proposed	As detailed above.
5	Comparative remuneration profile with respects to Industry Size of the Company, profile of the position and person	The proposed remuneration is commensurate with the size and nature of business of the Company and the responsibility of the appointee. The remuneration do differ from Company to Company in the industry depending on the respective operations.
6	Pecuniary relationship, directly or indirectly, with the Company or relationship with the managerial personnel, if any,	Mr. Satish Kumar Singh does not have any pecuniary relationship directly and indirectly with the Company as well as relationship with the managerial personnel.

II. OTHER INFORMATION:

Reason of Loss or inadequate profits

The Ferro Alloys market was under stress due to recession faced in all major Global Economies, which has impacted the net realization and demand of the Company's principal product. The Company has incurred losses due to non-recovery of fixed cost on account of reduction in capacity utilization. The Company has been facing liquidity issues resulting in fall in capacity utilization and was not able to perform upto the expected level.

Steps taken or proposed to be taken for improvement

The Company undertook several steps to lowering the overheads and aligning resources with current level of operations. The Company is focusing on cost competitiveness. The Company is brought under the Corporate Debt Restructuring (CDR) Scheme for nursing it to profitability

Expected Increase in productivity and profits in measurable terms

The management has adopted focused and aggressive

Notice

business strategies and functions to improve the sales and profitability of the Company. Considering the present sign of improvement in overall business environment, the Company is expecting an increase in its revenue and profitability. The Management is confident of higher growth ratio in the period to come.

III. DISCLOSURES

The detail of remuneration and other information is given in the Corporate Governance attached as the part of the Director's Report.

Item No. 9

Impex Ferro Tech Limited ("Company") has witnessed significant setbacks for mobilizing long term equity funds into the Company by way of equity dilution or stake sale, due to uncertainties the steel and infrastructure sector has been passing through in the past few years like shortage of supply of iron ores, shortage of coal supply, poor financial health of the industry as a whole, increase in the cost of raw materials, poor sales realizations, lack of timely Government policies, adverse capital market conditions etc. As a result, the ability of the Company to meet its repayment obligations/liabilities under the various facilities availed by it were adversely affected. The Company felt it necessary that a reference of the matter be made to the Corporate Debt Restructuring ("CDR") Forum under CDR guidelines issued by The Reserve Bank of India, for efficient restructuring of the debts of the Company. The Company has made a request for restructuring of its debts to the Bankers and subsequently the Lead Banker has made a reference to the CDR Cell.

After considering the final report submitted by the Monitoring Institution (MI) in consultation with the Monitoring Committee (MC) appointed by the CDR EG in this regard, the final restructuring package ("CDR Package") was approved by the Corporate Debt Restructuring Empowered Group ("CDR EG"), at its meeting held on October 20, 2014 and communicated to the CDR Lenders vide Letter of Approval dated November 21, 2014 ("CDR LOA").

The significant features of the CDR package inter alia are as follows:

1. Cut-off Date: April 30, 2014
2. The total Restructured Facilities under the CDR Package amounts to Rs. 328.61 Crores which includes Restructured Term Loan, the Working Capital Term Loan I, the Working Capital Term Loan II, Funded Interest Term Loan, the Working Capital Facilities, the Fresh Working Capital Facility and Non Fund Based Working Capital Limit.
3. Moratorium for repayment of Restructured Term Loan, Working Capital Term Loan I and II and Funded Interest Term Loan for the initial period is 2 years from Cut-Off Date.

4. Rate of Interest on TL and WC will be @ 11.75% p.a. Further the rate of interest on WCTL I, WCTL II and FITL will be @ 11.25 p.a.
5. Funding of interest on the Term Loan and WTCL I & WCTL II for a period of 24 months from Cut-off Date.

The security for the above Restructured Facilities inter alia is as under:

1. Security Interest having a first charge over fixed and current assets (present and future) of the Company.
2. The Personal Guarantee of Mr. Suresh Kumar Patni, Mr. Rohit Patni and Mr. Ankit Patni.
3. Pledge of entire promoter and promoter group stake in the Company (in demat form), representing 66.71% of the Paid Up Capital (PUC) of the Company (Subject to Compliance with Section 185 of the Companies Act, 2013) (Individual promoter hold 1.04% of the PUC and associate concerns belonging to the Promoter group hold 65.65% of the PUC).

The Board of Directors have approved the debt restructuring package as per CDR LOA.

The Special Resolution at item No. 9, proposed to be passed by the members, shall be deemed to be a confirmation, ratification and authorization by the members of the Company in terms of the applicable provisions of the Companies Act, 2013 and Regulation 10(2) of SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 2011 to the Corporate Debt Restructuring Package as set out in the CDR LOA and MRA.

Your Directors recommend the passing of resolution at Item No. 9 of the Notice as Special Resolution

Directors, Key Managerial Personnel (KMP) and their relatives are deemed to be concerned or interested in the above resolution to the extent of their shareholding in the Company. The Directors and their relatives also deemed to be interested in the aforesaid Promoter Companies to the extent of their shareholding. None of the KMPs holds any shares in the Promoter Companies.

The Letter of Approval dated November 21, 2014 and the Master Restructuring Agreement ("MRA") shall be open for inspection by the Members at the Corporate Office of the Company on any working day during business hours till the date of Annual General Meeting.

Item No. 10

As per the Letter of Approval dated November 21, 2014 issued by the CDR Cell and the Master Restructuring Agreement ("MRA") executed by the Company with the CDR Lenders, the CDR Lenders shall have a right to convert entire/part of defaulted interest and entire/part of defaulted principal into Equity Shares as per SEBI guidelines, in the event of default.

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Further the CDR Lenders shall also have right to convert into equity upto 20% of the term debt outstanding beyond a period of 7 years as per SEBI ICDR Regulations.

In terms of Para V(26) of the Letter of Approval dated November 21, 2014, allotment of such number of Equity Shares of the face value of ₹ 10/- (Rupees Ten only) each shall be made to the CDR Lenders which shall not exceed the amount of principal and interest outstanding as on the date of default, in the event of default in payment of the principal or interest thereon under the Scheme of Corporate Debt Restructuring approved by the Corporate Debt Restructuring Empowered Group (CDR EG) vide letter of approval dated November 21, 2014 (CDR LOA), at a price as per the SEBI rules and regulations / Companies Act, 2013 and subject to and in accordance with the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 and as amended by SEBI ICDR (Amendment) Regulations, 2014 as and to the extent applicable, on the exercise by the CDR Lenders of the option to convert the whole or part of their loans, subject to a notice of at least 30 (thirty) days from the CDR Lenders to the Company (hereinafter referred to as the "Notice of Conversion").

The conversion by the CDR Lenders shall be in accordance with the following conditions:

- (i) On receipt of the Notice of Conversion, the Company shall allot and issue the requisite number of fully paid-up Equity Shares to the CDR Lenders and such CDR Lenders shall accept the same in satisfaction of the loans of the CDR Lenders so converted, as envisaged under the CDR LOA;
- (ii) The part of the said loans so converted shall cease to carry interest as from the date of conversion and the said loans shall stand correspondingly reduced. Upon such conversion, the repayment installments payable after the date of conversion as per the CDR LOA shall stand reduced proportionately by the amounts of the said loan so converted;
- (iii) The Equity Shares so allotted and issued to the CDR Lenders shall rank pari-passu with the existing Equity Shares of the Company in all respects, inter alia, the dividends and other distributions declared or to be declared in respect of the equity capital of the Company; and
- (iv) In the event that the CDR Lenders exercise the conversion right as aforesaid, the Company shall, if so required by the said CDR Lenders, at its cost, apply to the stock exchanges where the shares of the Company are listed for the listing of the Equity Shares issued to the CDR Lenders as a result of the conversion.

In accordance with the provisions of section 62(3) of the Companies Act, 2013, it is proposed to obtain approval of the Members to the Loans restructured/granted by the said CDR lenders in accordance with the said Letter of Approval dated November 21, 2014 issued by the CDR Cell and the Master

Restructuring Agreement ("MRA"), which scheme/agreement, inter alia contains a term which grants the CDR lenders an option to seek conversion of the restructured facilities into Equity Shares.

Your Directors recommend the passing of resolution at Item No. 10 of the Notice as Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the above resolution. The above resolution does not affect any other Company.

Item No. 11

The Authorised Share Capital of your Company is presently ₹ 82,50,00,000 divided into 8,25,00,000 Equity Shares of ₹ 10/- each. In order to meet the requirement for infusion of capital as set out in resolution 10 of this notice. The Company proposes to meet its fund requirement by issue of equity shares. It is, therefore, considered appropriate to increase the Authorized Share Capital of the Company from existing ₹ 82,50,00,000 to ₹ 95,00,00,000.

Further, consequent upon the increase in the authorized share capital, the capital clause of the Memorandum of Association of the Company is required to be suitably altered as set out at item No. 11 of the accompanying Notice.

Accordingly, pursuant to the provisions of Section 61 of the Companies Act, 2013, the approval of the members is sought to the increase in the Authorized Share Capital and consequential alteration of Capital Clause of the Memorandum of Association of the Company.

Your Directors recommends the passing of resolution at Item No. 11 of the Notice as Ordinary Resolution.

None of the Directors or Key Managerial Personnel or their relatives is, in any way, concerned or interested in the proposed resolution.

Item No. 12

As per the Letter of Approval dated November 21, 2014 issued by the CDR Cell and the Master Restructuring Agreement ("MRA") executed by the Company with the CDR Lenders, it has been agreed between the Promoters and CDR Lenders that the Promoters will bring 30% of the Banks' Sacrifice as promoters' contribution as per the CDR Guidelines. As per the LOA the promoters have indicated that the required promoters contribution would be brought in the form of unsecured loans from the group's investment Companies/ relatives / friends and the same would be converted into equity after obtaining of approval from SEBI.

In terms of Para II(i) of the Letter of Approval dated November 21, 2014, allotment of such number of Equity Shares of the face value of ₹ 10/- (Rupees Ten only) each shall be made to the Promoters and Promoters Group, which shall not exceed ₹ 12.67 Crores under the Scheme of Corporate Debt

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Restructuring approved by the Corporate Debt Restructuring Empowered Group (CDR EG) vide letter of approval dated November 21, 2014 (CDR LOA), at a price as per the SEBI rules and regulations / Companies Act, 2013 and subject to and in accordance with the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended.

Information as required under Regulation 73 of the SEBI (ICDR) Regulations, 2009 is as under:

OBJECT OF THE PREFERENTIAL ISSUE:

The object of the issue is restructuring of various liabilities of the Company as per CDR LOA approved by the CDR EG and to

make allotment(s) of equity shares to the Promoter/Promoter Group of the Company, in accordance with the terms of the LOA.

PROPOSAL OF THE PROMOTERS, DIRECTORS AND KEY MANAGEMENT PERSONS OF THE Company TO SUBSCRIBE TO THE PROPOSED PREFERENTIAL OFFER:

The Promoter group intends to subscribe 63,35,000 Equity Shares being 7.20 % of the Post Issue Capital of the Company.

SHAREHOLDING PATTERN BEFORE AND AFTER THE

PREFERENTIAL ISSUE:

Category of Shareholder		Pre-Issue Equity Holdings		Post-Issue Equity Holdings	
		Total No. of Shares	% of Shares Holding	Total No. of Shares	% of Shares Holding
(A)	Shareholding of Promoter and Promoter Group				
	(1) Indian				
	Individuals / Hindu Undivided Family	8,51,800	1.04	8,51,800	0.97
	Bodies Corporate	5,35,78,046	65.66	5,99,13,046	68.14
	Sub Total	5,44,29,846	66.71	6,07,64,846	69.10
	(2) Foreign	-	-	-	-
	Total shareholding of Promoter and Promoter Group (A)	5,44,29,846	66.71	6,07,64,846	69.10
(B)	Public Shareholding				
	(1) Institutions	-	-	-	-
	(2) Non-Institutions				
	Bodies Corporate	1,04,69,328	12.83	1,04,69,328	11.91
	Individuals				
	Individual shareholders holding nominal share capital up to ₹ 1 lac	96,38,203	11.81	96,38,203	10.96
	Individual shareholders holding nominal share capital in excess of ₹ 1 lac	68,64,386	8.41	68,64,386	7.81
	Any Others (Specify)				
	Trust	100	0.00	100	0.00
	Clearing Member	12,171	0.01	12,171	0.01
	Non Resident Member	1,82,570	0.22	1,82,570	0.21
	Sub Total	2,71,66,758	33.29	2,71,66,758	30.90
	Total Public shareholding (B)	2,71,66,758	33.29	2,71,66,758	30.90
	Total (A)+(B)	8,15,96,604	100.00	8,79,31,604	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-
	(1) Promoter and Promoter Group	-	-	-	-
	(2) Public	-	-	-	-
	Sub Total	-	-	-	-
	Total (A)+(B)+(C)	8,15,96,604	100.00	8,79,31,604	100.00

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PROPOSED TIME WITHIN WHICH THE PREFERENTIAL ISSUE SHALL BE COMPLETED

The Company will issue and allot equity shares to the Promoters within the time limit specified under the SEBI ICDR Regulations.

IDENTITY OF THE PROPOSED ALLOTTEES, THE PERCENTAGE OF POST PREFERENTIAL ISSUE CAPITAL THAT MAY BE HELD BY THEM

Name of the Proposed Allottees	Category	Address	Name (s) of the Natural Personal in Control of Proposed Allottee	Pre-preferential (No. of Shares)	% of Pre-Issue Capital	No. of Shares to be Allotted	Post Allotment Holding	% of Post-Issue Capital
Astabhuja Properties Pvt. Ltd.	Promoter Group	35, C. R. Avenue Kolkata - 700012	Mr. Suresh Kumar Patni, Mr. Rohit Patni & Mr. Ankit Patni	-	-	63,35,000	6,33,50,000	7.20

CHANGE IN CONTROL

The existing promoters of the Company will continue to be in control of the Company and there will not be any changes in the management/control of the Company as a result of the proposed Preferential Allotment.

UNDERTAKING TO RE-COMPUTED PRICE AND LOCK-IN TILL THE RECOMPUTED PRICE IS PAID

This is not applicable to the present case.

CERTIFICATE FROM STATUTORY AUDITORS

A copy of the Statutory Auditors' Certificate certifying that the proposed preferential issue is being made in accordance with the requirement of SEBI (ICDR) Regulations will be made available for inspection at the Corporate Office of the Company during normal business hours on any working day except Public Holidays upto the date of Annual General Meeting.

RELEVANT DATE

The 'Relevant Date' for the purpose of calculating the price of the equity shares is October 20, 2014 i.e. date of the approval of the Company's Corporate Debt Restructuring Scheme.

PRICING

The Equity Shares of the Company are frequently traded in term of SEBI ICDR Regulation.

As per Chapter VII of the SEBI ICDR Regulations, issue of equity shares on a preferential basis to an investor, shall be made at a price not less than higher of the following:

- The average of the weekly high and low of the volume weighted average price of the equity shares quoted on the stock exchange during the twenty six weeks preceding the relevant date; or
- The average of the weekly high and low of the volume weighted average price of the equity shares quoted on the stock exchange during the two weeks preceding the relevant date.

The Stock Exchange means National Stock Exchange of India Limited being the exchange where the highest trading volume in respect of the shares of the Company has been recorded during the preceding twenty six weeks prior to the Relevant Date.

The price at which the preferential issue is being made i.e. ₹ 20 per equity share is higher than the floor price computed on the basis of the SEBI (ICDR) Regulations.

LOCK-IN PERIOD

The securities allotted to Promoters shall be locked in as per the provisions of SEBI ICDR Regulations.

The consent of the Members is sought for the issue of equity shares, in terms of Section 62 and all other applicable sections of Companies Act, 2013, and in terms of the provisions of the ICDR Regulations and the listing agreements entered into by the Company with the stock exchanges, where the Company's equity shares are listed.

Your Directors recommend the passing of resolution at Item No. 12 of the Notice as Special Resolution.

Mr. Suresh Kumar Patni and Mr. Ankit Patni and their relatives being Promoters of this Company and other participating Promoter Company, may be deemed to be concerned or interested in the proposed Resolution. Save and except the above, none of the other Directors, Key Managerial Persons (KMPs) of the Company or any relatives of such Director or KMPs, are in any way concerned or interested financially or otherwise in the proposed Resolution.

Item No. 13

As recommended by Audit Committee, Board of Directors had appointed M/s. AJS & Associates, Cost Accountant (Registration No. 0001060), being eligible and having sought reappointment, as cost auditor of the Company, for a remuneration of ₹ 35,000/- plus applicable taxes and re-imbusement of out of pocket expenses incurred by them to conduct an audit of

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the cost accounting records maintained by the Company for the current financial year beginning from 1st April, 2015 and ending on 31st March, 2016.

In terms of Section 148 of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration is required to be ratified by members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 13 of the Notice.

The Board recommends the Resolution set out at Item No. 13 the Notice for approval by the shareholders.

ADDITIONAL INFORMATION

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE- APPOINTMENT

(In pursuance to Clause 49 of the Listing Agreement)

Name of the Director	Mr. Satish Kumar Singh	Mrs. Sujata Agarwal	Mr. Nanda Samai	Mr. Rohit Jain	Mr. Ramesh Seemakurti
Date of Birth	20.12.1985	22.11.1979	05.04.1951	30.12.1987	20.08.1968
Date of Appointment	24.08.2012	08.10.2014	16.01.2015	23.03.2015	22.08.2015
Expertise in Specific Functional Area	Electrical and Electronic Engineering	Management Studies	Civil Service	Accounts and Finance	Strategic Management
Qualification	B.Tech (Electrical and Electronic Engineering)	Ph.D in Management Studies	B.Sc (Physics Hons)	CS, CMA	Master of Sciences (Statistics), B.Sc, ICWAI (Inter)
Board membership of other Public Companies (Excluding Directorship in Private/Foreign Companies and Companies under Section 8 of the Companies Act, 2013.)	NIL	- Paragon Finance Ltd. - Ankit Metal & Power Ltd. - Rohit Ferro-Tech Ltd. - Impex Metal & Ferro Alloys Ltd.	- West Bengal Tea Development Corporation Ltd. -West Bengal Sugar Industries Development Corporation Ltd. - Impex Metal & Ferro Alloys Ltd.	- Ankit Metal & Power Ltd. - Rohit-Ferro Tech Ltd.	NIL
Chairman/Member of the Committee (Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee) of the Board of Directors of the Company	NIL	Member – Nomination and Remuneration Committee Chairman – Stakeholders Relationship Committee	Member – Audit Committee	Chairman – Audit Committee - Nomination and Remuneration Committee Member – Stakeholders Relationship Committee	NIL
Chairman/Member of the Committee of Directors of other public Companies in which he is a Director **					

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Name of the Director	Mr. Satish Kumar Singh	Mrs. Sujata Agarwal	Mr. Nanda Samai	Mr. Rohit Jain	Mr. Ramesh Seemakurti
a) Audit Committee	NIL	Member – Rohit Ferro-Tech Ltd.	NIL	Chairman – - Rohit Ferro-Tech Ltd. - Ankit Metal & Power Ltd. - Impex Metal & Ferro Alloys Ltd.	NIL
b) Stakeholders Relationship Committee	NIL	Chairman – Rohit Ferro-Tech Ltd.	NIL	Member – Ankit Metal & Power Ltd.	NIL
c) Nomination and Remuneration Committee	NIL	NIL	NIL	Member – - Rohit Ferro-Tech Ltd. - Ankit Metal & Power Ltd.	NIL
Shareholding as on 31st March, 2015.	NIL	NIL	NIL	NIL	NIL

- Mr. Satish Kumar Singh, Mr. Rohit Jain, Mrs. Sujata Agarwal, Mr. Nanda Samai and Mr. Ramesh Seemakurti does not hold any Equity Shares in the Company.
- ** Committee herein refers Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee.

Directors' Report

Dear Shareholders

Your Directors are pleased to present the 20th Annual Report of the Company together with Audited Accounts for the Financial Year ended 31st March, 2015.

FINANCIAL HIGHLIGHTS

(₹ in Lacs)

Particulars	Current Year 31.03.2015	Previous Year 31.03.2014
Revenue from Operation (net)	50,580.19	69,802.21
Other Income	304.77	629.68
Total Revenue	50,884.97	70,431.89
Profit before Finance Cost, Depreciation and Tax	(2,246.24)	(1,806.28)
Less: Depreciation & Amortisation	863.76	1,177.00
Less: Finance Cost	3,033.65	3,596.47
Less: Tax Expenses	-	(1094.23)
Net Profit after Tax	(6,143.64)	(5,485.52)
Add: Balance brought forward from previous year	(101.95)	5,383.57
Adjusted for Depreciation relating to Fixed Assets	(103.67)	-
Balance carried over to Balance Sheet	(6,349.27)	(101.95)

FINANCIAL AND OPERATIONAL REVIEW

During the year under review, the Company has achieved Nets Sales/Income from operation of ₹ 50,580.19 Lacs as against ₹ 69,802.21 Lacs in previous year registering a decline of 27.54 %. The Company incurred a loss of ₹ 6,143.64 Lacs as against ₹ 5,485.52 Lacs in the previous year. The decline in sales and increase in losses are mainly attributed to depressed market for ferro alloys impacting the net realisation and margin. Slower growth in several sectors of the economy resulted into weaker domestic demand. On the other hand, mining crisis and rising inflation in the country resulted in increase in the cost of raw materials and other overheads which could not be passed on to the consumers.

DIVIDEND

In view of the losses incurred by the Company, the Directors of your Company do not recommend any dividend for the financial year 2014-15.

BOARD MEETINGS

The Board met Nineteen (19) times during the year, the details of which are given in the Corporate Governance Report that forms the part of this Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the Listing Agreement.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Retirement

In accordance with the provisions of the Companies Act, 2013, Mr. Satish Kumar Singh (DIN: 05295625), retires by rotation and being eligible, offers himself for re-appointment.

Resignation

During the year Mr. Ashok Kumar Jain (DIN: 02223047), Independent Director of the Company has resigned from the directorship of the Company with effect from October 8, 2014.

During the year Mr. Jay Shanker Shukla (DIN: 06391367), Independent Director of the Company has resigned from the directorship of the Company with effect from March 23, 2015.

During the year Mr. Santosh Kumar Khandelwal (DIN: 06607979), cease to be Independent Director of the Company with effect from March 24, 2015 due to his sad demise.

During the year Mr. Ankit Patni (DIN: 00034907), Non-Executive Promoter Director of the Company has resigned from the directorship of the Company with effect from August 22, 2015.

Directors' Report

Re-appointment

Pursuant to the provisions of Section 149(1) & 161 of the Companies Act, 2013, read with the relevant provisions of the Articles of Association, Mrs. Sujata Agarwal (DIN: 06833458) was appointed as an Additional Director (Independent) by the Board of Directors of the Company with effect from October 8, 2014. She holds office as an Additional Director (Independent) up to the date of the ensuing AGM. The Company has received a notice in writing from a member proposing her candidature for the office of Independent Woman Director. Mrs. Sujata Agarwal qualifies to be an Independent Woman Director pursuant to the provisions of Section 149(1) & 149(6) of the Companies Act, 2013.

Pursuant to the provisions of Section 149(1) & 161 of the Companies Act, 2013, read with the relevant provisions of the Articles of Association, Mr. Nanda Samai (DIN: 02566965) was appointed as an Additional Director (Independent) by the Board of Directors of the Company with effect from January 16, 2015. He holds office as an Additional Director (Independent) up to the date of the ensuing AGM. The Company has received a notice in writing from a member proposing his candidature for the office of Independent Director. Mr. Nanda Samai qualifies to be an Independent Director pursuant to the provisions of Section 149(1) & 149(6) of the Companies Act, 2013.

Pursuant to the provisions of Section 149(1) & 161 of the Companies Act, 2013, read with the relevant provisions of the Articles of Association, Mr. Rohit Jain (DIN: 07129693) was appointed as an Additional Director (Independent) by the Board of Directors of the Company with effect from March 23, 2015. He holds office as an Additional Director (Independent) up to the date of the ensuing AGM. The Company has received a notice in writing from a member proposing his candidature for the office of Independent Director. Mr. Rohit Jain qualifies to be an Independent Director pursuant to the provisions of Section 149(1) & 149(6) of the Companies Act, 2013.

Pursuant to the provisions of Section 149, 152 & 160 of the Companies Act, 2013, Mr. Ramesh Seemakurti (DIN: 00096163) was appointed as an Additional Director (Promoter-Non-Executive) of the Company with effect from August 22, 2015 to hold office upto the date of ensuing AGM. The Company has received a notice in writing from a member proposing his candidature for the office of Non-Executive Promoter Director whose period of office would be liable to be determined by retirement of Directors by rotation.

The brief particulars of the said Directors have been given in the notice convening the ensuing Annual General Meeting and is annexed as additional information to the notice as required under Clause 49 of the Listing Agreement and your Board recommends their appointment/reappointment as set out in the notice.

Chief Financial Officer

As per Section 203 of the Companies Act, 2013 read with the relevant provisions, Mr. Vivek Jain, was appointed as the Chief Financial Officer of the Company with effect from April 29, 2014. However, Mr. Vivek Jain has resigned from the services of the Company with effect from July 17, 2014. Consequent to Mr. Vivek Jain's resignation, the Board appointed Mr. Sanjeet Kumar Gupta as the Chief Financial Officer of the Company with effect from August 25, 2014.

Company Secretary

Ms. Mamata Chakraborty, Company Secretary and Compliance Officer of the Company resigned from the post with effect from February 28, 2015. Consequent to Ms. Mamata Chakraborty's resignation, the Board appointed Ms. Richa Agarwal as the Company Secretary and Compliance Officer of the Company with effect from February 28, 2015.

DIRECTOR'S RESPONSIBILITY STATEMENT

Based on the framework of Internal Financial Controls maintained by the Company, work performed by the Internal, Statutory, Cost and Secretarial Auditors and external agencies, the reviews performed by Management and the relevant Board Committees, the Board, with the concurrence of the Audit Committee, is of the opinion that the Company's internal financial controls were adequate and effective as on 31st March, 2015.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors to the best of their knowledge and ability confirm:

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) that we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the

Directors' Report

provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) that the annual accounts have been prepared on a "going concern" basis;
- e) that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively; and
- f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

CREDIT RATING

The Company's credit rating for Long-Term debts/facilities is C and Short-Term facilities is A4 (A Four), rated by the ICRA Limited.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Sl. No.	Name of Company	Subsidiary/Joint Ventures/Associate Companies	% of Contribution
1	M/s. SKP Mining Pvt. Ltd.	Joint Venture Company	50%

EXTRACT OF ANNUAL RETURN

The details of the extract of the Annual Return in Form MGT 9 is annexed herewith and forms part of this Report as **Annexure-I**.

PUBLIC DEPOSIT

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

STATUTORY AUDITORS

M/s. R. Kothari & Company (FRN: 307069E), Chartered Accountants, retire at the ensuing Annual General Meeting of the Company and have given their consent for re-appointment. The Company has received a certificate confirming their eligibility to be re-appointed as Statutory Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and Rules framed there under. The Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accounts of India as required under the provisions of revised Clause 49 of the Listing Agreement with the Stock Exchanges.

STATUTORY AUDITORS OBSERVATION

There are no qualifications or adverse remarks in the Auditor's Report which require any clarification/explanation. The notes to accounts referred to in the Auditor's Report are self-explanatory, and therefore, do not call for any further comments/explanations.

COST AUDITOR

In terms of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, on the recommendation of Audit Committee, the Board of Directors has re-appointed M/s. A. J. S. & Associates, Cost Accountants (FRN 0001060), as Cost Auditor of the Company, at a remuneration of ₹ 35,000/- plus applicable taxes and re-imbursement of out of pocket expenses incurred by them to conduct an audit of the cost accounting records maintained by the Company for the current financial year beginning from 1st April, 2015 and ending on 31st March, 2016.

As required under section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to cost auditor is being placed at the ensuing Annual General Meeting for ratification by the members.

SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Act and Rules made there under, M/s. A J & Associates, Practicing Company Secretary have been appointed as Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Annexure II** to this report.

SECRETARIAL AUDITOR OBSERVATION

The Secretarial Auditor has the following observations in Form MR-3 enclosed as Annexure II.

- (i) The Chairman and Managing Director is one and the same person.
- (ii) There were delays in filing of various Forms with Registrar of Companies (ROC), West Bengal.
- (iii) The demise of Mr. S.K. Khandelwal, Director of the Company, was informed belatedly.
- (iv) MGT 14 forms with respect to borrowings are not yet filed.

Directors' Report

Our Comments are as under:

- (i) There exist confusion in the implementation of the said provision and no notification/clarification from MCA as so far been issued. The Company has discussed the matter with different consultants of repute but there exist in difference of opinion. We are looking into the matter again and will resolve the matter as the sooner to make it in line with the law. The Chairman is said to be a Chairman as he is being the Principal and Senior most Promoter, and the position is given to him as a respect by the Board.
- (ii) Teething issues in implementation of New Companies Act, 2013, led to some delays in filing.
- (iii) The information of demise of Mr. S.K. Khandelwal was received by the Company after a lapse of more than a month.
- (iv) The filing as may be required is under process.

INTERNAL AUDITOR

During the year, M/s. Charupreeti & Co. (FRN: 3268561), Chartered Accountants has given their Internal Audit Report for the quarter ended 31st March, 2015 and has resigned from the Internal Auditor of the Company. Further M/s. NR & Associates (FRN: 102903), Cost Accountants has given their consent to appoint as an Internal Auditor of the Company for the financial year 2015-16.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company is equipped with proper and adequate system of internal controls for maintaining proper accounting, cost control and efficiency in operation.

The Company also has adequate system to ensure that all of its assets are safeguarded and protected against loss from unauthorised use or disposition, and transactions are authorised, recorded, and reported correctly. The internal control system is supplemented by internal audits, review by management, documented policies and procedures.

PARTICULARS OF EMPLOYEES

The prescribed particulars of employees required under Section 134(3)(q) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure III** and forms a part of this Report of the Directors.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE AND OUTGO

A statement giving details of Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo as required under Section 134(3)(m) read with Rule 8 of Companies Cost (Accounts) Rules 2014 is annexed to this report as **Annexure IV**.

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCTS

The Board has formulated a Code of Conducts for the Board Members and Senior Management of the Company, which has been posted on the website of the Company.

It is hereby affirmed that all the Directors and Senior Management Personnel have complied with the Code and a confirmation to that effect has been obtained from the Directors and the Senior Management.

PREVENTION OF INSIDER TRADING

The Company already had a structured Code of Conduct for Prevention of Insider Trading long back, with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code has been further streamlined to keep parity with the new Companies Act, 2013.

The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Directors and the designated employees, who hold any shares in the Company, have confirmed compliance with the Code.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS

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

Directors' Report

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013. The details of the investments made by Company are given in the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions between the Company and the Directors, the management, or the relatives except for those disclosed in the Financial Statements.

Accordingly, particulars of contracts or arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 in **Form AOC-2 (Annexure V)** is NIL.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel and their remuneration. A note on Remuneration Policy has been made a part of the Corporate Governance Report.

RISK MANAGEMENT POLICY

The Company has a defined Risk Management framework to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Risk Management Policy provides for identification of risk, its assessment and procedures to minimize risk. The policy is periodically reviewed to ensure that the executive management controls the risk as per decided policy.

POLICY ON PREVENTION OF SEXUAL HARASSMENT

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year ended 31st March, 2015, the Company has not received any Complaints pertaining to Sexual Harassment.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6)

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry. The details of various familiarisation programmes provided to the Directors of the Company is available on the Company's website www.impexferrotech.com.

AUDIT COMMITTEE

The composition and terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The composition and terms of reference of the Nomination and Remuneration Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The composition and terms of reference of Stakeholders Relationship Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

Directors' Report

VIGIL MECHANISM POLICY

The Board has adopted a Vigil Mechanism Policy for the Company. This policy is formulated to provide opportunity to all the employees to access in good faith, to the Audit Committee of the Company in case they observe any unethical and improper practice or behaviour or wrongful conduct in the Company and to prohibit managerial personnel from taking adverse personnel action against such employee.

PERFORMANCE/BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

A note on Board Evaluation has been made a part of the Corporate Governance Report.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out in Clause 49 of the Listing Agreement. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms an integral part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is presented in a separate section forming part of this Annual Report.

CEO/CFO CERTIFICATION

As required by Clause 49 of the Listing Agreement, the CEO/CFO certification has been submitted to the Board.

GREEN INITIATIVES IN CORPORATE GOVERNANCE

Ministry of Corporate Affairs has permitted Companies to send electronic copies of Annual Report, notices etc., to the e-mail IDs of shareholders. Your Company has accordingly arranged to send the soft copies of these documents to the e-mail IDs of shareholders wherever applicable. In case any shareholder would like to receive physical copies of these documents, the same shall be forwarded upon receipt of written request.

APPRECIATION

Your Directors wish to extend their thanks and appreciation for the valuable and continued support received from the Shareholders, Company's Bankers, Central and State Government Authorities, Stock Exchange(s), CDSL, NSDL and all other Business Associates for the growth of the organization.

Your Directors also wish to place on record their deep appreciation to all the employees for their commitment and continued contribution to the Company.

ANNEXURE FORMING A PART OF THIS REPORT OF THE DIRECTORS

The Annexure referred to in this Report and other information which are required to be disclosed are annexed herewith and form a part of this Report of the Directors:

Annexure	Particulars
I	Extract of the Annual Return (Form MGT 9)
II	Secretarial Audit Report (Form MR 3)
III	Particulars of Employees
IV	Prescribed particulars of Conservation of Energy, Technology, Absorption and Foreign Exchange Earnings and Outgo
V	Particulars of Contract or Arrangements with Related Parties (Form AOC 2)

For and on behalf of the Board
Impex Ferro Tech Limited

Suresh Kumar Patni
Chairman cum Managing Director

Kolkata, 22nd August, 2015

Directors' Report

Annexure - I

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2015

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company(Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L27101WB1995PLC071996
ii	Registration Date	07.06.1995
iii	Name of the Company	Impex Ferro Tech Limited
iv	Category/Sub-category of the Company	Public Company (Limited by Shares having Share Capital)
v	"Address of the Registered Office & contact details"	35, C. R. Avenue, 4th Floor, Kolkata - 700 012
vi	Whether listed company	Yes (BSE Limited & National Stock Exchange of India Limited)
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Maheshwari Datamatics Pvt. Ltd. 6, Mangoe Lane, 2nd Floor, Kolkata- 700001

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Name & Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
Ferro Alloys	3309	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Name & Address of the Company	CIN/GLN	Holding Subsidiary/ Associate	% of Shares Held	Applicable Section
M/s. SKP Mining Pvt. Ltd.	U10300WB2015PTC205020	Associate	50.00%	2(6)

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

i) CATEGORY-WISE SHARE HOLDING

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2014]				No of Shares held at the end of the year [As on 31-March-2015]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	851800	0	851800	1.04	851800	0	851800	1.04	0.00
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	53578046	0	53578046	65.66	53578046	0	53578046	65.66	0.00
e) Banks/Financial Institutions	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	54429846	0	54429846	66.71	54429846	0	54429846	66.71	0.00
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0

Directors' Report

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2014]				No of Shares held at the end of the year [As on 31-March-2015]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A)=(A) (1)+(A)(2)	54429846	0	54429846	66.71	54429846	0	54429846	66.71	0.00
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(1):-	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	18604298	516000	19120298	23.43	10241828	516000	10757828	13.18	-10.25
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	4504323	42002	4546325	5.57	9680806	42002	9722808	11.92	6.34
ii) Individual shareholders holding nominal share capital in excess of ₹1 lac	2591081	198100	2789181	3.42	6267273	198100	6465373	7.92	4.51
c) Others (Specify)									

Directors' Report

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2014]				No of Shares held at the end of the year [As on 31-March-2015]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c-i) Non Resident Individual	89257	0	89257	0.11	173370	0	173370	0.21	0.10
Non Resident Indians	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Custodian of Enemy Property	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	621597	0	621597	0.76	47279	0	47279	0.06	-0.70
Trusts	100	0	100	0.00	100	0	100	0.00	0.00
Foreign Bodies-DR									
Sub-total(B)(2):-	26410656	756102	27166758	33.29	26410656	756102	27166758	33.29	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	26410656	756102	27166758	33.29	26410656	756102	27166758	33.29	0.00
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	80840502	756102	81596604	100.00	80840502	756102	81596604	100.00	0.00

ii) SHAREHOLDING OF PROMOTERS-

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of Shares	% of total Shares of the Company	% of shares pledged encumbered to total shares	No of Shares	% of total shares of the Company	% of shares pledged encumbered to total shares	
1	Suresh Kumar Patni	466200	0.57	0.23	466200	0.57	92.44	0.00
2	Ankit Patni	175600	0.22	0	175600	0.22	100	0.00
3	Rohit Patni	175000	0.21	0	175000	0.21	100	0.00
4	Sarita Patni	35000	0.04	0	35000	0.04	100	0.00
5	Suanvi Trading & Investment Co. Pvt. Ltd.	15073046	18.47	0	15073046	18.47	100	0.00
6	Invesco Finance Pvt. Ltd.	10871250	13.32	0	10871250	13.32	100	0.00
7	Poddar Mech Tech Services Pvt. Ltd.	10633750	13.03	0	10633750	13.03	100	0.00
8	Vasupujya Enterprises Pvt. Ltd.	10600000	12.99	0	10600000	12.99	100	0.00

Directors' Report

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of Shares	% of total Shares of the Company	% of shares pledged encumbered to total shares	No of Shares	% of total shares of the Company	% of shares pledged encumbered to total shares	
9	Shreyansh Leafin Pvt. Ltd.	3950000	4.84	0	3950000	4.84	100	0.00
10	Whitestone Suppliers Pvt. Ltd.	2450000	3.00	0	2450000	3.00	100	0.00

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl No.	Shareholders Name	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year				
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change during the year			
	At the end of the year				

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sl No.	Name of Shareholders	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the Company
1	Sweety Holdings Pvt. Ltd.	2,316,876.00	2.84	01.04.2014				
				25.04.2014	303,365.00	Purchase	2,620,241.00	3.21
				16.05.2014	183,106.00	Purchase	2,803,347.00	3.44
				30.05.2014	1,894.00	Purchase	2,805,241.00	3.44
				04.07.2014	115,000.00	Purchase	2,920,241.00	3.58
				19.09.2014	100,000.00	Sale	2,820,241.00	3.46
				30.09.2014	100,000.00	Sale	2,720,241.00	3.33
				31.03.2015			2,720,241.00	3.33
2	Rishabh Stocks Pvt. Ltd.	2,125,467.00	2.60	01.04.2014				
				12.09.2014	850,000.00	Sale	1,275,467.00	1.56
				19.09.2014	50,000.00	Sale	1,225,467.00	1.50
				07.11.2014	115,427.00	Sale	1,110,040.00	1.36
				14.11.2014	122,704.00	Sale	987,336.00	1.21
				21.11.2014	548,638.00	Sale	438,698.00	0.54
				28.11.2014	39,306.00	Sale	399,392.00	0.49
				12.12.2014	43,057.00	Sale	356,335.00	0.44

Directors' Report

Sl No.	Name of Shareholders	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the Company
				19.12.2014	180,761.00	Sale	175,574.00	0.22
				31.12.2014	175,574.00	Sale	0.00	0.00
				31.03.2015			0.00	0.00
3	Singrodia Bros Holding (P) Ltd.	2,010,000.00	2.46	01.04.2014		No change during the year		
				31.03.2015			2,010,000.00	2.46
4	Aparjita Vanijya Private Limited	2,000,000.00	2.45	01.04.2014				
				11.07.2014	1,000,000.00	Sale	1,000,000.00	1.23
				08.08.2014	650,000.00	Sale	350,000.00	0.43
				22.08.2014	250,000.00	Sale	100,000.00	0.12
				05.09.2014	100,000.00	Sale	0.00	0.00
				31.03.2015			0.00	0.00
5	Mayank Securities Pvt. Ltd.	1,502,000.00	1.84	01.04.2015				
				11.07.2014	500,000.00	Sale	1,002,000.00	1.23
				25.07.2014	400,000.00	Sale	602,000.00	0.74
				01.08.2014	350,000.00	Sale	252,000.00	0.31
				31.03.2015			252,000.00	0.31
6	Indian Infotech and Software Ltd.	1,125,000.00	1.38	01.04.2015		No change during the year		
				31.03.2015			1,125,000.00	1.38
7	BMA Wealth Creators Ltd.	1,036,777.00	1.27	01.04.2014				
				11.04.2014	200.00	Purchase	1,036,977.00	1.27
				30.05.2014	1.00	Sale	1,036,976.00	1.27
				18.07.2014	100.00	Sale	1,036,876.00	1.27
				25.07.2014	4,000.00	Purchase	1,040,876.00	1.28
				01.08.2014	6,314.00	Sale	1,034,562.00	1.27
				08.08.2014	4,537.00	Purchase	1,039,099.00	1.27
				14.08.2014	1,818.00	Purchase	1,040,917.00	1.28
				22.08.2014	7,724.00	Purchase	1,048,641.00	1.29
				29.08.2014	479,743.00	Sale	568,898.00	0.70
				05.09.2014	3,750.00	Purchase	572,648.00	0.70
				12.09.2014	3,270.00	Sale	569,378.00	0.70
				19.09.2014	500.00	Purchase	569,878.00	0.70
				30.09.2014	3,500.00	Purchase	573,378.00	0.70
				10.10.2014	50.00	Sale	573,328.00	0.70
				17.10.2014	100.00	Purchase	573,428.00	0.70
				24.10.2014	395.00	Sale	573,033.00	0.70
				14.11.2014	1,636.00	Sale	571,397.00	0.70
				21.11.2014	5,040.00	Purchase	576,437.00	0.71

Directors' Report

SI No.	Name of Shareholders	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the Company
				28.11.2014	100.00	Purchase	576,537.00	0.71
				05.12.2014	1,550.00	Sale	574,987.00	0.70
				12.12.2014	270.00	Sale	574,717.00	0.70
				19.12.2014	251.00	Purchase	574,968.00	0.70
				31.12.2014	4,951.00	Sale	570,017.00	0.70
				09.10.2015	175.00	Purchase	570,192.00	0.70
				16.01.2015	800.00	Sale	569,392.00	0.70
				23.01.2015	250.00	Purchase	569,642.00	0.70
				30.01.2015	50.00	Sale	569,592.00	0.70
				06.02.2015	400.00	Purchase	569,992.00	0.70
				27.02.2015	302.00	Sale	569,690.00	0.70
				27.03.2015	900.00	Sale	568,790.00	0.70
				31.03.2015			568,790.00	0.70
8	Rotomac Vinimay Pvt. Ltd.	1,000,000.00	1.23	01.04.2014		No change during the year		
				31.03.2015			1,000,000.00	1.23
9	Destination Textiles Pvt. Ltd.	685,000.00	0.84	01.04.2014				
				25.04.2014	500,000.00	Sale	185,000.00	0.23
				09.05.2014	185,000.00	Sale	0.00	0.00
				04.07.2014	495,000.00	Purchase	495,000.00	0.61
				31.03.2015			495,000.00	0.61
10	Macro Commoddeal Pvt. Ltd.	662,501.00	0.81	01.04.2014				
				22.08.2014	662,501.00	Sale	0.00	0.00
				31.03.2015			0.00	0.00
11	Prastav Commerce Pvt. Ltd.	501,000.00	0.61	01.04.2014		No change during the year		
				31.03.2015			501,000.00	0.61
12	Naresh Kumar Jain	198,100.00	0.24	01.04.2014		No change during the year		
				31.03.2015			198,100.00	0.24
13	Puneet Kumar Girdhar	116,500.00	0.14	01.04.2014				
				19.09.2014	1,500.00	Purchase	118,000.00	0.14
				21.11.2014	12,000.00	Purchase	130,000.00	0.16
				09.01.2015	10,000.00	Purchase	140,000.00	0.17
				16.01.2015	10,000.00	Purchase	150,000.00	0.18
				30.01.2015	10,000.00	Purchase	160,000.00	0.20
				31.03.2015			160,000.00	0.20

Directors' Report

V INDEBTEDNESS

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

(₹ in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year (i.e. as on 01.04.2014)				
i) Principal Amount	26,560.10	6,683.24	–	33,243.34
ii) Interest due but not paid	53.46		–	53.46
iii) Interest accrued but not due			–	
Total (i+ii+iii)	26,613.56	6,683.24	–	33,296.80
Change in Indebtedness during the financial year				
Additions	1,214.55	1,166.82	–	2,381.77
Reduction	–	–	–	–
Net Change	1,214.55	1,166.82	–	2,381.37
Indebtedness at the end of the financial year (i.e. as on 31.03.2015)				
i) Principal Amount	27,761.38	7,850.06	–	35,611.44
ii) Interest due but not paid	66.73	–	–	66.73
iii) Interest accrued but not due			–	
Total (i+ii+iii)	27,828.11	7,850.06	–	35,678.17

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager:

Sl. No	Particulars of Remuneration	Managing Director	Whole Time Director	Manager	Total
		Mr. Suresh Kumar Patni	Mr. Satish Kumar Singh	N.A	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	1,200,000.00	900,000.00		2,100,000.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	–	–	–	–
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	–	–	–	–
2	Stock option	–	–	–	–
3	Sweat Equity	–	–	–	–
4	Commission (as % of Profit)	–	–	–	–
5	Others, please specify	–	–	–	–
	Total (A)	1,200,000.00	900,000.00	–	2,100,000.00
	Ceiling as per the Act	6,000,000.00	6,000,000.00	–	

Directors' Report

B. Remuneration to other directors:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of the Directors						Total
1	Independent Directors	Mr. Ashok Kumar Jain (Resigned w.e.f. 08.10.2014)	Mr. Jay Shanker Shukla (Resigned w.e.f. 23.03.2015)	Mr. Santosh Kumar Khandelwal (cessation w.e.f. 24.03.2015)	Mr. Nanda Samai (Appointed w.e.f. 16.01.2015)	Mr. Rohit Jain (Appointed w.e.f. 23.03.2015)	Mrs. Sujata Agarwal (Appointed w.e.f. 08.10.2014)	
	(a) Fee for attending board committee meetings	16,500.00	19,500.00	34,500.00	9,000.00	1,500.00	18,000.00	99,000.00
	(b) Commission	–	–	–	–	–	–	–
	(c) Others, please specify	–	–	–	–	–	–	–
	Total (1)	16,500.00	19,500.00	34,500.00	9,000.00	1,500.00	18,000.00	99,000.00
2	Other Non Executive Directors	Mr. Ankit Patni						
	(a) Fee for attending board committee meetings	27,000.00	–	–	–	–	–	27,000.00
	(b) Commission	–	–	–	–	–	–	–
	(c) Others, please specify	–	–	–	–	–	–	–
	Total (2)	27,000.00	–	–	–	–	–	27,000.00
	Total (B)=(1+2)		–	–	–	–	–	126,000.00
	Total Managerial Remuneration	–	–	–	–	–	–	126,000.00
	Overall Ceiling as per the Act.	₹ 1,00,000 (per meeting)						–

C. Remuneration to Key Managerial Personnel other than - MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel					Total
1	Gross Salary	CEO	Company Secretary	Company Secretary	CFO	CFO	
		N.A	Ms. Mamata Chakraborty (Resigned w.e.f. 28.02.2015)	Ms. Richa Agarwal (Appointed w.e.f. 28.02.2015)	Mr. Vivek Jain (Resigned w.e.f. 17.07.2014)	Mr. Sanjeet Kumar Gupta (Appointed w.e.f. 25.08.2014)	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	–	378,832.00	25,894.00	230,646.00	441,292.00	1,076,664.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	–	–	–	–	–	–
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	–	–	–	–	–	–
2	Stock Option	–	–	–	–	–	–

Directors' Report

Sl. No.	Particulars of Remuneration	Key Managerial Personnel					Total
3	Sweat Equity	–	–	–	–	–	–
4	Commission (as % of profit)	–	–	–	–	–	–
5	Others, please specify	–	–	–	–	–	–
	Total	–	378,832.00	25,894.00	230,646.00	441,292.00	1,076,664.00

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

FORM No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

(Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members

IMPEX FERRO TECH LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Impex Ferro Tech Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Impex Ferro Tech Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Impex Ferro Tech Limited for the financial year ended on 31st March, 2015 according to the applicable provisions of:

- i. The Companies Act, 1956 and the Companies Act, 2013 ('the Act') and the rules made there under, as applicable;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the audit period)**;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the audit period)**;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Share Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during the audit period)**;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the audit period)**;
 - f. The Securities and Exchange Board of India (Registrar to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the audit period)**; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2009 **(Not applicable to the Company during the audit period)**.
- vi. As per the representation made by the management, no law was specifically applicable to the Company.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has generally complied with the laws applicable to the Company.

Directors' Report

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

- i. Secretarial Standards of The Institute of Company Secretaries of India with respect to board and general meetings. **(Not notified hence not applicable to the Company during the audit period).**

- ii. The Listing Agreements entered into by the Company with the stock exchange(s).

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above except to the extent as mentioned below:

- i. The Chairman and Managing Director is one and the same person, not in line with the provisions of Section 203 of the Act.
- ii. There was a delay in filing of various MGT 14 forms for resolution specified under section 179.
- iii. There was a delay in filing of Form MR 1 and MGT 14 w.r.t. appointment of CFO and CS (KMP).
- iv. There was a delay in filing of Form DIR 12 w.r.t. appointment/cessation of Director.
- v. There was a delay in filing of Form CHG 1 w.r.t. creation/modification of charge in favour of SBICAP Trustee Co. Ltd.
- vi. MGT 14 w.r.t. borrowing made are yet to be filed.
- vii. There was a delay in notifying the Stock Exchange about the demise of Mr. S. K. Khandelwal.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.

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

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

We further report that as per the explanations given to us and the representations made by the Management and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has:

- a. Passed resolutions pursuant to Section 180(1)(a) and 180(1)(c).
- b. Altered its Articles of Association by adopting new set of Articles of Association in line with the provisions of Companies Act, 2013.
- c. The Company has approached the Corporate Debt Restructuring Empowered Group Cell (CDR EG) for restructuring of its credit facilities and received Provisional Letter of Approval by the CDR EG upon the approval of Corporate Debt Structuring Package vide letter No. BY.CDR (VB) No. 528/2014-15 dated November 10, 2014 which was further confirmed by CDR Cell that it is the final LOA vide letter no. BY.CDR (VB) No. 563/2014-15 dated November 21, 2014. The Company has restructured its credit facilities granted/continued by the Consortium Lenders amounting to ₹ 328.61 Crores.

For **A J & ASSOCIATES**
Company Secretaries

CS ABHIJEET JAIN
Proprietor

Date : 22.08.2015

Place: Kolkata

FCS No.: 4975

C.P. No: 3426

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

Directors' Report

'Annexure A'

To,
The Members
IMPEX FERRO TECH LIMITED

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

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

For **A J & ASSOCIATES**
Company Secretaries

CS ABHIJEET JAIN
Proprietor

Date : 22.08.2015
Place: Kolkata

FCS No.: 4975
C.P. No: 3426

Directors' Report

Annexure – III

Sl. No.	Name of Director/KMP & Designation	Remuneration of Director/KMP for Financial Year 2014-15	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Suresh Kumar Patni (Managing Director)	12,00,000	0%	10.23
2.	Mr. Satish Kumar Singh (Executive Director)	9,00,000	7.14%	7.68
3.	Mr. Vivek Jain (CFO) (Resigned w.e.f 17.07.2014)	2,28,448	0%	N.A.
4.	Mr. Sanjeet Kumar Gupta (CFO) (Appointed w.e.f 25.08.2014)	8,40,000	0%	N.A.
5.	Ms. Mamata Chakraborty (Company Secretary) (Resigned w.e.f 28.02.2015)	3,25,000	40%	N.A.
6.	Ms. Richa Agarwal (Company Secretary) (Appointed w.e.f 28.02.2015)	26,785	N.A.	N.A.

Note:

- No other Director other than the Managing Director and Executive Director received any remuneration other than sitting fees during the financial year 2014-15.
- In the financial year, there was an increase of 19.59% in the median remuneration of employees.
- There were 231 Permanent employees on the rolls of Company as on March 31, 2015.
- The remuneration of the Key Managerial Personnel put together is ₹ 35.20 Lacs which increased by 12.82% from ₹ 31.20 Lacs as against a loss at the PBT level in the financial year 2014-2015. The remuneration of the Key Managerial Personnel (KMPs) is linked to the market and is commensurate with their diverse responsibilities and experience
- The market capitalisation of the Company as on 31st March, 2015 decreased by 39.70%, when compared to that of 31st March, 2014. The Company has not made any public offer in the recent past and accordingly comparison of public offer price and the current market price of the Company's shares will not be relevant.
- The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors and Senior Management Personnel.
- It is hereby affirmed that the remuneration paid during the financial year ended 31st March, 2015 is as per the Remuneration Policy of the Company.

Annexure – IV

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required pursuant to Section 134(3)(m) of the Companies Act, 2013.

A) Conservation of Energy

- Steps taken for Conservation of Energy
 - Close monitoring of operating parameters of high energy consuming equipment in plant.
 - Using power factor controller/ capacitors to maintain power factor at optimum level.
 - Keeping maximum demand under control by scheduling auxiliary load during peak power consumption levels.
- Steps taken for Utilizing Alternate Source of Energy
 - Replacement of old motor with energy efficient motors.
 - Replacement of tube light with LED's.

Directors' Report

iii. Capital investment on energy conservation equipment

The Company proposes to install solar power equipments like night lighting systems and solar power pump sets to further conserve carbon emitting thermal power. Due to the implementation of the same, energy cost is expected to be reduced and consequently there will be impact on the cost of production.

B) Technology Absorption

i. Efforts made towards technology absorption

Continuous efforts are being made towards improvements in existing production process.

ii. Benefits derived like product improvement, cost reduction, product development or import substitution

- Improvement in the quality of its products,
- Improvement in the safe and environment friendly process.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - Nil.

iv. Expenditure incurred on Research and Development

a) Capital	Nil
b) Recurring	Nil
c) Total	Nil
d) Total R&D expenditure as a percentage of total turnover	Nil

C) Foreign Exchange Earnings and Outgo

i. Activities relating to export, initiative taken to increase exports, development of new export markets for the products & services and export plans:

The export revenue during the year was ₹ 184.51 Crores. The export team regularly visit the international market, customer and end users. The Export team participate in all major trade fairs and events to improve the Company's visibility amongst the global market.

ii. Total Foreign Exchange used and earned: (₹ in Lacs)

Particulars	31.03.2015	31.03.2014
Foreign Exchange earned	18,451.37	17,530.71
Foreign Exchange used	7,836.60	9,199.64

Directors' Report

Annexure V

FORM AOC-2

1. Details of Contracts or Arrangements or Transactions not at Arm's Length Basis

Name(s) of the Related Party and Nature of Relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ Transactions	Salient Terms of the Contracts or Arrangements or Transactions including the value, if any	Justification for entering into such Contracts or Arrangements or Transactions	Date(s) of Approval by the Board	Amount paid as Advances, if any	Date on which the Special Resolution was passed in General Meeting as required under First Proviso to Section 188
NIL							

2. Details of Material Contracts or Arrangements or Transactions at Arm's Length Basis

Name(s) of the Related Party and Nature of Relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ Transactions	Salient Terms of the Contracts or Arrangements or Transactions including the value, if any	Date(s) of Approval by the Board	Amount paid as Advances, if any	Amount paid as Advances, if any	Date on which the Special Resolution was passed in General Meeting as required under First Proviso to Section 188
NIL							

For and on behalf of the Board
Impex Ferro Tech Limited

Suresh Kumar Patni
Chairman cum Managing Director

Kolkata, 22nd August, 2015

Management Discussion and Analysis

Economic Overview

Financial Year 2014-15 witnessed divergent trend among major economies. According to the International Monetary Fund, the global economy is expected to grow at 3.4% in financial year 2015-16. This is due to the fact that slowdown in production in China and Russia is expected to be more than off set by recovery of the developed economies and growth in South-East Asia.

The currency movements and interest rates continue to be risks for growth. Developed economies are expected to grow moderately. After posting stronger and broader growth at the end of 2014, the USA is carrying the momentum into 2015 with increased consumer spending and trade activity, falling unemployment rate and improved investor sentiment.

The Indian GDP growth expanded to 7.2% in previous financial year due to improving economic sentiments but demand at the grass root level remained stagnant and is only expected to pick up from 2015.

Industry structure and developments

The Indian Ferro Alloys Industry, which has completed five decades of its existence and a part of the core sector, is engaged in supplying crucial intermediaries to Iron and Steel Industry. Ferro-alloys are critical additives in the production of iron & steel and the fortune of Ferro Alloys Industry is directly linked with the growth of Iron & Steel Industry. The product mix of ferro alloys consists of bulk ferro alloys which includes HC ferro manganese, silicon manganese, ferro silicon, HC ferro chrome, charge chrome, etc. and noble ferro alloys consisting of ferromolybdenum, ferro-anadium, ferrotungsten, ferro-silicon magnesium, ferro-boron and ferro-titanium.

India accounts for around 7-8% of the world's ferro alloys production. India emerged as a preferred supplier of ferro alloys on account of abundant availability of key resources comprising chrome ore and manganese ore, trained and cost-effective manpower and favorable location.

The demand driver of ferro-alloys consists of crude steel production, alloy and special steel production and stainless steel production. The anticipated infrastructure development, investment plan in road sector, expansion in railway, increase in volume by automobile sector, uses of special steel in power sectors and refocus on manufacturing sector, the demand for ferro alloys is expected to improve in coming years.

Opportunities and Threats

The growth of Ferro-Alloys Industry is directly linked with the growth of Iron and Steel Industry, which in turn depends on its user industry i.e. infrastructure, housing, automobile and consumer durable industries. India, at a per capita steel consumption of 60 kg, is much below the global average of 215 kg, thereby reflecting massive under-penetration and immense opportunities for growth, which will in turn, drive ferro-alloys demand as these are key input resources for iron and steel manufacture. The Industry has tremendous potential for growth as the per capita steel consumption in the Country is one of the lowest in the world. With burgeoning population, drive towards industrialisation and focus on better quality of life, the steel demand in the country is expected to rise significantly which will in turn, drive ferro-alloys demand as these are the key input resources for iron and steel manufacture. The significant investments envisaged in India's infrastructure sector in the creation of capital assets including roads, bridges, airports, seaports, flyovers and railway tracks, opportunity of utilising special steel by power and automobiles sector, the demand for steel and hence, ferro-alloys is expected to grow in coming years.

Electrical energy is one of the major inputs in production of ferro-alloys and high power tariff is a threat for the Ferro-Alloys Industry. Apart from electrical energy, the industry faces challenges of acquiring good quality raw materials like high grade ores and coke.

As regards the power cost, ferro-alloys producers are now focusing on setting up their captive power units. This will reduce the input cost and ensures continuous supply of power to the downstream project. In the long run this effort of backward integration shall eventually help the domestic ferro-alloys producers to compete in the international market. Moreover with India remaining as one of the largest producers of manganese ore, there is adequate availability of this resource for the production of manganese based ferro-alloys.

Further, it is hoped that the government would recognise the challenges arising out of periodic administered price increases of power and input materials which hamper the competitiveness of this industry and take steps to address them urgently to enable the ferro alloys producers to compete in the domestic as well as international markets.

Risks and Concerns

The cost-effective availability and quality of key raw material is a global challenge. The volatility in prices of raw materials including the mismatch between the prices of raw materials and ferro alloys as well as limitation on and disruption in the supply of inputs,

Management Discussion and Analysis

could adversely affect the profitability of the Company. Maintaining greater raw material security to insulate the Company from the price swing in key inputs and resultant impact on the profitability continues to be a key strategic objective. The Company is maintaining a healthy position for key raw materials having arrangements with domestic and international ore suppliers.

Electricity comprises a key cost component in the total operating cost structure and an inability to manage this might impact the Company's operations. The 30 MW captive power plant enables the Company to emerge self-reliant in its power needs and reduce dependence on the expensive grid electricity.

The Company's sales may in the future be concentrated in a few markets as a consequence of continued global slow down, thereby negatively impacting its operations. Currently the Company's sales are well-spread to key consumption centers across the globe. The Company presently caters to the needs of several multinational customers, thereby mitigating concentration risks.

The Company deals in sizeable amount of foreign exchange in import of raw materials and exports of finished products. A comprehensive and robust forex policy has been formulated for insulating the Company by hedging foreign exchange exposure.

Segment-wise Reporting

The Company is mainly in the business segment of manufacturing & sales of ferro-alloys and trading in iron & steel products. The key financial of the business segments including secondary segment details identified as the geographical segment based on the location of customers within India and outside India is given in Notes No. 36 to the Annual Accounts. The Company also generates power from its Captive Power Plant, which is entirely consumed in the manufacture of ferro-alloys without any sale to third parties.

Segment-wise Performance

Ferro Alloys:

During the year under review the Company has produced 43,943.560 MT of ferro alloys against 42,325.860 MT of ferro alloys in previous year registering a growth of 3.82% over previous year. The Gross revenue from the ferro alloys segment was ₹ 265.54 Crores. The ferro alloys export during the year under review has increased by 8.22% to 33,847 MT.

Internal Controls and Systems

The Company has implemented proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorised, recorded and reported properly, applicable statutes and corporate policies are duly complied with. The Company has an Audit Committee with majority of Independent Directors as members. The committee periodically reviews significant audit findings, adequacy of internal control and compliance with Accounting Standards, amongst others. The management duly considers and takes appropriate action on the recommendations made by the Statutory Auditors, Internal Auditors and the Independent Audit Committee of the Board of Directors. The Company also takes quarterly compliance certificate in respect of various applicable laws from the concerned departmental heads and place the same before the board.

Industrial Relations and Human Resources

Human resource is the Company's principal asset. The Company provides continual training to its staff to help them upgrade their skills and seeks to balance individual aspirations with Company goals. The Company is an equal opportunities employer. The Company employs contract labourers in its manufacturing facilities. The Company recruits judiciously through industry contacts, newspaper advertisements and consultancies. The Company also recruits trainees from reputed ITIs, technical and professional institutes. The Company maintained harmonious relationship with all its workers and there were no strikes or lockouts during the year under review. As on the date of this Report the Company has 231 employees on its payroll.

Cautionary Statement

Certain statements in the Management Discussion and Analysis Report describing the Company's objective and predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates new regulations and government policies that may impact the Company's business as well as its ability to implement the strategy. The Company doesn't undertake to update the statements.

Corporate Governance Report

Corporate Governance Philosophy

We believe that good Corporate Governance is a key driver of sustainable corporate growth and long term value creation of our stakeholders. Corporate Governance involves being responsive to aspirations of our stakeholders besides ensuring compliance with regulatory requirements. The Company has always been taking the spirit of various legislations as guiding principles and proposes to go well beyond statutory compliance by establishing such systems and procedures as are required to make the management completely transparent and institutionally sound. We are committed to conduct the business upholding the core values like transparency, integrity, honesty, accountability and compliance of all statutes. We recognize that this is a conscious and continuous process across the Organization, which enables the Company to adopt best practices as we incorporate improvements based on the past experience.

Board of Directors

As on 31st March, 2015 the Board consisted of 6 (Six) Directors out of which 2 (Two) were Executive Directors and 4 (Four) were Non-Executive Directors of which 3 (Three) were Independent. The Chairman of the Company is an Executive-Promoter-Director. The composition of the Board during the year was in conformity with Clause 49 of the Listing Agreement executed with the Stock Exchanges.

None of the Directors on the Board are member of more than 10 (ten) Committees and they do not act as Chairman of more than 5 (five) Committees across all the Companies of which they are the Directors. The Directors regularly inform the Company about the changes in their positions as and when changes take place, apart from the annual disclosures.

The composition and category of the Board of Directors of the Company as on 31st March, 2015 along with the number of Board meetings attended by the Directors during the year 2014-15 are given below:

Name of the Director	Category	No. of Board Meetings Attended	No. of Directorship in other Public Limited Companies incorporated in India	No. of Committee positions held in other Public Limited Companies §		Whether Attended the last AGM
				As Member	As Chairman	
Mr. Suresh Kumar Patni	Promoter/-Executive	19	6	1	-	No
Mr. Ankit Patni@	Promoter/Non-Executive	19	3	1	-	Yes
Mr. Satish Kumar Singh	Executive	19	-	-	-	No
Mr. Nanda Samai*	Independent – Non-Executive	6	1	1	-	No
Mrs. Sujata Agarwal **	Independent – Non-Executive	12	4	2	2	No
Mr. Rohit Jain #	Independent – Non-Executive	2	2	1	2	No
Mr. Santosh Kumar Khandelwal !	Independent – Non-Executive	17	-	-	-	No
Mr. Jay Shanker Shukla %	Independent/ Non-Executive	7	2	1	2	Yes
Mr. Ashok Kumar Jain ^	Independent/ Non-Executive	7	-	-	-	Yes
Mr. Ramesh Seemakurti +	Promoter/Non-Executive	-	-	-	-	No

Notes :

§ Only the two committees viz. Audit Committee and Stakeholders Relationship Committee are considered for this purpose.

@ Resigned from the Directorship w.e.f 22nd August, 2015.

* Appointed as an Additional Director w.e.f 16th January, 2015.

** Appointed as an Additional Director w.e.f 8th October, 2014.

Appointed as an Additional Director w.e.f 23rd March, 2015.

Corporate Governance Report

! Cessation due to demise w.e.f 24th March, 2015.

% Resigned w.e.f. 23rd March, 2015.

^ Resigned w.e.f 8th October, 2014.

+ Appointed as an Additional Director w.e.f 22nd August, 2015.

None of the Non-Executive Directors have any pecuniary relationship or transactions with the Company except for holding Directorship & receiving sitting fee, save and except Mr. Ankit Patni who is also the promoter of the Company, which has a business relation with this Company.

Mr. Ankit Patni is the son of Mr. Suresh Kumar Patni. No other Directors in the Board are related to each other.

Meeting

Nineteen (19) Board Meetings were held during the year 2014-15 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:

29th April, 2014; 30th May, 2014; 10th July, 2014; 17th July, 2014; 12th August, 2014; 25th August, 2014; 12th September, 2014; 8th October, 2014; 17th October, 2014; 11th November, 2014; 14th November, 2014; 23rd December, 2014; 14th January, 2015; 16th January, 2015; 28th January, 2015; 14th February, 2015; 28th February, 2015; 23rd March, 2015 and 26th March, 2015.

Notes

1. Board meeting are held at the Corporate Office of the Company. The Agenda along with explanatory notes are sent in advance to the Directors to get their input in the discussion. The information as specified in Annexure- IA to Clause 49 of the Listing Agreement entered into with the Stock Exchange is regularly made available to the Board whenever applicable.
2. The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

Independent Directors

None of the Independent Directors is acting as an Independent Director in more than 7 listed Companies.

Meetings of Independent Directors:

During the period under review, Independent Directors' met on 26th March, 2015, inter-alia, to discuss:

- a) Review the Performance of the Non-Independent Directors and the Board as a whole;
- b) Review the performance of the Chairperson of the Company, taking in account the view of Executive and Non-Executive Directors,
- c) Assess the quality, quantity and timelines of flow of information between the Management and the Board, that is necessary for the Board to effectively and reasonably perform their duties

All the Independent Directors were present in the meeting.

Performance evaluation of Independent Directors

The Board evaluated the performance of the Independent Directors and recommends the commission payable to them based on their commitment towards attending the meeting of the Board/Committees, contribution and attention to the affairs of the Company and their overall performance apart from sitting fees paid for each Board & Committee meeting attended by them.

Familiarisation Program of Independent Directors

The Independent Directors are having adequate experience in the field of finance, industry, commerce and administration. Their presence on the Board has been advantageous to the Board and fruitful in taking business decisions.

Periodic presentations are made by Senior Management on business and performance updates of the Company, global business environment, business risk and its mitigation strategy. The details of such periodic presentation is disclosed on the Company's website www.impexferrotech.com

Corporate Governance Report

Code of Conduct

The Code of Conduct for the Board of Directors and Senior Management Personnel as adopted is available on the Company's website www.impexferrotech.com. All the Members of the Board and Senior Management Personnel have affirmed the compliances of the Code of Conduct.

Declaration

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and Senior Management Personnel of the Company have affirmed compliances with the Code of Conduct of the Company for the year ended 31st March, 2015.

Kolkata, 30th May, 2015

For **Impex Ferro Tech Ltd.**

Suresh Kumar Patni

Chairman cum Managing Director

Committees of Directors

Currently, there are five (5) Board Committees – Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee, Corporate Social Responsibility (CSR) Committee and Executive Committee. The terms of reference of the Board Committee are determined by the Board from time to time. The terms of reference, role and composition of these committees, including the number of meetings held and attended by the members during the financial year are provided below:

1. Audit Committee

The Company has an Audit Committee within the scope of Section 177 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement. The existing Audit Committee has been reconstituted on 30th day of May, 2014.

The composition of the Audit Committee and the details of meetings attended by the Committee members are given below:

Name of the Member	Designation	Category	No. of Meetings Attended
Mr. Jay Shanker Shukla*	Chairman	Independent/Non-Executive	4
Mr. Ankit Patni **	Member	Promoter/Non-Executive	1
Mr. Ashok Kumar Jain @	Member	Independent/Non-Executive	3
Mr. Santosh Kumar Khandelwal #	Member	Independent/Non-Executive	4
Mrs. Sujata Agarwal \$	Member	Independent/Non-Executive	1
Mr. Rohit Jain %	Chairman	Independent/Non-Executive	-
Mr. Nanda Samai ^	Member	Independent/Non-Executive	1
Mr. Ramesh Seemakurti +	Member	Promoter/Non-Executive	-

* Resigned w.e.f 23rd March, 2015.

** Resigned as a Member of Audit Committee w.e.f 30.05.2014 and was again appointed as a Member of Audit Committee on 28.07.2015. Subsequently, he resigned as Director of the Company w.e.f 22nd August, 2015.

@ Resigned w.e.f 8th October, 2015.

Cessation due to demise w.e.f 24th March, 2015.

\$ Appointed as a Member w.e.f 8th October, 2014.

% Appointed as a Member w.e.f 23rd March, 2015.

^ Appointed as a Member w.e.f 16th January, 2015.

+ Appointed as a Member w.e.f 22nd August, 2015.

The Managing Director, Executive Director and Chief Financial Officer are permanent invitees to the Committee. The Company Secretary acts as Secretary of the Audit Committee. The representative of Internal Auditors also attends the meeting. The Audit Committee invites, as and when considers appropriate, the representatives from the Statutory Auditors and Cost Auditors to be present at the meeting of the Committee.

Corporate Governance Report

The Audit Committee comprises of 3 (three) Directors all of whom are financially literate. Majority of the members of the Committee are Independent/Non-Executive. Mr. Jay Shanker Shukla, Independent Director who was the Member of Audit Committee till 23.03.2015, having expertise in finance, was the Chairman of the Audit Committee. After his resignation, Mr. Rohit Jain, Independent Director, having expertise in finance was appointed as the Chairman of the Audit Committee w.e.f 23rd March, 2015.

The Chairman of the Audit committee was present at the last Annual General Meeting.

During the financial year ended 31st March, 2015 5 (five) Audit Committee Meetings were held on 30th May, 2014; 12th August, 2014; 25th August, 2014; 14th November, 2014 and 14th February, 2015.

The terms of reference of the Audit Committee includes the powers as laid down in Clause 49(III)(C) and the role as stipulated in Clause 49(III)(D) of the Listing Agreement and review of information as laid down in Clause 49(III)(E).

The terms of reference of the Audit Committee inter alia includes:

1. To oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible.
2. To recommend to the Board, the appointment, re-appointment, terms of appointment, replacement or removal and remuneration of the auditors.
3. To examine the Financial Statements and Auditors' Report thereon.
4. To review, with the management, the quarterly financial statements before submission to the board for approval.
5. To approve the payment to statutory auditors for any other services rendered by the statutory auditors.
6. To review, with the management, the Annual Financial Statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-section 3 of Section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the Financial Statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to Financial Statements
 - f. Disclosure of any Related Party Transactions
 - g. Qualifications in the draft audit report.
7. To approve or subsequently modify the transactions of the Company with related parties.
8. To review, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
9. To review, with the management and monitor the auditor's independence and performance of statutory and internal auditors, adequacy of the internal control systems and effectiveness of audit process.
10. To scrutinize inter-corporate loans and investments, if any.
11. To value undertakings or assets of the Company, wherever it is necessary.
12. To evaluate the Internal Financial Controls and Risk Management Systems.
13. To monitor the end use of funds raised through public offers and related matters, if any.
14. To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

Corporate Governance Report

15. To discuss with internal auditors any significant findings and follow up there on.
16. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
17. To call for comments of the auditors about internal control systems, scope of audit, including the observations of the auditors and review of Financial Statement before their submission to the Board and discuss any related issues with the internal and statutory auditors and the management of the Company.
18. To give an option to the Auditors and the Key Managerial Person of the Company to be heard at the Audit Committee Meeting while considering the Auditors' Report.
19. To discuss with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
21. To approve the appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
22. To establish a Vigil Mechanism for the directors and employees of the Company to report genuine concerns in certain matters. The Mechanism shall provide adequate safeguard against victimisation of persons who use the mechanism. The Chairman of the Audit Committee shall be easily available for the same.
23. To carry out any other function as is mentioned in the terms of reference of the Audit Committee from time to time.

2. Nomination and Remuneration Committee (erstwhile Remuneration Committee)

In compliance of the provision of Section 178(1) of the Companies Act, 2013 read with Clause 49 of the Listing Agreement. The existing Remuneration Committee has been renamed as Nomination and Remuneration Committee.

The Committee consists of 3 (three) Non-Executive/Independent Directors. The Committee met Six (6) times during the year i.e., on 30th May, 2014; 12th August, 2014; 25th August, 2014; 14th November, 2014; 1st February, 2015 and 28th February, 2015. The present composition of the Nomination and Remuneration Committee and details of the meeting attended by the members are given below:

Name of the Member	Designation	Category	No. of Meeting Attended
Mr. Jay Shanker Shukla *	Chairman	Independent/Non-Executive	5
Mr. Ashok Kumar Jain **	Member	Independent/Non-Executive	3
Mr. Santosh Kumar Khandelwal @	Member	Independent/Non-Executive	6
Mr. Sujata Agarwal +	Member	Independent/Non-Executive	3
Mr. Rohit Jain #	Chairman	Independent/Non-Executive	-
Mr. Ankit Patni \$	Member	Promoter/Non Executive	-
Mr. Ramesh Seemakurti %	Member	Promoter/Non Executive	-

* Resigned w.e.f 23rd March, 2015.

** Resigned w.e.f 8th October, 2014.

@ Cessation due to demise w.e.f 24th March, 2015.

+ Appointed as a Member w.e.f 8th October, 2014.

Appointed as a Member w.e.f 23rd March, 2015.

\$ Appointed as a member in Nomination and Remuneration Committee w.e.f 28th July, 2015. Further, he resigned as Director of the Company w.e.f 22nd August, 2015.

% Appointed as a Member w.e.f 22nd August, 2015.

Corporate Governance Report

The terms of reference of the Nomination and Remuneration Committee are as follows:

1. To identify person who are qualified to become Directors and who may be appointed in Senior Management as per their criteria;
2. To recommend to the Board the appointment and removal of the Directors and Senior Management;
3. To carry out evaluation of every Director's performance;
4. To formulate criteria for determining qualification, positive attributes and independence of a Director;
5. Devise a policy on Board diversity;
6. To recommend to the Board a policy relating to remuneration for the Directors, Key Managerial Personnel and other employees;
7. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable;
8. To perform such other functions as may be necessary or appropriate for performance of its duties;

The Chairman was present at the last Annual General Meeting.

Remuneration Policy

A. For Executive Directors/KMP's:

I. Fixed pay:

- a. The Managing Director/Executive Directors/KMP's and Senior Management Personnel shall be eligible for a monthly remuneration and perquisites as may be approved by the Board on the recommendation of the Committee. The statutory and retiral benefits shall be paid as per the applicable laws.
- b. The remuneration to be paid to the Managing Director/Executive Directors shall be paid on recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

II. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/Executive Director in accordance with the provisions of Part-II of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

III. Provisions for excess remuneration:

If any managing Director/Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

B. For Non-Executive Directors/Independent Directors

I. Sitting fees

The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof, provided that the amount of such fees shall not exceed ₹ One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

II. Commission:

No Commission shall be paid.

III. Stock Options:

An Independent Director shall not be entitled to any stock option as per the Companies Act, 2013.

Corporate Governance Report

Remuneration of Executive Directors

The Company has paid remuneration only by way of salary to its Managing Director/Executive Directors and the same is within the limits specified under Schedule V of the Companies Act, 2013 and duly approved by the Board as well as by the shareholders of the Company. Details of remuneration paid during 2014-15 are as follows:

Name of the Director and Designation	Salary paid (₹)	Period of Contract		Notice Period
		From	To	
Mr. Suresh Kumar Patni	12,00,000/-	01.07.2013	30.06.2018	2 months
Mr. Satish Kumar Singh*	9,00,000/-	24.08.2012	23.08.2015	2 months

* Re-appointed for a further period of 3 (Three) years w.e.f. 24th August, 2015 till 23rd August, 2018.

Remuneration of Non-Executive Directors

The remuneration of Non-Executive Directors consists of only sitting fees @ ₹ 1,500/- for attending each meeting of the Board of Directors or a Committee thereof. The details of fees paid during the year and the equity shares held by them as on 31st March, 2015 are as follows:

Name of the Director	Sitting Fee paid (₹)	No. of Shares held as on 31st March, 2015
Mr. Ankit Patni	27,000	1,75,600
Mr. Ashok Kumar Jain	16,500	Nil
Mr. Santosh Kumar Khandelwal	34,500	Nil
Mr. Jay Shanker Shukla	19,500	Nil
Mr. Nanda Samai	7,500	Nil
Mr. Rohit Jain	1,500	Nil
Mrs. Sujata Agarwal	18,000	Nil

3. Stakeholders Relationship Committee (erstwhile Investor Grievance cum Share Transfer Committee)

In compliance of provision of section 178(5) of the Companies Act, 2013 read with Clause 49 of the Listing Agreement, the existing Investor Grievance cum Share Transfer Committee has been renamed as Stakeholders Relationship Committee.

The Stakeholders Relationship Committee was constituted to specifically look into the redressal of investors' complaints like transfer of shares, non-receipt of balance sheet and non-receipt of declared dividends, etc.

The Stakeholders Relationship Committee consists of three Directors, out of which two are Independent Directors. The Chairman of the Committee is an Independent Director.

During the year under review, the Committee has met once on 04.12.2014.

The composition of the Committee and the attendance of the members in the meeting are given hereunder:

Name of the Member	Designation	Category	No. of Meetings Attended
Mr. Ashok Kumar Jain #	Chairman	Independent/Non-Executive	-
Mr. Suresh Kumar Patni	Member	Promoter/Executive	1
Mr. Jay Shanker Shukla **	Member	Independent /Non-Executive	-
Mrs. Sujata Agarwal *	Chairman	Independent /Non-Executive	1
Mr. Rohit Jain \$	Member	Independent /Non-Executive	-

Resigned w.e.f 8th October, 2014.

** Resigned w.e.f 23rd March, 2015.

* Appointed as a Member w.e.f 8th October, 2014.

\$ Appointed as a Member w.e.f 23rd March, 2015.

Ms. Richa Agarwal, Company Secretary has been designated as Secretary to the Committee and as Compliance Officer of the Company. The Committee has delegated the authority to approve the requests for transfers/transmission, split and remat/demat of shares to the Company Secretary. The Committee reviews the transfer/demat/remat approved by the Company Secretary and take note thereof in their subsequent meeting.

Corporate Governance Report

The broad terms of reference includes the following:

- To review and ensure compliance of statutory provisions of the Companies Act, 2013, the guidelines of SEBI and the Stock Exchanges and other statutory requirements relating to transfer and transmission of shares/debentures of the Company.
- To review and ensure that the Registrar/Company's Transfer House implements all statutory provisions as above.
- Approve transfers/transmission of shares/debenture and demat/remat of the shares/debenture.
- Approve issue of duplicate shares certificates/debenture certificates, issue of certificates on consolidation/sub-division/rematerialisation.
- To consider and resolve all shareholders queries, grievance and complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. are attended and redressed in an expeditious manner.
- Monitor implementation of Company's Code of Conduct for Prohibition of Insider Trading.
- Any other matter referred by the Board relating to equity shareholders of the Company.

The details of the complaints during the year 2014-2015, excluding correspondences which are not in the nature of complaints are given below:

Number of complaints received from the shareholders	Nil
Number of complaints redressed	Nil
Number of complaints not solved/pending	Nil

4. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Board of Directors was constituted on 29th April 2014, in terms of the provisions of the Companies Act, 2013.

The composition of the Committee is as under:

Name of the Member	Designation	Category
Mr. Santosh Kumar Khandelwal #	Chairman	Independent/Non-Executive
Mr. Satish Kumar Singh	Member	Executive
Mr. Ankit Patni *	Member	Promoter /Non-Executive
Mr. Nanda Samai \$	Chairman	Promoter/Executive
Mr. Ramesh Seemakurti %	Member	Promoter/Non-Executive

Cessation due to demise w.e.f 24th March, 2015.

* Resigned as a Member w.e.f. 22nd August, 2015.

\$ Appointed as a Chairman in Corporate Social Responsibility (CSR) Committee w.e.f 28th July, 2015.

% Appointed as a Member w.e.f 22nd August, 2015.

The role of the Committee are as under:

- Formulate and recommend to the Board the CSR Policy and any amendments thereof which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities, as per CSR Policy.
- Be responsible for implementation and monitoring of CSR projects or programmes or activities of the Company.
- Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

Corporate Governance Report

5. Executive Committee

The Executive Committee of the Board of Directors was constituted on 14th February, 2015 consisting of 3 (three) members.

The composition of the Committee is as under:

Name of the Member	Designation	Category
Mr. Suresh Kumar Patni	Chairman	Executive
Mr. Satish Kumar Singh	Member	Executive
Mr. Ankit Patni *	Member	Non-Executive
Mr. Ramesh Seemakurti #	Member	Non-Executive

* Resigned w.e.f 22nd August, 2015.

Appointed as a member w.e.f 22nd August, 2015.

The Committee is constituted with powers and responsibilities including but not limited to

- To review and follow up on the action taken on the Board decisions;
- To review the operations of the Company in general;
- To review the systems followed by the Company;
- To review, propose and monitor annual budget including additional budget, if any, subject to the ratification of the Board;
- To review capital expenditure against the budget;
- To authorize opening and closing of bank accounts; To authorize additions/deletions to the signatories pertaining to banking transactions;
- To approve transactions relating to foreign exchange exposure including but not limited to forward cover and derivative products;
- To delegate and authorise the Company officials to represent and appear before the various courts, government authorities on behalf of the Company;
- To attend to any other responsibility as may be entrusted by the Board to investigate any activity within terms of reference;
- To execute Power of Attorney in favour of Company officials to represent and appear before the various courts, government authorities on behalf of the Company;

Further, the Executive Committee is empowered to do the following

- To seek information from any employee as considered necessary;
- To obtain outside legal professional advice as considered necessary;
- To secure attendance of outsiders with relevant expertise; and

To investigate any activity within terms of reference.

General Body Meetings

The last three Annual General Meetings were held as under :

Date	Financial Year	Place	Time
September 27, 2014	2013-2014	Purbashree, Bhartiya Cultural Multiplex, IB-201, Sector-III, Salt Lake City, Kolkata - 700 016	10.00 AM
September 30, 2013	2012-2013	'Rotary Sadan' 94/2, Chowringee Road, Kolkata - 700 020	10.00 AM
September 26, 2012	2011-2012	'Rotary Sadan' 94/2, Chowringee Road, Kolkata - 700 020	10.00 AM

Corporate Governance Report

Special Resolutions Passed at the last three AGMs :

Financial Year	Items
2013-14	Alteration of Articles of Association of the Company
2012-13	Issue Shares to Promoters and Non-Promoter Group on preferential basis
2011-12	None

No special resolution requiring postal ballot is being proposed at the ensuing AGM. However, two (2) resolutions were passed during the year 2014-15 in accordance with the provisions of Section 110 of the Companies Act, 2013, ('the Act') read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The results of the Postal Ballot are given below:

Particulars of Resolution	Type of Resolution	Resolution passed on	Applicable Section of the Companies Act, 2013	No. and % of votes in favor	No. and % of votes against
Creation of Charge/Mortgage on Company's properties	Special Resolution	25th August, 2014	Section 180 (1)(a) of the Companies Act, 2013 and other applicable provisions, if any of the Companies Act, 2013	52017135 99.99%	3162 0.01%
Increase of Borrowing Limit	Special Resolution	25th August, 2014	Section 180 (1)(c) of the Companies Act, 2013 and other applicable provisions, if any of the Companies Act, 2013	52007331 99.97%	11665 0.03%

The Postal Ballot result was declared on 25th August, 2014 at the Corporate office of the Company and was placed on the Company's website.

CS Abhijeet Jain, Practicing Company Secretary was appointed as Scrutinizer for conduction the Postal Ballot process which was conducted in terms of the procedure laid down in the Companies (Management and Administration) Rules, 2014, read with the relevant provisions of the Companies Act, 2013.

Disclosures

- There are no materially significant Related Party Transactions, i.e. transactions of the Company of material nature with its Promoters, Directors or the Management or relatives etc. that may have potential conflict with the interests of the Company at large. A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee. The pricing of all the transactions with the related parties were on an arm's length basis. A disclosure of related party relationship and transactions as per AS-18 is given in the Note No: 37 to the Annual Accounts of the Company.
- Review of RPT by Audit Committee and grant of omnibus approval. Incorporate the same in Audit Committee minutes
- The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of Financial Statements, the Company has not adopted a treatment different from that prescribed in an Accounting Standard.
- The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No strictures or penalty were imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years.
- The Company does not have any Subsidiary.

Corporate Governance Report

- A Risk Management Policy has been formed by the Company on 30th May, 2014. The risk assessment and minimisation procedures are in place and the Board is regularly informed by the Senior Executives about the business risks, if any occurs, and the steps taken to mitigate the same.
- Vigil Mechanism Policy:
In order to strengthen the process of conducting the business in a fair, transparent and ethical manner, the Company has set up a Vigil Mechanism. The policy is intended to establish a mechanism for employees to report to the management genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics, for which a dedicated email id vigil.mechanism@impexferrotech.com has been established. Mr. Rohit Jain, Chairman of the Audit Committee of the Company has been nominated by the Board as Ombudsperson for this purpose. The mechanism provides adequate safeguard against victimisation of the persons using this mechanism. No employee was denied access to the Audit Committee.
- In terms of clause 49(IV)(F)(ii) of the Listing Agreement, the Senior Management has disclosed to the Board that they have no personal interest in the material, financial and commercial transactions of the Company that may have potential conflict with the interest of the Company at large.
- The Company has complied with all the mandatory requirements as mandated under Clause 49 of the Listing Agreement. A certificate from the practicing Company Secretary to this effect has been included in this report. Besides mandatory requirements, the Company has constituted a Nomination and Remuneration Committee to consider and recommend the remuneration of the Directors. The extent of compliance relating to non-mandatory requirements is dealt under the head 'non- mandatory requirements'.

CEO/CFO Certification

The requisite certificate from the Managing Director and the Chief Financial Officer of the Company for the financial year ended 31st March, 2015 required to be given under Clause 49(V) of the Listing Agreement has been placed before the Board meeting held on 30th May, 2015.

Means of Communication

1. Financial Results

In compliance with the requirements of the Listing Agreements, the Company has intimated Audited Financial Results as well as the Unaudited Quarterly Results to the Stock Exchanges immediately after they are taken on record by the Board. Further coverage has been given for the information of the shareholders and investors by publication of the financial results in English National daily—"Business Standard" and in a local vernacular newspaper—"Dainik Statesman" widely circulated in the state of West Bengal. The results were also placed on the Company's website at www.impexferrotech.com.

2. Other Information

The Company has its own website www.impexferrotech.com wherein other related information is available. The Company has a dedicated help desk e-mail id: investors@impexferrotech.com in the secretarial department for providing necessary information to the investors as well as for registering any complaints/grievances. The Company posts on its website all its official news releases, important announcements and presentations made before the press meets, analysts and institutional investors from time to time for the benefit of its investors and public at large.

Profile of Directors Seeking Appointment/Re-appointment

Resume and other information of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting as required under Clause 49 of the Listing Agreement are given in the notice of ensuing Annual General Meeting as an Additional Information.

Management Discussion and Analysis Report

A Management Discussion and Analysis Report is given separately, and forms part of Annual Report.

Corporate Governance Report

General Shareholder Information

1. Annual General Meeting (AGM)

Day, Date & Time	Monday, 28th September, 2015 at 10.00 A.M.
Venue	PURBASHREE, Bharatiyam Cultural Multiplex, IB-201, Sector-III, Salt Lake City, Kolkata - 700 106
2. Date of Book Closure	21st September, 2015 to 28th September, 2015 (both days inclusive)
3. Dividend payment date	N.A.
4. Financial Calendar	
Indicative calendar of events for the Financial Year 2015-2016 is as under:	
Financial Year	1st April to 31st March

Financial Reporting for the quarters :

First Quarter	Disclosed on 13th August, 2015
Second Quarter and Half Yearly	Within 45 days from the end of the quarter
Third Quarter and Nine Months	Within 45 days from the end of the quarter
Fourth Quarter and Annual (Audited)	Within 60 days from the end of the quarter Financial Year
Annual General Meeting	On or before 30th September, 2016

5. Listing of the Equity Shares on Stock Exchange

Name of the Stock Exchange	Address	Stock Code
Bombay Stock Exchange Ltd. (BSE)	"Phiroze Jeejeebhoy Towers" Dalal Street, Mumbai - 400 001	532614
The National Stock Exchange of India Ltd. (NSE)	"Exchange Plaza" Bandra - Kurla Complex Bandra (E), Mumbai - 400 051	IMPEXFERRO

The Company has paid the listing fee for the year 2015-16 to both the Stock Exchanges where the shares of the Company are listed.

6. The International Security Identification Number (ISIN) for NSDL & CDSL : INE691G01015.

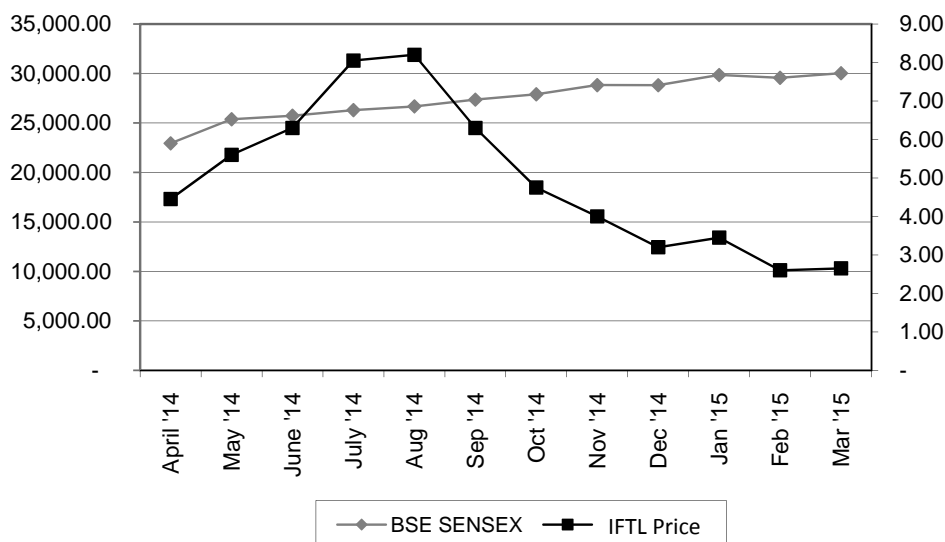
7. Market Price Data

The Stock Market data on BSE & NSE for the last twelve months are provided herein:

Month	National Stock Exchange of India Ltd. (₹)		Bombay Stock Exchange Ltd. (₹)	
	HIGH	LOW	HIGH	LOW
April, 2014	4.45	3.35	4.58	3.42
May, 2014	5.60	3.80	5.69	3.87
June, 2014	6.30	5.10	6.42	5.00
July, 2014	8.05	5.65	8.04	5.76
August, 2014	8.20	5.85	8.25	5.80
September, 2014	6.30	4.20	6.45	4.10
October, 2014	4.75	3.25	4.74	3.20
November, 2014	4.00	2.45	4.26	2.40
December, 2014	3.20	1.50	2.94	1.60
January, 2015	3.45	1.95	3.44	1.94
February, 2015	2.60	2.00	2.60	2.02
March, 2015	2.65	1.85	2.56	1.83

Corporate Governance Report

8. Performance of the Company in comparison with BSE SENSEX (To be inserted)



9. Shareholding Pattern as on 31st March, 2015

Category	No. of Shares	% of holding
Promoter & Promoter Group	5,44,29,846	66.71
Bodies Corporate	1,07,57,828	13.18
Individuals	1,61,88,181	19.84
Non-Resident Individuals	1,73,370	0.21
Clearing Member	47,279	0.06
Trusts	100	0.00
Total	8,15,96,604	100.00

10. Distribution of Shareholding as on 31st March, 2015

Range	No. of Shareholders	% of Shareholders	No. of Shares	% of Total
Upto 500	6541	60.00	14,41,011	1.77
501 to 1000	1772	16.26	15,94,532	1.95
1001 to 2000	1093	10.03	18,23,742	2.24
2001 to 3000	424	3.89	11,32,553	1.39
3001 to 4000	197	1.81	7,28,216	0.89
4001 to 5000	251	2.30	12,16,552	1.49
5001 to 10000	304	2.79	23,78,456	2.91
10001 and above	319	2.93	7,12,81,542	87.36
Total	10901	100.00	8,15,96,604	100.00

11. Dematerialisation of shares and Liquidity

The Company's shares are compulsorily traded in dematerialised form which is available for trading on both NSDL and CDSL. As on 31st March, 2015; 80,840,502 equity shares representing 99.07 % of the share capital are held in dematerialized form viz., CDSL - 60,328,061 equity shares and NSDL – 20,512,441 equity shares.

12. Registrar and Share Transfer Agent

M/s. Maheshwari Datamatics Pvt. Ltd. of 6, Mangoe Lane (Surendra Mohan Ghosh Sarani), 2nd Floor, Kolkata - 700 001 are the Registrar and Share Transfer Agent of the Company, both for Physical and Demat Segments. Accordingly, all communications on matters relating to Share Transfers, Dividend etc. may be sent directly to them. Complaints, if any, on these matters may also be sent to the Compliance Officer of the Company.

Corporate Governance Report

13. Share Transfer System

The share transfer requests are processed on behalf of the Company by Registrar & Transfer Agent, M/s. Maheshwari Datamatics Pvt. Ltd. and are placed before the Company Secretary who has been delegated the authority by Stakeholders Relationship Committee (erstwhile Investor Grievance cum Share Transfer Committee) to approve transfers. The Company Secretary addresses all the requests fortnightly.

14. Outstanding ADR's & GDR's, Warrants or any other Convertible Instruments, conversion date and likely impact on equity shares

During the year under review, the Company has not issued any ADR's & GDR's, Warrants or any other convertible instruments. The Company has at present no outstanding ADR's/GDR's/Warrants to be converted that has an impact on the equity shares of the Company.

15. Name, Designation & Address of Compliance Officer for Complaints & Correspondence

Ms. Richa Agarwal

Company Secretary & Compliance Officer

Impex Ferro Tech Limited

SKP House, 132A, S.P. Mukherjee Road,

Kolkata - 700 026

Ph : 9133-4016 8000/8100

Fax : 9133-4016 8189/8107

Email Id : cs@impexferrotech.com

Address for Correspondence

Registered Office :

Impex Ferro Tech Limited

35, C. R. Avenue,

Kolkata – 700 012

Phone: +91 33 4064 0021/0022

Email Id: grievance@rohitterrotech.com

Corporate Office:

Impex Ferro Tech Limited

SKP House,

132A, S. P. Mukherjee Road,

Kolkata - 700 026

Phone : +91 33 4016 8000/8100

Fax : +91 33 4016 8189/8107

16. Plant Locations

Kadavita Dendua Road

P.O. Kalyaneshwari, P.S. Kulti

Dist. – Burdwan, West Bengal – 713 369

Phone : +91 341 2522248/49

Fax : +91 341 2522961

Non-Mandatory Requirements

1. Nomination and Remuneration Committee:

The Company has a Nomination and Remuneration Committee comprising of 3 (three) Independent Non-Executive Directors as stated under 'Committees of Directors' in this report.

2. Audit Qualifications :

There are no qualifications in the Financial Statements of the Company for the year 2013-14.

3. Other Items :

The rest of the non-mandatory requirements such as Shareholder's Rights, training of Board members and Mechanism for evaluation of Non-Executive Board members will be implemented by the Company as and when required.

For Impex Ferro Tech Ltd.

Suresh Kumar Patni

Chairman cum Managing Director

Kolkata, 22nd August, 2015

Corporate Governance Report

Certificate of Compliance with the Corporate Governance requirements under Clause 49 of the Listing Agreement

To
The members of
Impex Ferro Tech Ltd.

We have examined the compliance of conditions of Corporate Governance by Impex Ferro Tech Limited, for the year ended on March 31, 2015 as stipulated in Clause 49 of the Listing Agreements of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance of conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For **A J & ASSOCIATES**
Company Secretaries

Abhijeet Jain
Proprietor
C.P. No. 3426

Kolkata, 22nd August, 2015

Independent Auditors' Report

To
The Members of
Impex Ferro Tech Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone Financial Statements of **M/S IMPEX FERRO TECH LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's management is responsible for the matters stated in Section 134(5) of Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles, generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the company's management, as well as evaluating the overall presentation of the Standalone Financial Statements.

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

Opinion

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

- (a) In the case of Balance Sheet of the state of affairs of the Company as at 31st March 2015;
- (b) In the case of Statement of Profit and Loss, of the Loss of the Company for the year ended on that date; and
- (c) In the case of Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

Independent Auditors' Report

Emphasis of Matter

1. We draw attention to Note No.27 of the financial results, relating to CDR Package. The CDR Package of the company has been sanctioned vide LOA dated 10th November, 2014. Pursuant to the said LOA, implementation of CDR policy is completed and the effect thereof has been given in these accounts with respect to the CDR scheme as per the said LOA. The said accounts are subject to confirmation and reconciliation with the Lenders. The reported financials would have consequential impact once the reconciliation is completed, the quantum where of remains unascertained.

Our report is not qualified in respect of this matter.

2. We draw attention to the Note No. 39 of the statement which indicates that as at March 31st 2015, the accumulated losses amounting to ₹ 6,349.26 Lacs has substantially eroded net worth of the Company, indicating the existence of a material uncertainty about the company's ability to continue as a going concern. These financial results have been prepared on a going concern basis for the reasons stated in the said note.

Our report is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2015 ('the order') issued by the Central Government of India in terms of subsection (11) of the section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the directors as on 31st March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015, from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on the financial position in the Financial Statements – Refer Note – 28 A(b) to (f) to its Financial Statements ;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred by the Company to the Investor Education and Protection fund.

For R. Kothari & Company
Chartered Accountants
FRN : 307069E

Manoj Kumar Sethia
Partner

Membership No. 064308

Annual Report 2014-15 | 55

Place : Kolkata

Date : 30th May, 2015

Annexure to the Independent Auditors' Report

Annexure referred to in paragraph 1 under the heading of “**Report on Other Legal and Regulatory Requirements**” of even date to the members of **IMPEX FERRO TECH LIMITED** on the accounts of the Company for the year ended 31st March 2015. On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) All fixed assets were physically verified by the management during the year in accordance with a planned program of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The inventory, except goods-in-transit has been physically verified by the management during the year. In respect of inventory lying with the third parties, these have substantially been confirmed by them. In our opinion, the frequency of such verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) The Company has not granted any loan, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Therefore, the provisions of Clause (iii) (b), (c) and (d) of the said Order are not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, there is an adequate Internal Control System commensurate with the size of the Company and the nature of its business for the purchase of inventories and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) The Company has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India and provisions of Section 73 to Section 76 of the Companies Act, 2013 and the rules framed there under are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of manufacture of Iron & steel product & Power generation unit pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, and we are of the opinion that prima facie, the records have been maintained. We have not however made a detailed examination for the records with a view to determining whether they are accurate and complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been regularly deposited undisputed amount payable in respect of Provident Fund, Employees' State Insurance, Income -Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty, Value Added Tax, Cess, Professional Tax, and other Statutory Dues during the year with appropriate authorities. However, there have been delays in few cases.
- (b) According to the information and explanations given to us, there are no dues of Sales Tax, Custom Duty, Wealth Tax, Excise Duty and Cess which have not been deposited as on 31st March, 2015 with the appropriate authorities on account of any dispute except the following cases which are as follows:

Name of the statute	Nature of Dues	Financial Year	₹/Lacs	Forum where Dispute is Pending
Central Excise Act, 1994	Excise Duty	2005-06	12.36	Commissioner of Central Excise (Appeals) (III)
		2005-06 and 2006-07	8.26	CESTAT, Calcutta Bench
		2006-07	0.5	Commissioner of Central Excise (Appeals) (IV)
		2007-08	15.55	CESTAT, Calcutta Bench
Total			36.67	₹ 20.92 Lacs paid under protest

Annexure to the Independent Auditors' Report

Name of the statute	Nature of Dues	Financial Year	₹/Lacs	Forum where Dispute is Pending
Central Sales Tax and Local Sales Tax Act	VAT	2005-06	304.13	WBCT, Appellate and Revisional Board
		2006-07	479.91	WBCT, Appellate and Revisional Board
		2008-09	748.45	WBCT, Appellate and Revisional Board
		2009-10	211.18	Sr. Joint Commissioner of Commercial Taxes
Total			1,743.67	₹ 88.62 Lacs paid under protest
W.B. Entry Tax Act	Entry Tax	2012-13 and 2013-14	272.51	Hon'ble High Court of Calcutta
Total			272.51	₹ NIL paid under protest
Income Tax Act, 1961	Income Tax	2011-12	1606.46	Commissioner of Income Tax (Appeals), Kolkata
Total			1606.46	₹ NIL paid under protest

- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (viii) The accumulated losses at the end of the financial year are not less than fifty percent of its net worth and the company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to the financial institutions or banks.
- (x) The Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xi) In our opinion and according to the information and explanations given to us, the term loan have been applied for the purpose they were obtained.
- (xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **R. Kothari & Company**
Chartered Accountants
FRN : 307069E

Manoj Kumar Sethia
Partner

Membership No. 064308

Place : Kolkata
Date : 30th May, 2015

Balance Sheet as at 31st March, 2015

(₹ in Lacs)

S.N.	PARTICULARS	NOTE NO.	31.03.2015	31.03.2014
I	EQUITY AND LIABILITIES			
	(1) Shareholders' Funds			
	(a) Share Capital	3	8,159.66	8,159.66
	(b) Reserves and Surplus	4	(1,323.66)	4,923.63
			6,836.00	13,083.29
	(2) Non-Current Liabilities			
	(a) Long-Term Borrowings	5	23,606.20	7,860.54
	(b) Deferred Tax Liability (Net)	6	-	-
			23,606.20	7,860.54
	(3) Current Liabilities			
	(a) Short-Term Borrowings	7	9,861.48	15,786.57
	(b) Trade Payables	8	15,214.58	16,533.69
	(c) Other Current Liabilities	9	3,923.92	6,713.56
			28,999.98	39,033.82
	Total		59,442.19	59,977.65
II	ASSETS			
	(1) Non-Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	10	18,528.87	19,480.44
	(ii) Intangible Assets	10	5.91	10.47
	(iii) Capital Work-In-Progress	11	42.89	42.89
			18,577.67	19,533.80
	(b) Non Current Investments	12	5.00	-
	(c) Long-Term Loans and Advances	13	175.07	24.45
			18,757.74	19,558.25
	(2) Current Assets			
	(a) Inventories	14	12,027.95	12,561.28
	(b) Trade Receivables	15	23,468.06	19,316.26
	(c) Cash and Bank Balances	16	938.20	2,608.47
	(d) Short-Term Loans and Advances	17	3,651.25	5,581.84
	(e) Other Current Assets	18	598.99	351.55
			40,684.45	40,419.40
	Total		59,442.19	59,977.65
	Significant Accounting Policies	2		

Accompanying notes are an integral part of the Financial Statements

As per our report of even date

For **R. Kothari & Company**

Chartered Accountants

FRN : 307069E

Manoj Kumar Sethia

Partner

Membership No: 064308

Kolkata, 30th May, 2015

For and on behalf of the Board

Suresh Kumar Patni

Managing Director

Ankit Patni

Director

Richa Agarwal

Company Secretary

S. K. Gupta

Chief Financial Officer

Statement of Profit & Loss for the year ended 31st March, 2015

(₹ in Lacs)

S.N.	PARTICULARS	NOTE NO.	31.03.2015	31.03.2014
I	INCOME			
	Revenue from Operations (Gross)	19	52,302.13	70,549.22
	Less: Excise Duty		1,721.94	747.01
	Revenue from Operations (Net)		50,580.19	69,802.21
II	Other Income	20	304.77	629.68
III	Total Revenue (I + II)		50,884.96	70,431.89
IV	EXPENSES			
	Cost of Materials Consumed	21	16,965.86	20,327.11
	Purchases of Stock-In-Trade	22	23,849.09	40,774.44
	Changes in Inventories of Finished Goods and Work in Progress	23	252.43	104.92
	Employee Benefits Expense	24	478.67	437.23
	Finance Costs	25	3,033.65	3,596.47
	Depreciation and Amortisation Expense	10	863.76	1,177.00
	Other Expenses	26	11,585.14	10,594.47
	Total Expenses (IV)		57,028.60	77,011.64
V	PROFIT/(LOSS) BEFORE TAX (III-IV)		(6,143.64)	(6,579.75)
VI	Tax Expenses			
	Current Tax		-	-
	Less : MAT Credit entitlement		-	-
	Net Current Tax		-	-
	Earlier Years Tax		-	3.64
	Deferred Tax		-	(1,097.87)
VII	PROFIT/(LOSS) FOR THE YEAR		(6,143.64)	(5,485.52)
	Earning Per Equity Share (Nominal Value of Share - ₹ 10/-) Basic & Diluted (₹)	38	(7.53)	(7.47)
	Summary of Significant Accounting Policies	2		

Accompanying notes are an integral part of the financial statements

As per our report of even date

For **R. Kothari & Company**

Chartered Accountants

FRN : 307069E

Manoj Kumar Sethia

Partner

Membership No: 064308

Kolkata, 30th May, 2015

For and on behalf of the Board

Suresh Kumar Patni

Managing Director

Ankit Patni

Director

Richa Agarwal

Company Secretary

S. K. Gupta

Chief Financial Officer

Cash Flow Statement for the year ended 31st March, 2015

(₹ in Lacs)

	Year Ended 31st March, 2015		Year Ended 31st March, 2014	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax & Extra-Ordinary Items		(6,143.65)		(6,579.75)
Adjustments for :				
Depreciation	863.76		1,177.00	
Finance costs	2,689.94		3,596.47	
Interest Received	(190.47)		(152.73)	
Sundry Balances Written Back	-		(59.50)	
Loss on Sale of Fixed Assets	-		-	
		3,363.23		4,561.24
Operating Profit before Working Capital Changes		(2,780.42)		(2,018.51)
Adjustments for :				
(Increase)/Decrease in Inventories	533.32		3,189.25	
(Increase)/Decrease in Trade Receivables	(4,151.79)		(4,668.75)	
(Increase)/Decrease in Loans and Advances	1,793.04		(530.60)	
(Increase)/Decrease in Other Assets	(247.45)		637.66	
Increase/(Decrease) in Trade Payables	(4,022.28)		1,196.43	
Increase/(Decrease) in Other Liabilities	1,334.73		(765.17)	
		(4,760.43)		(941.18)
Cash generated from operations		(7,540.85)		(2,959.69)
Direct Tax Paid		(13.07)		(134.58)
Net Cash from Operating Activities		(7,553.92)		(3,094.27)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(11.27)		(241.06)	
(including Capital Work-in-Progress and Advances)				
Investment in Joint Venture	(5.00)		-	
Interest Income	190.47		152.73	
Maturity Proceeds of Fixed Deposits	1,851.14		4,902.50	
Purchase of Fixed Deposits with Banks	-		(4,234.95)	
Net Cash used in Investing Activities		2,025.34		579.22
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Issue of Shares	-		2,825.00	
Increase/(Decrease) in Short Term Borrowings	(4,758.24)		7,267.63	
Proceeds from Long Term Borrowings	12,324.99		(2,552.38)	
Repayment of Long Term Borrowings	(402.13)		(1,360.41)	
Share Issue Expenses	-		(9.47)	
Finance Costs	(1,455.18)		(3,611.46)	
Net Cash from Financing Activities		5,709.44		2,558.90
Net Increase/(Decrease) in Cash & Cash Equivalents		180.88		43.86
Cash & Cash Equivalents at the beginning of the year (Refer Note No.16 to the Accounts)		59.81		15.96
Cash & Cash Equivalents at the end of the year (Refer Note No.16 to the Accounts)		240.69		59.82

Cash Flow Statement for the year ended 31st March, 2015 (Contd.)

Notes:

- i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3), "Cash Flow Statements".
- ii) Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

As per our report of even date

For **R. Kothari & Company**

Chartered Accountants

FRN : 307069E

Manoj Kumar Sethia

Partner

Membership No: 064308

Kolkata, 30th May, 2015

For and on behalf of the Board

Suresh Kumar Patni

Managing Director

Ankit Patni

Director

Richa Agarwal

Company Secretary

S. K. Gupta

Chief Financial Officer

Notes to and forming part of the Financial Statements as at 31st March, 2015

NOTE 1 CORPORATE INFORMATION

Impex Ferro Tech Ltd., “the Company” is domiciled in India and was incorporated in June, 1995 under the provisions of the Companies Act, 1956. The Company has its registered office situated in Kolkata and manufacturing facility at Kalyaneshwari, Burdwan, West Bengal. The Company is primarily engaged in manufacture of Ferro Alloys (Ferro-Manganese/Silico Manganese), trading in iron & steel products. As a part of backward integration, the Company have a power plant.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of Financial Statements

- (a) The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policy adopted in the preparation of financial statements are consistent with those used in previous year except for the change in accounting policy with regard to depreciation on Fixed Assets.
- (b) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.
- (c) Transactions and balances with values below the rounding off norms adopted by the Company have been reflected as “0.00” in the relevant notes in these financial statements.

2.2 Use of Estimates

The preparation of the financial statements in conformity with the Generally Accepted Accounting Principles requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

2.3 Revenue Recognition

- (a) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.
- (b) Sales are recognised when significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects Sales Taxes and Value Added Taxes (VAT) on behalf of the government and, therefore are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Sales are recognised net of trade discounts, rebates, sales taxes and excise duties .
- (c) Export Incentives arising out of Export Sales under Duty Entitlement Pass Book Scheme/Duty Drawback are accounted for on accrual basis. Profit or Loss on sale of DEPB Licenses is accounted for in the year of such sale.
- (d) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.
- (e) Purchases are inclusive of freight and net of CENVAT/Duty Credit, trade discount and claims.

2.4 Tangible Assets, Intangible Assets and Capital Work-in-Progress

- a) Tangible fixed Assets are stated at cost, less accumulated depreciation and impairment, if any. The cost of acquisition comprises purchase price inclusive of duties (net of Cenvat), taxes, incidental expenses, erection/commissioning/trial run expenses and interest etc, up to the date the assets are ready for intended use. Machinery spares which can be used only in connection with an item of tangible fixed assets and whose use, as per technical assessment, is expected to be irregular,

Notes to and forming part of the Financial Statements as at 31st March, 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

are capitalized and depreciated over the residual life of the respective assets. Subsequent expenditure related to an item of tangible fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing tangible fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

- (b) Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Computer software not being part of hardware operating system are capitalised as intangible asset.
- (c) Depreciation on fixed asset is calculated on the straight line method at the rates prescribed under Schedule II to the Companies Act, 2013. Depreciation on assets added/disposed off during the year is provided on prorata basis with reference to the date of addition/disposal. Software is amortised over a period of five years.
- (d) The carrying amount of fixed assets is assessed at each balance sheet date. If there is any indication of impairment based on internal/external factors, an impairment loss is recognized wherever the carrying amount of a fixed asset exceeds the recoverable amount. The recoverable amount is the higher of the fixed asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.
- (e) Cost of the fixed assets not ready for their intended use at the Balance Sheet date together with all related expenses is shown as Capital Work-in-progress/Intangible Assets under Development.

2.5 Inventories

Raw materials and Stores, Spares & Consumables are valued at lower of cost (computed on First In First Out basis) and net realisable value. Goods under Process and Finished Goods are valued at lower of cost and net realisable value. Cost includes direct materials, labour cost and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on average basis. Saleable scrap, scrap usable as raw materials and by-products are valued at estimated net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.6 Investments

Long Term Investment are valued at cost. Provision is made for diminution in value to recognize a decline, if any other than of temporary in nature.

2.7 Foreign Currency Translation

(a) Initial Recognition

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 as at the date of the transaction.

(b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

(c) Exchange Differences

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

(d) Forward Exchange Contracts

The Company enters into Forward Exchange Contracts which are not intended for trading or speculation purposes. The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which

Notes to and forming part of the Financial Statements as at 31st March, 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

the exchange rates change. Any profit or loss arising on cancellation or renewal of foreign exchange contract is recognised as income or expense for the year.

2.8 Government Grants

Government Grants are recognized on a prudent basis when there is a reasonable assurance that the Company will comply with the conditions attached thereto and the grants will be received.

Government grants in the form of promoters' contribution is credited to capital reserve. Capital grant relating to specific assets is reduced from the gross value of the respective fixed assets. Government grants related to revenue are recognized by credit over the period to match them on a systematic basis to the costs, which it intended to compensate.

2.9 Retirement and other Employee Benefits

(a) Defined Contribution Plan:

Contribution as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 towards provident fund and family pension fund are charged to the Statement of Profit and Loss of the period when contributions to the respective funds are due. There is no other obligation other than the contribution payable to the respective funds.

(b) Defined Benefit Plan:

Liability with regard to long-term employee benefits is provided for on the basis of an actuarial valuation at the Balance Sheet date. Actuarial gain / loss is recognised in the Statement of Profit and Loss. The Company has an Employees Gratuity Fund managed by the SBI Life Insurance Company Limited.

(c) Short-term compensated absences are provided for based on estimates.

2.10 Borrowing Costs

(a) Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

(b) Other Borrowing costs are recognised as expense in the period in which they are incurred.

2.11 Expenditure on New Projects & Substantial Expansion

Preliminary project expenditure, capital expenditure, indirect expenditure incidental and related to construction/ implementation, interest on term loans to finance fixed assets and expenditure on start-up of the project are capitalised upto the date of commercial production to the cost of the respective assets.

2.12 Taxes on Income

(a) Tax expense comprises of current tax and deferred tax.

(b) Current tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws. In case of tax payable as per provisions of Minimum Alternate Tax (MAT) under Section 115JB of the Income Tax Act, 1961, deferred MAT Credit entitlement is separately recognised under the head 'Short Term Loans and Advances'. Deferred MAT Credit Entitlement is recognised and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

(c) Deferred Tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Notes to and forming part of the Financial Statements as at 31st March, 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

- (d) Deferred Tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. If the Company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognised only if there is virtual certainty backed by convincing evidence that such deferred tax assets can be realised against future taxable profits. Unrecognised deferred tax assets of earlier periods are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

2.13 Earnings per Share (EPS)

- (a) Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
- (b) For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.14 Prior Period Items

Significant items of income and expenditure which relate to prior accounting periods, other than those occasioned by events occurring during or after the close of the year and which are treated as relatable to the current year, are accounted for in the Statement of Profit and Loss under the head "Prior Period Items".

2.15 Provisions/Contingencies

- (a) Provision involving substantial degree of estimation in measurement is recognised when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.
- (b) Contingent Liabilities are shown by way of notes to the accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.
- (c) Contingent Assets are neither recognised nor disclosed in the financial statements.

2.16 Preliminary & Share Issue Expenses

As the future economic benefit of Preliminary & Public issue expenses is not ascertainable & thus the same is adjusted with the share premium.

2.17 Segment Reporting

- (a) The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the preparation and presenting the financial statements of the Company as a whole. Further, Inter Segment revenue has been accounted for based on the transaction price agreed to between segments which is primarily market based.
- (b) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Un-allocated corporate expenses net of un-allocated income".

2.18 Cash and Cash Equivalents

Cash and Cash Equivalents as indicated in the Cash Flow Statement comprise of cash in hand, cash at bank and short-term deposits with an original maturity of three months or less.

2.19 Excise Duty & Custom Duty

Excise duty is accounted for at the point of manufacture of goods and accordingly is considered for valuation of finished goods stock lying in the factories as on the Balance Sheet date. Similarly, Customs duty on imported materials in transit/lying in bonded warehouse is accounted for at the time of import/bonding of materials

Notes to and forming part of the Financial Statements as at 31st March, 2015

(₹ in Lacs)

	31.03.2015	31.03.2014
NOTE 3 SHARE CAPITAL		
Authorised:		
8,25,00,000 (P.Y. 8,25,00,000) Equity Shares of ₹ 10/- each	8,250.00	8,250.00
Issued, Subscribed and Paid-up:		
8,15,96,604 (P.Y. 8,15,96,604) Equity Shares of ₹ 10/- each fully paid up.	8,159.66	8,159.66

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31.03.2015		31.03.2014	
	Nos.	Amt (₹ in Lacs)	Nos.	Amt (₹ in Lacs)
At the Beginning of the Period	8,15,96,604	8,159.66	6,74,71,604	6,747.16
Issued During the Period	-	-	1,41,25,000	1,412.50
At the End of the Period	8,15,96,604	8,159.66	8,15,96,604	8,159.66

(b) Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting. However, no dividend has been proposed by the Board for the current year. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	31.03.2015		31.03.2014	
	No. of Shares	% holding	No. of Shares	% holding
Suanvi Trading & Investment Co. Pvt. Ltd.	1,50,73,046	18.47	1,50,73,046	18.47
Vasupujya Enterprises Pvt. Ltd.	1,06,00,000	12.99	1,06,00,000	12.99
Poddar Mech-Tech Services Pvt. Ltd.	1,06,33,750	13.03	1,06,33,750	13.03
Invesco Finance Pvt. Ltd.	1,08,71,250	13.32	1,08,71,250	13.32

Note : As per the CDR Package approved by the CDR EG (Refer Note No. 27) on 10th November, 2014, the Company has during the year received unsecured loan amounting to ₹ 1,267 Lacs which is to be converted to equity by 30th September, 2015. The conversion price will be determined in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations.

(₹ in Lacs)

	31.03.2015	31.03.2014
NOTE 4 RESERVES AND SURPLUS		
Capital Reserve - As per last account		
- State Capital Subsidy	278.62	278.62
- Forfeiture of Share Warrants	133.80	133.80
	412.42	412.42
Securities Premium Account		
At the beginning of the accounting period	4,613.17	3,210.14
Additions during the year	-	1,412.50
	4,613.17	4,622.64
Share Issue / Preliminary Expenses written off	-	(9.47)
At the end of the accounting period	4,613.17	4,613.17
Surplus (Balance in the Statement of Profit & Loss)		
Balance as per last Financial Statement	(101.95)	5,383.57
Profit for the year	(6,143.65)	(5,485.53)
Adjusted for Depreciation relating to Fixed Assets (Tangible) (Refer Note Below)	(103.67)	-
Closing Balance	(6,349.27)	(101.97)
Total	(1,323.66)	4,923.63

Note: Transitional provision provided in Note 7(b) of Schedule II to the Companies Act, 2013 an amount of ₹ 103.67 Lacs has been adjusted in the opening balance of retained earnings in respect of assets having no useful life as on 1st April, 2014.

Notes to and forming part of the Financial Statements as at 31st March, 2015

(₹ in Lacs)

	Non-current portion		Current Maturities	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
NOTE 5 LONG-TERMBORROWINGS				
Secured Loans				
Loan from Banks				
Restructured Term Loans	2,209.66	1,177.30	-	1,434.49
Funded Interest Term Loans	1,221.48	-	-	-
Working Capital Term Loans	12,324.99	-	-	-
Loans from Related Party (Refer Note 37)				
From Bodies Corporate (Unsecured)	1,335.50	-	-	-
From Directors & Promoters (Unsecured)	357.00	-	-	-
Other Loans & Advances				
From Bodies Corporate (Unsecured)	6,157.56	6,683.24	-	-
	23,606.20	7,860.54	-	1,434.49
The above amount includes				
Secured Borrowings	15,756.13	1,177.30	-	1,434.49
Unsecured Borrowings	7,850.06	6,683.24	-	-
Amount disclosed under the head - "Other Current Liabilities" (Refer Note 8)	-	-	-	(1,434.49)
	23,606.20	7,860.54	-	-

(A) Terms of Repayment

(i) Term Loans

Terms of Repayment	Nature of Securities	Interest Rate (p.a.)	Loan Amount as at 31st March 2015
Restructured Term Loans In equal quarterly installments of respective years as follows starting from July, 2016. ₹ 0.71 Crores in 2016-17, ₹ 1.42 Crores in 2017-18, ₹ 2.36 Crores in 2018-19, ₹ 2.84 Crores in 2019-20, ₹ 3.07 Crores in 2020-21, ₹ 3.31 Crores in 2021-22, ₹ 4.26 Crores in 2022-23, ₹ 5.67 Crores in 2023-24.	See note below	11.75% (Linked to MI Base Rate) (subject to be reset after completion of 2 years)	2,209.66
Funded Interest Term Loans In equal quarterly installments of respective years as follows starting from July, 2016. ₹ 2.66 Crores in 2016-17, ₹ 3.66 Crores in 2017-18, ₹ 4.49 Crores in 2018-19, ₹ 5.32 Crores in 2019-20, ₹ 5.66 Crores in 2020-21, ₹ 5.49 Crores in 2021-22, ₹ 4.99 Crores in 2022-23, ₹ 1.00 Crores in 2023-24.		11.25% (Linked to MI Base Rate) (subject to be reset after completion of 2 years)	1,221.48
Working Capital Term Loans-I In equal quarterly installments of respective years as follows starting from July, 2016. ₹ 4.80 Crores in 2016-17, ₹ 6.59 Crores in 2017-18, ₹ 8.09 Crores in 2018-19, ₹ 9.59 Crores in 2019-20, ₹ 10.19 Crores in 2020-21, ₹ 9.89 Crores in 2021-22, ₹ 8.99 Crores in 2022-23, ₹ 1.80 Crores in 2023-24.		11.25% (Linked to MI Base Rate) (subject to be reset after completion of 2 years)	5,995.00
Working Capital Term Loans-II In equal quarterly installments of respective years as follows starting from July, 2016. ₹ 5.06 Crores in 2016-17, ₹ 6.96 Crores in 2017-18, ₹ 8.55 Crores in 2018-19, Rs 10.13 Crores in 2019-20, ₹ 10.76 Crores in 2020-21, ₹ 10.44 Crores in 2021-22, ₹ 9.50 Crores in 2022-23, ₹ 1.90 Crores in 2023-24.		11.25% (Linked to MI Base Rate) (subject to be reset after completion of 2 years)	6,329.99

Notes to and forming part of the Financial Statements as at 31st March, 2015

(₹ in Lacs)

Terms of Repayment	Nature of Securities	Interest Rate (p.a.)	Loan Amount as at 31st March 2015
NOTE 5 LONG-TERM BORROWINGS (Contd.)			
Unsecured Loans from Bodies Corporates	N.A.		
a) Repayable after 30th June, 2023		Interest Free	5,849.86
b) Promoter's Contribution received under CDR out of which ₹ 12.67 Crores to be converted into equity by 30th September, 2015.		Interest Free	1,285.50
c) Others		12%-13%	714.70

(II) Working Capital Term Loan (WCTL) :

Upon implementaion of the CDR Package (Refer Note 27), the overdrawn portion of the Cash Credit Accounts of the Company has been carved out into separate Working Capital Term Loans (WCTL).

(III) Funded Interest Term Loan (FITL) :

Upon implementaion of the CDR Package (Refer Note 27), funding of interest has been provided for:

- Interest on existing term loans for a period of 24 months from the Cut-Off Date i.e from May 01, 2014 to April 30, 2016;
- Interest on WCTL for a period of 24 months from the Cut-Off Date i.e from May 01, 2014 to April 30, 2016.

(IV) Details of Security

- (i) In terms of the CDR package, Rupee Term Loans , Working Capital Term Loans, Funded Interest Term Loans and Working Capital Loan (Refer Note 27) are pooled together and secured as under:
 - a) First pari-passu charge on fixed assets by way of equitable mortgage of the land & building/shed along with all movable and immovable plant & machinery and other fixed assets thereon at Kalyaneshwari, Dist.: Burdwan, West Bengal.
 - b) First pari-passu charge on the entire Current Assets of the Company comprised of stock of raw materials, semi finished and finished goods and book debts, outstanding moneys, receivables, both present and future pertaining to the Company's manufacturing units/divisions at Kalyaneshwari, Dist.: Burdwan, West Bengal.
 - c) Collateral Security of equitable mortgage on office space at 35, C. R. Avenue, Kolkata is standing in the name of the Company on pari passu basis.
 - d) Additional Security of Equitable mortgage of two floors at the Corporate office of the group at SKP House, 132A, S.P. Mukherjee Road, Kolkata - 700 026 standing in the name of Marble Arch Properties Pvt Ltd on pari passu basis.
 - e) Personal guarantee of Promoters/Director - Mr. Suresh Kumar Patni, Mr. Rohit Patni, & Mr. Ankit Patni.
 - f) Further, the restructured facilities has been secured by pledge of entire promoter & promoter group stake in Company (in Demat Form), representing 66.71% of paidup capital of Company.

Notes to and forming part of the Financial Statements as at 31st March, 2015

(₹ in Lacs)

	31.03.2015	31.03.2014
NOTE 6 DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liability		
- Difference in WDV as per Companies Act and Income Tax Act	1,319.20	1,310.07
Deferred Tax Asset		
- Related to Unabsorbed Depreciation	(1,007.03)	(317.43)
- Related to Unabsorbed Business Loss	(3,269.71)	(992.64)
Deferred Tax Liability/(Assets)	(2,957.54)	-

Note: Net Deferred Tax Assets (DTA) of ₹ 2,957.54 Lacs as at 31st March 2015 has not been recognized in the accounts as a matter of prudence and in terms of the accounting policy indicated in Note no. 2.12 above.

	31.03.2015	31.03.2014
NOTE 7 SHORT-TERM BORROWINGS		
Loan guaranteed by Promoters & Directors		
Working Capital Loans from Banks (Secured)		
Rupee Loans	9,861.48	15,786.57
	9,861.48	15,786.57

Details of Security :

- (a) Pari pasu 1st charge on all movable & immovable assets of the Company, both present & future which is pooled and charges thereon created to secure all the facilities of the Company which will rank pari pasu with the other lenders. All the aforesaid facilities will also be secured by personal guarantee of Mr. Suresh Kumar Patni, Mr. Rohit Patni and Mr. Ankit Patni.
- (b) Working Capital facilities from banks carries interest of 11.75% p.a. (Linked to MI base rate), subject to reset of every year.

	31.03.2015	31.03.2014
NOTE 8 TRADE PAYABLES		
Acceptances	2,143.77	8,161.74
Sundry creditors for goods, services etc.	13,070.82	11,075.12
	15,214.58	19,236.86

- a) There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
- b) The trade payable includes ₹ 2,774.06 Lacs (P.Y. ₹ 1,687.02) due to related parties (Refer Note No. 37)

	31.03.2015	31.03.2014
NOTE 9 OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Debts (Refer Note No. 5)	-	1,434.49
Interest accrued and due on Borrowings	66.73	53.46
Advance from Customers	3,576.80	2,146.55
Other Payables		
For Statutory Dues	61.17	140.36
For Capital Goods	147.72	190.55
For Accrued Expenses	71.50	44.97
	3,923.92	4,010.38

Notes to and forming part of the Financial Statements as at 31st March, 2015

NOTE 10 FIXED ASSETS

(₹ in Lacs)

Particulars	Tangible Assets								Intangible Assets
	Freehold Land	Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipments	Others	Total	ERP Software
Gross Block									
As at 1st April, 2013	183.36	3,881.03	19,975.85	36.56	27.63	11.16	14.73	24,130.32	26.90
Additions	-	4.03	284.98	0.98	-	2.93	2.85	295.77	-
Disposals	-	-	-	-	-	-	-	-	-
Other Adjustments								-	
- Borrowing Costs	-	-	-	-	-	-	-	-	-
As at 31st March, 2014	183.36	3,885.05	20,260.83	37.54	27.62	14.09	17.58	24,426.06	26.90
Additions	-	3.18	6.62	0.74	-	0.11	0.62	11.27	-
Disposals	-	-	-	-	-	-	-	-	-
As at 31st March, 2015	183.36	3,888.23	20,267.45	38.28	27.62	14.20	18.20	24,437.34	26.90
Depreciation & Amortisation									
As at 1st April, 2013	-	577.88	3,155.07	15.78	17.00	3.03	5.23	3,773.98	11.05
Charge for the year	-	129.33	1,034.49	2.36	2.62	2.00	0.83	1,171.62	5.38
Deductions / Adjustments	-	-	-	-	-	-	-	-	-
As at 31st March, 2014	-	707.21	4,189.55	18.12	19.62	5.03	6.06	4,945.63	16.43
Charge for the year	-	120.02	716.38	8.99	5.76	5.24	2.82	859.21	4.56
Transfer to Retained Earnings	-	-	100.16	-	-	0.03	3.48	103.67	-
Deductions / Adjustments	-	-	-	-	-	-	-	-	-
As at 31st March, 2015	-	827.23	5,006.09	27.11	25.38	10.30	12.36	5,908.47	20.99
Net Block									
As at 31st March, 2014	183.36	3,177.85	16,071.28	19.41	7.99	9.06	11.51	19,480.43	10.47
As at 31st March, 2015	183.36	3,061.00	15,261.36	11.17	2.24	3.90	5.84	18,528.87	5.91

Notes:

- Gross Block of ₹ 103.67 Lacs on account of assets whose useful life is already exhausted as at April 01, 2014 have been adjusted against the opening balance of profit & loss account pursuant to adoption of estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act, 2013.
- Depreciation for the year would have been lower by ₹ 322 Lacs, if the Company would have continued to charge depreciation as per previous method.

Notes to and forming part of the Financial Statements as at 31st March, 2015

(₹ in Lacs)

	31.03.2015	31.03.2014
NOTE 11 CAPITAL WORK-IN-PROGRESS		
At the beginning of the year	42.89	54.20
Add : Incurred during the year	-	51.05
Less : Capitalised during the year	-	62.36
At the end of the year	42.89	42.89
Capital work-in-progress includes Pre Operative Expenses relating to project under implementation, pending allocation to Fixed Assets.		
Opening Balance	8.25	17.53
Add : Expenditure incurred during the period		
Cost of Materials Consumed	-	16.16
Vehicle Hire Charges	-	0.25
Total	-	16.41
Amount allocated to Fixed Assets	-	25.69
Closing Balance	8.25	8.25
NOTE 12 NON - CURRENT INVESTMENT		
Investment in Joint Venture (Refer Note No. 35)		
SKP Mining Pvt. Ltd.	5.00	-
50,000 Shares (P.Y. Nil) (Unquoted, fully paid up) (Face Value - ₹ 10)		
	5.00	-
NOTE 13 LONG TERM LOANS AND ADVANCES		
(Unsecured, Considered good)		
Capital Advances [Refer Note No. 28 (B)]	137.16	-
Security Deposits	37.91	24.45
	175.07	24.45
NOTE 14 INVENTORIES		
(As taken, valued and certified by the management)		
Raw Materials [includes in transit ₹ 460.72 Lacs (P.Y.- ₹ 695.34 Lacs)]	8,491.20	8,915.05
Work-In-Progress	2,750.13	3,205.91
Finished Goods	568.50	365.14
Stores & Spares	210.64	69.30
Packing Material	7.48	5.87
	12,027.95	12,561.27
NOTE 15 TRADE RECEIVABLES		
(Unsecured, Considered Good)		
Debts outstanding for a period exceeding six months from the date they are due for payment	13,753.25	5,639.47
Other Debts	9,714.82	13,676.80
	23,468.07	19,316.27

Note: The trade receivable includes ₹ 1,463.70 Lacs (P.Y. ₹ 0.25 Lacs) due to related parties (Refer Note No. 37)

Notes to and forming part of the Financial Statements as at 31st March, 2015

(₹ in Lacs)

	31.03.2015	31.03.2014
NOTE 16 CASH & BANK BALANCES		
i) Cash & Cash Equivalents		
(A) Cash-in-Hand (as Certified)	28.91	32.25
(B) Balance with Banks		
In Current Accounts	211.78	27.56
	240.69	59.81
ii) Other Bank Balances		
- Term Deposits with Banks	697.52	2,548.66
(includes ₹ 77.05 Lacs (P.Y. ₹ 490.83 Lacs) having maturity greater than 12 months)		
	697.52	2,548.66
Total	938.20	2,608.47

Notes :

- a) Term Deposits with Banks include :
- Interest accrued but not due amounting to ₹ NIL (P.Y. ₹ 185.39 Lacs)
- b) Term Deposits amounting to ₹ 690 Lacs (P.Y. ₹ 2,548.66 Lacs) have been pledged as margin money against Letter of Credit and Bank guarantee facilities.

NOTE 17 SHORT TERM LOANS & ADVANCES		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received		
To Related Parties (Refer Note No. 37)	-	163.31
To others	2,244.10	3,832.25
Balance with Central Excise & CENVAT Receivable	975.43	1,236.18
VAT Credit Receivable/Refundable	173.12	104.56
Income Tax Payments	65.31	52.24
MAT Credit Entitlement	193.30	193.30
	3,651.25	5,581.84

Note : Income Tax Payments include ₹ 21.42 Lacs (P.Y. - ₹ 21.42 Lacs) seized pursuant to search and seizure operation conducted by the Income Tax authorities on 5th January, 2004.

NOTE 18 OTHER CURRENT ASSETS		
(Unsecured, considered Good)		
Other Current Assets (Refer Note below)	65.20	-
Interest Refundable under CDR	137.95	-
Incentives Receivable	395.84	351.04
Forward Contract Receivable	-	0.51
	598.99	351.55

Note : Other current assets include ₹ 35.79 Lacs paid towards TDS demand for the period from F.Y 2007-08 to 2013-14, which is subject to assessment & reconciliation of figures for the aforesaid years.

Notes to and forming part of the Financial Statements as at 31st March, 2015

(₹ in Lacs)

	31.03.2015	31.03.2014
NOTE 19 REVENUE FROM OPERATIONS (GROSS)		
Sale of Products		
Sale of Manufactured Goods - Ferro Alloys	24,802.98	24,307.84
Sale of Raw Materials		
Manganese Ore	2,484.70	2,115.54
Coal & Coke	24.45	359.17
Others	-	-
Sale of Traded Goods		
Iron and Steel Products	24,026.05	42,714.23
Other Operating Revenues		
Export Incentives	963.95	1,052.44
	52,302.13	70,549.22
NOTE 20 OTHER INCOME		
Interest Income		
- On Fixed Deposits	190.47	152.73
Foreign Exchange Fluctuation Gain	25.55	289.75
Liabilities Written Back	-	59.50
Sale of Scrap	46.10	68.33
Commision Income	42.65	59.36
	304.77	629.67
NOTE 21 COST OF MATERIALS CONSUMED		
(Including cost of raw material sold)		
Raw materials at the beginning of the year	8,582.59	11,388.04
Add : Purchases	16,866.44	17,521.65
	25,449.02	28,909.69
Less : Raw materials at the end of the year	8,483.16	8,582.59
	16,965.86	20,327.10
Details of Raw Materials Consumed		
Manganese Ore	13,158.14	16,505.25
Coal and Coke	3,118.36	3,336.26
Dolomite	16.42	54.22
Others	672.95	431.37
	16,965.86	20,327.10
NOTE 22 PURCHASES OF STOCK-IN-TRADE		
Iron and Steel Products	23,849.09	40,774.44
	23,849.09	40,774.44

Notes to and forming part of the Financial Statements as at 31st March, 2015

(₹ in Lacs)

	31.03.2015	31.03.2014
NOTE 23 CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS		
Ferro Alloys		
Opening Stock		
Finished Goods	365.14	746.26
Work-in-Progress	3,205.91	2,929.72
	3,571.06	3,675.98
Less: Closing Stock		
Finished Goods	568.50	365.14
Work-in-Progress	2,750.13	3,205.91
	3,318.63	3,571.05
	252.43	104.93
NOTE 24 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages & Bonus	435.98	400.88
Contribution to Provident & Other Funds	35.35	32.80
Staff Welfare Expenses	7.34	3.56
	478.67	437.24
NOTE 25 FINANCE COSTS		
Interest Expense	2,689.94	3,062.05
Other Borrowing Costs	343.71	534.42
	3,033.65	3,596.47
NOTE 26 OTHER EXPENSES		
Consumption of Stores and Spare Parts [Refer Note No. (c) below & 30(b)]	768.57	347.39
Packing Materials	62.77	64.38
Power [Refer Note No. (a) below & Note No. 28 A (d)]	8,848.28	8,394.13
Rent	6.52	5.83
Rates & Taxes	7.01	3.99
Repairs & Maintenance		
- Building	15.50	20.56
- Plant and Machinery	17.95	32.44
- Others	5.04	22.45
Insurance	36.98	59.23
Material Handling Expenses	305.06	125.19
Vehicle Hire & Maintenance Charges	119.10	239.14
Directors' Sitting Fees	1.25	0.65
Auditors' Remuneration [Refer Note No. (b) below]	5.99	7.85
Travelling & Conveyance	18.59	7.96
Commission	10.25	16.58
Legal & Professional Charges	70.38	50.99
Security Charges	108.36	109.10
Miscellaneous Expenses	60.30	124.02
Rebates and Discounts	23.05	27.66
Freight & Forwarding	1,067.63	864.36
Testing Charges	26.57	15.20
Loss on sale of DEPB	-	54.32
Penalty	-	1.06
	11,585.14	10,594.48

Notes to and forming part of the Financial Statements as at 31st March, 2015

(₹ in Lacs)

	31.03.2015	31.03.2014
NOTE 26 OTHER EXPENSES (Contd.)		
a) Power includes following expenses incurred on the Operation of Captive Power Plant		
Cost of Materials Consumed - Coal, Coke and Dolomitic		
Inventory at the beginning of the year	332.47	617.58
Add: Purchases during the year	0.31	1,108.27
Less: Transferred to Ferro alloys division	(324.74)	-
Less: Inventory at the end of the year	8.04	332.47
Consumption	-	1,393.38
Consumption of Stores and Spares	3.13	74.09
Repairs & Maintenance		
- Building	1.50	5.23
- Plant and Machinery	11.45	113.20
- Others	0.94	1.09
Material Handling Expenses	-	25.93
Vehicle Hire & Maintenance Charges	1.86	43.67
Legal & Professional Charges	-	4.43
Security Charges	-	4.86
Miscellaneous Expenses	0.15	1.68
	19.04	1,667.56
b) Auditor's Remuneration		
i) As Auditor [includes Tax Audit fees of ₹ 0.80 Lacs (P.Y. ₹ 0.65 Lacs)]	4.74	5.00
ii) For other services	1.25	2.85
	5.99	7.85

c) Consumption of Stores and Spares includes ₹ 531.75 Lacs towards cost of Electrode Carbon Paste which were previously classified under the head Consumption of Raw Materials.

NOTE 27 CORPORATE DEBT RESTRUCTURING

As a part of its financial revival process, the lenders of the Company have already approved the Corporate Debt Restructuring of debts. CDR EG vide its letter dated 10th November, 2014 has approved the loan restructuring scheme for the Company. The CDR Package includes reliefs/measures such as reduction in interest rates, funding of interest, rearrangement of securities etc. The salient features of which are as follows :

- Cut off date for implementation: 30th April, 2014 and upon implementation, the financial effect thereof has duly been taken into accounts. The said accounts are subject to confirmation and reconciliation with the Lenders. The reported financials would have consequential impact once the reconciliation is completed, the quantum where of remains unascertained.
- Waiver of liquidated damages/compounding interest/penal interest for the period from 30th April, 2014 till implementation of the CDR package.
- Restructuring of existing loans into Restructured Term Loans, conversion of irregular portion of working capital facilities into Working Capital Term Loan (WCTL) of ₹ 12,324 Lacs and creation of Funded Interest Term Loan (FITL) of ₹ 3,328 Lacs from interest on Restructured Term Loan and Working Capital Term Loan for the period from 1st May, 2014 to 30th April, 2016.
- Restructuring of existing fund based and non fund based financial facilities.
- Rate of interest on Term Loans/WCTL/FITL would be reset after completion of 2 years and rate of interest on working capital would be reset every year.
- The option of selling off the 30 MW CPP or part thereof may be explored and considered with prior approval of the lenders and the CDR EG to liquidate the bank's dues.
- The CDR Package as well as the provisions of the Master Circular on Corporate Debt Restructuring issued by the Reserve Bank of India, gives a right to the CDR Lenders to get a recompense of their waivers and sacrifices made as part of the CDR Proposal. The recompense payable by the Company is contingent on various factors, the outcome of which currently is materially uncertain and hence the proportionate amount payable as recompense has been treated as a contingent liability. The aggregate present value of the outstanding sacrifice made/to be made by CDR Lenders as per the CDR package is approximately ₹ 15,117 Lacs.
- Contribution of ₹ 1,267 Lacs in the Company by the promoters in lieu of bank sacrifices. The contribution is to be brought initially in the form of unsecured loan and the same is to be converted into equity.

Notes to and forming part of the Financial Statements as at 31st March, 2015

NOTE 28 CONTINGENT LIABILITIES AND COMMITMENTS

Contingent Liabilities not provided for in the books of accounts in respect of :

- Bills discounted with Banks outstanding as on 31st March, 2015 - ₹ 587.38 (Previous Year ₹ 881.72 Lacs).
- Excise Demand of ₹ 36.67 Lacs (Previous Year ₹ 36.67 Lacs) for the financial year 2005-06, 2006-07 & 2007-08 disputed in appeal. The Company has paid a sum of ₹ 20.92 Lacs (Previous Year ₹ 18.62 Lacs) under protest.
- Sales Tax Demand disputed in appeal for the Financial year 2005-06, 2006-07, 2008-09 & 2009-10 aggregates to ₹ 1,743.67 Lacs (Previous Year ₹ 3,019.76 Lacs). The Company has paid a sum of ₹ 88.62 Lacs (Previous Year ₹ 88.62 Lacs) under protest.
- Several Parties including the Company have disputed the basis of levy of Fuel Surcharge in the electricity bills of Damodar Valley Corporation (DVC). Pending finalisation of the outcome of the matter, an amount of ₹ 2,964.20 Lacs (Previous Year ₹ 2,991.99 Lacs) (after considering waiver of electricity duty admitted by DVC) has not been provided for by the Company.
- The Company has challenged the constitutional validity of Entry Tax levied by the Government of West Bengal w.e.f 1st April, 2012. In view of the stay granted by the Hon'ble High Court of Calcutta, the Company has not provided for the same in the books of accounts amounting to ₹ 272.51 Lacs.
- Relating to Assessment year 2012-13, a demand of ₹ 1,606.46 Lacs was raised by Income Tax Department against which the Company has filed an application to respective department.
- Right to Recompense to CDR Lenders for the relief and sacrifice extended, subject to provisions of CDR Guidelines, amounting to ₹ 1,045 Lacs.

(₹ in Lacs)

	31.03.2015	31.03.2014
NOTE 29 FOREIGN EXCHANGE EARNINGS AND OUTGO		
Foreign Exchange Earnings :		
F.O.B. Value of Exports	17,844.86	17,157.77
CIF Value of Imports:		
Raw Materials	7,834.84	9,184.84
Expenditure in Foreign Currency :		
Sales Commission	-	11.75
Compensation	1.76	3.05

Notes to and forming part of the Financial Statements as at 31st March, 2015

	31.03.2015		31.03.2014	
	%	(₹ in Lacs)	%	(₹ in Lacs)
NOTE 30 BREAK UP INTO IMPORTED & INDIGENEOUS				
a) Cost of Materials Consumed :				
Indigenous	64.86	11,003.51	42.66	9,266.85
Imported	35.14	5,962.35	57.34	12,453.64
	100.00	16,965.86	100.00	21,720.49
b) Stores, Spares & Consumables :				
Indigenous	100	771.70	100.00	421.49
Imported	-	-	-	-
	100.00	771.70	100.00	421.49

NOTE 31 AMOUNTS RECEIVABLE / PAYABLE IN FOREIGN CURRENCY

(a) Forward contracts/hedging instruments outstanding as at the Balance Sheet date are ₹ Nil. (P.Y. ₹ NIL).

(b) Particulars of unhedged foreign currency exposures as at 31st March, 2015 are as follows :

Particulars	Currency	31.03.2015	31.03.2014
Amount payable in foreign currency	USD Lacs	5.66	0.21
Amount receivable in foreign currency	USD Lacs	7.45	7.60

NOTE 32

In the opinion of the management, current and non-current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the accounts. Adequate provisions have been made for all known losses and liabilities.

NOTE 33

Certain balances of Trade Payables, Trade Receivables and Advances are subject to confirmation and reconciliation.

NOTE 34 EMPLOYEE BENEFITS

The disclosures of Employee Benefits as defined in Accounting Standard – 15 are given below :

Defined Contribution Plan :

Contribution to Defined Contribution Plan, recognised as expense for the year is as under : (₹ in Lacs)

Particulars	31.03.2015	31.03.2014
Employer's Contribution to Provident and Other Funds	26.60	21.59

Defined Benefit Plan :

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as on 31st March, 2015, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Notes to and forming part of the Financial Statements as at 31st March, 2015

(₹ in Lacs)

Particulars			Gratuity (Funded)				
			31.03.2015	31.03.2014			
NOTE 34 EMPLOYEE BENEFITS (Contd.)							
(i) Reconciliation of Opening and Closing Balances of the present value of Defined Benefit Obligation:							
Defined Benefit obligation at beginning of the year			36.86		22.78		
Current Service Cost			7.92		6.61		
Interest Cost			2.85		1.82		
Actuarial (Gain)/Loss			3.06		5.82		
Benefits paid			(2.48)		(0.16)		
Defined Benefit obligation at the year end			48.20		36.86		
(ii) Reconciliation of Opening and Closing Balances of fair value of Plan Assets:							
Fair value of plan assets at beginning of the year			56.60		32.34		
Expected return on plan assets			5.05		2.91		
Actuarial Gain/(Loss)			0.01		0.13		
Employers' contribution			15.07		21.39		
Benefits paid			(2.48)		(0.16)		
Fair value of plan assets at the year end			74.26		56.60		
Actual return on plan assets			5.07		3.04		
(iii) Reconciliation of fair value of assets and obligation:							
Fair value of plan assets			74.26		56.60		
Present value of obligation			48.20		36.86		
Amount recognised as (liability)/asset in Balance Sheet			26.05		19.74		
(iv) Expenses recognised during the year in the Statement of Profit & Loss:							
Current Service Cost			7.92		6.61		
Interest Cost			2.85		1.82		
Expected return on plan assets			(5.05)		(2.91)		
Actuarial (Gain)/Loss			3.04		5.69		
Net Cost (recognised in "Contribution to Provident & Other Funds" under Note No. 24)			8.75		11.21		
(v) Break-up of Plan Assets as a percentage of total plan assets:							
Insurer Managed Funds			100%		100%		
(vi) Actuarial Assumptions:							
Mortality Table (IAL)			IALM 2006-08 ULTIMATE		IALM 2006-08 ULTIMATE		
Discount rate (per annum)			8.00%		8.00%		
Expected return on plan assets (per annum)			8.93%		9.00%		
Rate of escalation in salary (per annum)			10%F5Y & 6%TA		10%F5Y & 6%TA		
(vii) Other Disclosures			31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Defined Benefit Obligation			48.20	36.86	22.78	20.50	17.51
Plan Assets			74.26	56.60	32.34	25.09	21.01
Surplus/(Deficit)			26.05	19.74	9.56	4.59	3.50
Experience Adjustment on Plan Liabilities			(3.10)	(5.81)	(3.37)	(1.67)	(3.50)

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The discounting rate is considered based on market yield on government bonds having currency and terms consistent with the currency in terms of the post employment benefit obligations.

The above information is certified by an Actuary.

Notes to and forming part of the Financial Statements as at 31st March, 2015

NOTE 35 INTEREST IN JOINT VENTURE

The Company has the following investment, in a jointly controlled entity:

Name of the entity : SKP Mining Pvt. Ltd.

Country of Incorporation : India

Percentage of ownership interest : 50% as at 31st March, 2015

Percentage of ownership interest : NIL as at 31st March, 2014

The Company's interest in this Joint Venture is reported as Non-current Investment (Refer Note No. 12) and is stated at cost (net of provision for other than temporary diminution in value). The Company's share of each of the assets, liabilities, income, expenses, etc (each without elimination of the effect of transactions between the Company and the Joint Venture) related to its interest in this joint venture, based on the audited financial statements are :

(₹ in Lacs)

Particulars	31.03.2015	31.03.2014
a) Assets : Current Assets	159.78	-
b) Liabilities : Current Liabilities	160.45	-
c) Income :	0.16	-
d) Expenses :	10.83	-

NOTE 36 SEGMENT REPORTING

Business Segments: The Company is mainly engaged in the business segment of manufacture & sale of Ferro Alloys, Trading in Iron & Steel and Generation of Power.

Particulars	31.03.2015	31.03.2014
Segment Revenue		
Ferro Alloys	26,554.14	27,087.98
Iron and Steel	24,026.05	42,714.23
Power	-	1,199.13
	50,580.19	71,001.34
Less: Inter Segment Revenue	-	(1,199.13)
Total	50,580.19	69,802.21

Segment Results (Profit before Finance Cost & Tax)		
Ferro Alloys	(2,865.09)	(3,626.65)
Iron and Steel	176.96	1,939.78
Power	(421.86)	(1,296.42)
Total	(3,109.99)	(2,983.29)
Finance Costs	3,033.65	3,596.47
Profit before tax	(6,143.65)	(6,579.77)
Less: Tax Expenses	-	(1,094.23)
Profit after tax	(6,143.65)	(5,485.53)

Notes to and forming part of the Financial Statements as at 31st March, 2015

Other Information

(₹ in Lacs)

	Assets	Liabilities	Capital Expenditure	Depreciation	Non-cash Expenses (other than Depreciation)
For the Financial Year 2014-15					
Ferro Alloys	23,622.76	15,984.96	11.27	460.94	-
Iron and Steel	20,610.38	3,086.80	-	-	-
Power	14,950.42	-	-	402.82	-
Unallocated	258.64	-	-	-	-
Total	59,442.19	19,071.77	11.27	863.76	-
For the Financial Year 2013-14					
Ferro Alloys	24,077.01	7,831.12	165.94	349.01	-
Iron and Steel	19,676.36	13,243.55	-	-	-
Power	16,224.29	492.56	180.88	827.99	-
Unallocated	-	245.54	-	-	-
Total	59,977.65	21,812.76	346.82	1,177.00	-

Geographical segments: The Company's secondary geographical segments have been identified based on the location of customers and are disclosed based on revenues within India and revenues outside India. Secondary segment assets are based on the location of such assets.

			Segment Revenue(Based on Location of Customers)	Segment Assets(Based on Location of Assets)	Capital Expenditure
Within India	Year ended	31.03.2015	31,164.87	58,969.79	11.27
	Year ended	31.03.2014	52,271.50	59,510.48	346.82
Outside India	Year ended	31.03.2015	19,415.32	472.40	-
	Year ended	31.03.2014	17,530.71	467.17	-
Total	Year ended	31.03.2015	50,580.19	59,442.19	11.27
	Year ended	31.03.2014	69,802.21	59,977.65	346.82

NOTE 37 RELATED PARTY DISCLOSURE

- (i) Name of the related parties where control exists irrespective of whether transactions have occurred or not
- (a) Enterprise on which the Company has control : SKP Mining Pvt. Ltd. - Joint Venture
- (b) Key Managerial Personnel (KMP)
- Mr. Suresh Kumar Patni, Managing Director
- Mr. Ankit Patni, Director
- Mr. Satish Kumar Singh, Executive Director
- Mr. Sanjeet Kr. Gupta, Chief Financial Officer
- Ms. Richa Agarwal, Company Secretary
- (c) Relatives of Key Managerial Personnel:
- Mr. Rohit Patni
- Mrs. Sarita Patni
- (d) Entities/Individuals owning directly or indirectly an interest in the voting power that gives them control :
- Shubham Complex Pvt. Ltd.
- Relybulls Derivatives & Commodities Pvt. Ltd.
- SKP Power Ventures Ltd.
- SKP Aviation Services Ltd.
- A. B. Infratel Pvt. Ltd.
- SBM Steels Pvt. Ltd.
- Gajkarna Merchandise Pvt. Ltd.

Notes to and forming part of the Financial Statements as at 31st March, 2015

NOTE 37 RELATED PARTY DISCLOSURE (Contd.)

Gajavakra Merchandise Pvt. Ltd.
Gannath Commerce Pvt. Ltd.
Mahabala Merchants Pvt. Ltd.
Marble Arch Properties Pvt. Ltd.
Narmada River Resources Pvt. Ltd.

(e) Enterprises owned or significantly influenced by the Key Managerial Personnel or their relatives:

Ankit Metal & Power Ltd.
Impex Metal & Ferro Alloys Ltd.
Rohit Ferro-Tech Ltd.
Suanvi Trading & Investment Co Pvt. Ltd.
Shreyansh Leafin Pvt. Ltd.
SKP Overseas Pte. Ltd.
Vasupujya Enterprises Pvt. Ltd.
Whitestone Suppliers Pvt. Ltd.
Astabhuj Properties Pvt. Ltd.

(ii) Transactions with related parties referred to above, in ordinary course of the business, are as under:

(₹ in Lacs)		
Particulars	31.03.2015	31.03.2014
Managerial Remuneration		
Suresh Kumar Patni	12.00	12.00
Satish Kumar Singh	9.00	6.00
Purchase of Goods		
Ankit Metal & Power Ltd.	3,142.25	1,135.91
Impex Metal & Ferro Alloys Ltd.	723.89	2,537.06
Rohit Ferro-Tech Ltd.	6,376.83	7,278.94
SKP Overseas Pte. Ltd.	-	305.53
Purchases of Capital Goods		
Ankit Metal & Power Ltd.	12.97	37.26
Sales of Finished Goods		
Ankit Metal & Power Ltd.	3,389.56	6,168.09
Impex Metal & Ferro Alloys Ltd.	1,115.72	1,474.70
Rohit Ferro-Tech Ltd.	2,904.62	6,696.58
Purchase of DEPB Licence		
Impex Metal & Ferro Alloys Ltd.	35.99	16.91
Rohit Ferro-Tech Ltd.	10.21	-
Sale of DEPB Licence		
Rohit Ferro-Tech Ltd.	249.83	12.54
Impex Metal & Ferro Alloys Ltd.	12.41	18.66
Share Application Money received and Shares allotted*		
Invesco Finance Pvt.Ltd	-	790.00
Suanvi Trading & Investment Co. Pvt. Ltd	-	718.00
Whitestone Suppliers Pvt. Ltd.	-	490.00
(*Includes conversion of Loans)		

Notes to and forming part of the Financial Statements as at 31st March, 2015

(₹ in Lacs)

Particulars	31.03.2015	31.03.2014
NOTE 37 RELATED PARTY DISCLOSURE (Contd.)		
Sitting Fees		
Mr. Ankit Patni	0.27	-
Unsecured Loan		
Astabhuja Properties Pvt. Ltd.	1,335.50	-
Suresh Kumar Patni	112.00	-
Rohit Patni	100.00	-
Ankit Patni	145.00	-
Advances Given		
SKP Overseas Pte. Ltd.	-	163.31
Advances Given, Refunded Back		
SKP Overseas Pte. Ltd.	163.31	-
Outstanding Balances as at 31.03.2015		
Trade Receivable		
Ankit Metal & Power Ltd.	95.30	0.25
Impex Metal & Ferro Alloys Ltd.	1,368.40	-
Trade Payable		
Ankit Metal & Power Ltd.	-	-
Impex Metal & Ferro Alloys Ltd.	-	671.59
Rohit Ferro-Tech Ltd.	2,774.06	1,015.43
Investment In Equity Shares		
SKP Mining Pvt. Ltd.	5.00	-
Unsecured Loan		
Astabhuja Properties Pvt. Ltd.	1,285.50	-
Suresh Kumar Patni	112.00	-
Rohit Patni	100.00	-
Ankit Patni	145.00	-
Advances Given		
SKP Overseas Pte. Ltd.	-	163.31

Transactions with related parties have been disclosed for the period of existence of relationship. Previous year transactions with parties that have ceased to be related parties in the current year have been excluded in above details as the relationship did not exist.

Notes to and forming part of the Financial Statements as at 31st March, 2015

Particulars	31.03.2015	31.03.2014
NOTE 38 EARNINGS PER SHARE		
Weighted average number of Equity Shares outstanding during the year	8,15,96,604	7,34,31,193
Number of Shares Considered as weighted average shares and potential shares outstanding for calculation of Diluted Earnings Per Share	8,15,96,604	7,34,31,193
Profit/(Loss) after Tax attributable to Equity Shareholders (₹ in Lacs)	(6,143.65)	(5,485.52)
Nominal Value of Ordinary Shares (₹)	10	10
Earnings Per Share (Basic) (₹)	(7.53)	(7.47)
Earnings Per Share (Diluted) (₹)	(7.53)	(7.47)

Note: Pursuant to CDR package, the Company has received unsecured loans amounting to ₹ 1,267 Lacs from promoters & promoter companies as promoter contribution to be converted into equity by September 30, 2015 at such prices as will be determined in accordance to SEBI (Issue of Capital & Disclosure Requirements) Regulations. Pending approval and determination of price by SEBI, the same has not been considered in the calculation of diluted EPS for the year.

NOTE 39

The operations of the Company are severely impacted by weak steel industry scenario and lack of demand for Company's finished product. The Company has incurred loss after tax of ₹ 6,143.65 Lacs and accumulated loss as on 31st March, 2015 is ₹ 6,349.26 Lacs which is in excess of 50% of the net worth of the Company.

As a part of its financial revival process, the lenders of the Company has already approved CDR package (as referred in note no. 27 above). The Company has continuous support from the promoters and has put in place measures for revival and cost reduction.

Considering the above initiative of the Company and given the overall position of steel industry in India, the financial statements have been prepared under Going Concern basis.

NOTE 40

The Company has not made any remittance in foreign currencies on account of dividend during the year and does not have information as to the extent to which remittance in foreign currencies on account of dividends have been made on behalf of non-resident shareholders.

NOTE 41

Previous year's figures have been reworked, re-grouped, re-arranged and reclassified, wherever considered necessary. Accordingly amounts and other disclosures for the preceding year are included as an integral part of the current year financial Statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date

For **R. Kothari & Company**

Chartered Accountants

FRN : 307069E

Manoj Kumar Sethia

Partner

Membership No: 064308

Kolkata, 30th May, 2015

For and on behalf of the Board

Suresh Kumar Patni

Managing Director

Ankit Patni

Director

Richa Agarwal

Company Secretary

S. K. Gupta

Chief Financial Officer

Consolidated Financial Section 2014-15

Independent Auditorts' Report

To
The Members of
Impex Ferro Tech Limited

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of IMPEX FERRO TECH LIMITED ("the Company"), and a jointly controlled entity which comprise the Consolidated Balance Sheet as at 31st March 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash flow statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Management is responsible for the matter stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company including its jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and its jointly controlled entity for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the Company's preparation and fair presentation of the Consolidated Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred in the "Other Matter" paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion

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

Independent Auditorts' Report

- (a) In the case of consolidated Balance Sheet, of the state of affairs of the Company and its jointly controlled entity as at March 31, 2015;
- (b) In the case of Consolidated Statement of Profit and Loss, of the Loss of the Company and its jointly controlled entity for the year ended on that date; and
- (c) In the case of consolidated Cash Flow Statement, of the Cash Flows of the Company and its jointly controlled entity for the year ended on that date.

Emphasis of Matter

- 1. Without Qualifying we draw your attention to Note No.26 of the consolidated financial results, relating to CDR Package. The CDR Package of the Company has been sanctioned vide LOA dated 10th November, 2014. Pursuant to the said LOA, implementation of CDR policy is completed and the effect thereof has been given in these accounts with respect to the CDR scheme as per the said LOA. The said accounts are subject to confirmation and reconciliation with the Lenders. The reported financials would have consequential impact once the reconciliation is completed, the quantum where of remains unascertained.
- 2. Without Qualifying we draw your attention to the Note No 38 of the Consolidated Financial Statement which indicates that as at March 31st 2015, the accumulated losses amounting to ₹ 6,354.60 Lacs has substantially eroded net worth of the company, indicating the existence of a material uncertainty about the company's ability to continue as a going concern. These financial results have been prepared on a going concern basis for the reasons stated in the said note.

Other Matter

We did not audit the financial statements/financial information of jointly controlled entity, whose Financial Statements reflect total assets of ₹ 159.77 Lacs as at March 31, 2015, total revenues of ₹ 0.15 Lacs and net cash inflows amounting to ₹ 159.61 Lacs for the year then ended, as considered in the Consolidated Financial Statements. These Financial Statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the jointly controlled entity and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entity, is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditors Report) Order, 2015 ('the order') issued by the Central Government of India in terms of subsection (11) of the section 143 of the Act, based on the auditors' report of the Company and its jointly controlled entity, we give in the annexure a statement on the matters specified in the paragraphs 3 and 4 of the order, to the extent applicable.
- 2. As required by section 143(3) of the Act, we report, to the extent applicable that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements;
 - b. In our opinion, proper books of account as required by law relating to preparation of Consolidated Financial Statements have been kept so far as it appears from our examination of those books;
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the Consolidated Financial Statements;
 - d. In our opinion, the Consolidated Financial Statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013; read with Rule 7 of the Companies (Accounts) Rules, 2014.

Independent Auditorts' Report

- e. On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors of the Company and its jointly controlled entity is disqualified as on March 31, 2014, from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Company and its jointly controlled entity in the Consolidated Financial Statements- Refer Note 27 (b) to (f) to its Consolidated Financial Statements.
 - ii. The Company and its jointly controlled entity have no material foreseeable losses for which the provision under the applicable law or accounting standards needs to be made.
 - iii. There were no amounts which were required to be transferred by the Company to the Investor Education and Protection fund.

Place: Kolkata
Date: 30.05.2015

For **R. Kothari & Company**
Chartered Accountants
FRN : 307069E

Manoj Kumar Sethia
Partner

Membership No.064308

Annexure to the Independent Auditorts' Report

Annexure referred to in paragraph 1 under the heading of “**Report on Other Legal and Regulatory Requirements**” of even date to the members of **IMPEX FERRO TECH LIMITED** on the accounts of the Company and its jointly controlled entity for the year ended 31st March 2015. On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) All fixed assets were physically verified by the management during the year in accordance with a planned program of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The inventory, except goods-in-transit has been physically verified by the management during the year. In respect of inventory lying with the third parties, these have substantially been confirmed by them. In our opinion, the frequency of such verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) The Company has not granted any loan, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Therefore, the provisions of Clause (iii) (a) and (b) of the said Order are not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, there is an adequate Internal Control System commensurate with the size of the Company and the nature of its business for the purchase of inventories and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) The Company and its jointly controlled entity has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India and provisions of Section 73 to Section 76 of the Companies Act, 2013 and the rules framed there under are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of manufacture of Iron & Steel product & Power generation unit pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, and we are of the opinion that prima facie, the records have been maintained. We have not however made a detailed examination for the records with a view to determining whether they are accurate and complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been regularly deposited undisputed amount payable in respect of Provident Fund, Employees' State Insurance, Income -Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty, Value Added Tax, Cess, Professional Tax, and other Statutory Dues during the year with appropriate authorities. However, there have been delays in few cases.
- (b) According to the information and explanations given to us, there are no dues of Sales Tax, Custom Duty, Wealth Tax, Excise Duty and Cess which have not been deposited as on 31st March, 2015 with the appropriate authorities on account of any dispute except the following cases which are as follows:

Annexure to the Independent Auditorts' Report

Name of the statute	Nature of Dues	Financial Year	₹/Lacs	Forum where Dispute is Pending
Central Excise Act, 1994	Excise Duty	2005-06	12.36	Commissioner of Central Excise (Appeals) (III)
		2005-06 and 2006-07	8.26	CESTAT, Calcutta Bench
		2006-07	0.5	Commissioner of Central Excise (Appeals) (IV)
		2007-08	15.55	CESTAT, Calcutta Bench
Total			36.67	₹ 20.92 Lacs paid under protest
Central Sales Tax and Local Sales Tax Act	VAT	2005-06	304.13	WBCT, Appellate and Revisional Board
		2006-07	479.91	WBCT, Appellate and Revisional Board
		2008-09	748.45	WBCT, Appellate and Revisional Board
		2009-10	211.18	Sr. Joint Commissioner of Commercial taxes
Total			1,743.67	₹ 88.62 Lacs paid under protest
W.B. Entry Tax Act	Entry Tax	2012-13 and 2013-14	272.51	Hon'ble High Court of Calcutta
Total			272.51	₹ NIL paid under protest
Income Tax Act, 1961	Income Tax	2011-12	1606.46	Commissioner of Income Tax (Appeals), Kolkata
Total			1606.46	₹ NIL paid under protest

- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
- (viii) The accumulated losses at the end of the financial year are not less than fifty percent of its net worth and the company and its jointly controlled entity has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company and its jointly controlled entity has not defaulted in repayment of dues to the financial institutions or banks.
- (x) The Company and its jointly controlled entity have not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xi) In our opinion and according to the information and explanations given to us, the term loan have been applied for the purpose they were obtained.
- (xii) According to the information and explanations given to us, no fraud on or by the Company and its jointly controlled entity has been noticed or reported during the year.

For **R. Kothari & Company**
Chartered Accountants
FRN : 307069E

Manoj Kumar Sethia
Partner

Place: Kolkata
Date: 30.05.2015

Membership No.064308

Consolidated Balance Sheet as at 31st March, 2015

(₹ in Lacs)

S.N.	PARTICULARS	NOTE NO.	31.03.2015
I	EQUITY AND LIABILITIES		
	(1) Shareholders' Funds		
	(a) Share Capital	3	8,159.66
	(b) Reserves and Surplus	4	(1,329.00)
			6,830.66
	(2) Non-Current Liabilities		
	(a) Long-Term Borrowings	5	23,606.20
	(b) Deferred Tax Liability (Net)	6	-
			23,606.20
	(3) Current Liabilities		
	(a) Short-Term Borrowings	7	9,941.67
	(b) Trade Payables	8	15,214.58
	(c) Other Current Liabilities	9	3,923.95
			29,080.20
	Total		59,517.08
II	ASSETS		
	(1) Non-Current Assets		
	(a) Fixed Assets		
	(i) Tangible Assets	10	18,528.87
	(ii) Intangible Assets	10	5.91
	(iii) Capital Work-In-Progress	11	42.89
			18,577.67
	(b) Long-Term Loans And Advances	12	175.07
			18,752.74
	(2) Current Assets		
	(a) Inventories	13	12,027.95
	(b) Trade Receivables	14	23,468.06
	(c) Cash and Bank Balances	15	1,018.01
	(d) Short-Term Loans and Advances	16	3,651.25
	(e) Other Current Assets	17	599.07
			40,764.35
	Total		59,517.08
	Significant Accounting Policies	2	

Accompanying notes are an integral part of the Financial Statements

As per our report of even date

For **R. Kothari & Company**

Chartered Accountants

FRN : 307069E

Manoj Kumar Sethia

Partner

Membership No: 064308

Kolkata, 30th May, 2015

For and on behalf of the Board

Suresh Kumar Patni

Managing Director

Ankit Patni

Director

Richa Agarwal

Company Secretary

S. K. Gupta

Chief Financial Officer

Statement of Profit & Loss for the year ended 31st March, 2015

(₹ in Lacs)

S.N.	PARTICULARS	NOTE NO.	31.03.2015
I	INCOME		
	Revenue from Operations (Gross)	18	52,302.13
	Less: Excise Duty		1,721.94
	Revenue from Operations (Net)		50,580.19
II	Other Income	19	304.85
III	Total Revenue (I + II)		50,885.04
IV	EXPENSES		
	Cost of Materials Consumed	20	16,965.86
	Purchases of Stock-In-Trade	21	23,849.09
	Changes in Inventories of Finished Goods and Work in Progress	22	252.43
	Employee Benefits Expense	23	478.67
	Finance Costs	24	3,033.65
	Depreciation and Amortisation Expense	10	863.76
	Other Expenses	25	11,590.56
	Total Expenses (IV)		57,034.02
V	PROFIT/(LOSS) BEFORE TAX (III-IV)		(6,148.98)
VI	Tax Expenses		
	Current Tax		-
	Less : MAT Credit entitlement		-
	Net Current Tax		-
	Earlier Years Tax		-
	Deferred Tax		-
VII	PROFIT/(LOSS) FOR THE YEAR		(6,148.98)
	Earning Per Equity Share (Nominal Value of Share - ₹ 10/-) Basic & Diluted (₹)	37	(7.54)
	Summary of Significant Accounting Policies	2	

Accompanying notes are an integral part of the Financial Statements

As per our report of even date

For **R. Kothari & Company**

Chartered Accountants

FRN : 307069E

Manoj Kumar Sethia

Partner

Membership No: 064308

Kolkata, 30th May, 2015

For and on behalf of the Board

Suresh Kumar Patni

Managing Director

Ankit Patni

Director

Richa Agarwal

Company Secretary

S. K. Gupta

Chief Financial Officer

Cash Flow Statement for the year ended 31st March, 2015

(₹ in Lacs)

	Year Ended 31st March, 2015	
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax & Extra-Ordinary Items		(6,148.98)
Adjustments for :		
Depreciation	863.76	
Finance costs	2,689.94	
Interest Received	(190.47)	
Sundry Balances Written Back	-	
Loss on Sale of Fixed Assets	-	
		3,363.23
Operating Profit before Working Capital Changes		(2,785.75)
Adjustments for :		
(Increase)/Decrease in Inventories	533.32	
(Increase)/Decrease in Trade Receivables	(4,151.79)	
(Increase)/Decrease in Loans and Advances	1,793.04	
(Increase)/Decrease in Other Assets	(247.52)	
Increase/(Decrease) in Trade Payables	(4,022.28)	
Increase/(Decrease) in Other Liabilities	1,334.76	
		(4,760.47)
Cash generated from operations		(7,546.22)
Direct Tax Paid		(13.07)
Net Cash from Operating Activities		(7,559.29)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(11.27)	
(including Capital Work-in-Progress and Advances)		
Investment in Joint Venture	-	
Interest Income	190.47	
Maturity Proceeds of Fixed Deposits	1,774.61	
Purchase of Fixed Deposits with Banks	-	
Net Cash used in Investing Activities		1,953.81
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Shares	-	
Increase/(Decrease) in Short Term Borrowings	(4,678.05)	
Proceeds from Long Term Borrowings	12,324.99	
Repayment of Long Term Borrowings	(402.13)	
Share Issue Expenses	-	
Finance Costs	(1,455.18)	
Net Cash from Financing Activities		5,789.63
Net Increase/(Decrease) in Cash & Cash Equivalents		184.15
Cash & Cash Equivalents at the beginning of the year (Refer Note No.15 to the Accounts)		59.81
Cash & Cash Equivalents at the end of the year (Refer Note No.15 to the Accounts)		243.96

Cash Flow Statement for the year ended 31st March, 2015 (Contd.)

Notes:

- i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 (AS-3), "Cash Flow Statements"
- ii) Cash comprises Cash-in-Hand, current accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value
- iii) Since this is the first year of consolidation, previous year figure to this Financial Statement has not been given.

As per our report of even date

For **R. Kothari & Company**

Chartered Accountants

FRN : 307069E

Manoj Kumar Sethia

Partner

Membership No: 064308

Kolkata, 30th May, 2015

For and on behalf of the Board

Suresh Kumar Patni

Managing Director

Ankit Patni

Director

Richa Agarwal

Company Secretary

S. K. Gupta

Chief Financial Officer

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

NOTE 1 CORPORATE INFORMATION

Impex Ferro Tech Ltd, “the Company” is domiciled in India and was incorporated in June, 1995 under the provisions of the Companies Act, 1956. The Company has its registered office situated in Kolkata and manufacturing facility at Kalyaneshwari, Burdwan, West Benagal. The Company is primarily engaged in manufacture of Ferro Alloys (ferro-manganese/silico manganese), trading in iron & steel products. As a part of backward integration, the Company have a power plant.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of Financial Statements

- (a) The Financial Statements of the Company and its jointly controlled entities (together the “Group”) have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). These Financial Statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (‘Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014. The Financial Statements have been prepared on an accrual basis and under the historical cost convention. The accounting policy adopted in the preparation of Financial Statements are consistent with those used in previous year except for the change in accounting policy with regard to depreciation on Fixed Assets.
- (b) All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.
- (c) The following Joint Venture Company are considered in the Consolidated Financial Statements.

Name of the Entity	Country of Incorporation	% Ownership Interest	
		31st March, 2015	31st March, 2014
SKP Mining Pvt. Ltd.	India	50.00	—

- (d) Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as “0.00” in the relevant notes in these Financial Statements.

2.2 Principles of Consolidation

- (a) Interest in jointly controlled entities have been consolidated by using the ‘proportionate consolidation’ method as per Accounting Standard (AS) 27 - ‘Financial Reporting of Interests in Joint Ventures’ specified under Section 133 of Companies Act, 2013.
- (b) The Consolidated Financial Statements are prepared to the extent possible using uniform accounting policies for like transactions and other events in similar circumstances and are presented to extent possible, in the same manner as the Company’s separate Financial Statements.

2.3 Use of Estimates

The preparation of the Financial Statements in conformity with the Generally Accepted Accounting Principles requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the Financial Statements, and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates

2.4 Revenue Recognition

- (a) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.
- (b) Sales are recognised when significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Sales are recognised net of trade discounts, rebates, sales taxes and excise duties .

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

- (c) Export Incentives arising out of Export Sales under Duty Entitlement Pass Book Scheme/Duty Drawback are accounted for on accrual basis. Profit or loss on sale of DEPB Licenses is accounted for in the year of such sale.
- (d) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.
- (e) Purchases are inclusive of freight and net of CENVAT/Duty Credit, trade discount and claims.

2.5 Tangible Assets, Intangible Assets and Capital Work-in-Progress

- a) Tangible Fixed Assets are stated at cost, less accumulated depreciation and impairment, if any. The cost of acquisition comprises purchase price inclusive of duties (net of Cenvat), taxes, incidental expenses, erection/commissioning/trial run expenses and interest etc, up to the date the assets are ready for intended use. Machinery spares which can be used only in connection with an item of tangible fixed assets and whose use, as per technical assessment, is expected to be irregular, are capitalized and depreciated over the residual life of the respective assets. Subsequent expenditure related to an item of tangible fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing tangible fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.
- (b) Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Computer software not being part of hardware operating system are capitalised as intangible asset.
- (c) Depreciation on fixed asset is calculated on the straight line method at the rates prescribed under Schedule II to the Companies Act, 2013. Depreciation on assets added/disposed off during the year is provided on prorata basis with reference to the date of addition/disposal. Software is amortised over a period of five years.
- (d) The carrying amount of fixed assets is assessed at each balance sheet date. If there is any indication of impairment based on internal/external factors, an impairment loss is recognized wherever the carrying amount of a fixed asset exceeds the recoverable amount. The recoverable amount is the higher of the fixed asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.
- (e) Cost of the fixed assets not ready for their intended use at the Balance Sheet date together with all related expenses is shown as Capital Work-in-progress/Intangible Assets under Development.

2.6 Inventories

Raw materials and Stores, Spares & Consumables are valued at lower of cost (computed on First In First Out basis) and net realizable value. Goods under Process and Finished Goods are valued at lower of cost and net realizable value. Cost includes direct materials, labour cost and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on average basis. Saleable scrap, scrap usable as raw materials and by-products are valued at estimated net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.7 Investments

Long Term Investment are valued at cost. Provision is made for diminution in value to recognize a decline, if any other than of temporary in nature.

2.8 Foreign Currency Translation

(a) Initial Recognition

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 as at the date of the transaction.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

(b) Conversion

Foreign Currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

(c) Exchange Differences

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

(d) Forward Exchange Contracts

The Company enters into Forward Exchange Contracts which are not intended for trading or speculation purposes. The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of foreign exchange contract is recognised as income or expense for the year.

2.9 Government Grants

Government Grants are recognized on a prudent basis when there is a reasonable assurance that the Company will comply with the conditions attached thereto and the grants will be received.

Government Grants in the form of promoters' contribution is credited to capital reserve. Capital grant relating to specific assets is reduced from the gross value of the respective fixed assets. Government Grants related to revenue are recognized by credit over the period to match them on a systematic basis to the costs, which it intended to compensate.

2.10 Retirement and other Employee Benefits

(a) Defined Contribution Plan:

Contribution as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 towards provident fund and family pension fund are charged to the Statement of Profit and Loss of the period when contributions to the respective funds are due. There is no other obligation other than the contribution payable to the respective funds.

(b) Defined Benefit Plan:

Liability with regard to long-term employee benefits is provided for on the basis of an actuarial valuation at the Balance Sheet date. Actuarial gain/loss is recognised in the Statement of Profit and Loss. The Company has an Employees Gratuity Fund managed by the SBI Life Insurance Company Limited.

(c) Short-term Compensated Absences are provided for based on estimates.

2.11 Borrowing Costs

(a) Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

(b) Other Borrowing costs are recognised as expense in the period in which they are incurred.

2.12 Expenditure on New Projects & Substantial Expansion

Preliminary project expenditure, capital expenditure, indirect expenditure incidental and related to construction/implementation, interest on term loans to finance fixed assets and expenditure on start-up of the project are capitalised upto the date of commercial production to the cost of the respective assets.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)

2.13 Taxes on Income

- (a) Tax expense comprises of current tax and deferred tax.
- (b) Current tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws. In case of tax payable as per provisions of Minimum Alternate Tax (MAT) under Section 115JB of the Income Tax Act, 1961 deferred MAT Credit entitlement is separately recognised under the head 'Short Term Loans and Advances'. Deferred MAT Credit Entitlement is recognised and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.
- (c) Deferred Tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- (d) Deferred Tax Asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. If the Company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is virtual certainty backed by convincing evidence that such deferred tax assets can be realized against future taxable profits. Unrecognised deferred tax assets of earlier periods are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

2.14 Earnings per Share (EPS)

- (a) Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
- (b) For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.15 Prior Period Items

Significant items of income and expenditure which relate to prior accounting periods, other than those occasioned by events occurring during or after the close of the year and which are treated as relatable to the current year, are accounted for in the Statement of Profit and Loss under the head "Prior Period Items".

2.16 Provisions/Contingencies

- (a) Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.
- (b) Contingent Liabilities are shown by way of notes to the accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.
- (c) Contingent Assets are neither recognized nor disclosed in the Financial Statements.

2.17 Preliminary & Share Issue Expenses

As the future economic benefit of Preliminary & Public issue expenses is not ascertainable & thus the same is adjusted with the share premium.

2.18 Segment Reporting

- (a) The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the preparation and presenting the Financial Statements of the company as a whole. Further, Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is primarily market based.

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

- b) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Un-allocated corporate expenses net of un-allocated income".

2.19 Cash and Cash Equivalents

Cash and cash equivalents as indicated in the Cash Flow Statement comprise of Cash-in-Hand, cash at bank and short-term deposits with an original maturity of three months or less.

2.20 Excise Duty & Custom Duty

Excise duty is accounted for at the point of manufacture of goods and accordingly is considered for valuation of finished goods stock lying in the factories as on the Balance Sheet date. Similarly, customs duty on imported materials in transit/lying in bonded warehouse is accounted for at the time of import/bonding of materials.

		(₹ in Lacs)
		31.03.2015
NOTE 3 SHARE CAPITAL		
Authorised:		
8,25,00,000 Equity Shares of ₹ 10/- each		8,250.00
Issued, Subscribed and Paid-up:		
8,15,96,604 Equity Shares of ₹ 10/- each fully paid up.		8,159.66

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31.03.2015	
	Nos.	Amt (₹ in Lacs)
At the Beginning of the Period	8,15,96,604	8,159.66
Issued During the Period	-	-
At the End of the Period	8,15,96,604	8,159.66

(b) Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. However, no dividend has been proposed by the Board for the current year.

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

(c) Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	31.03.2015	
	No. of Shares	% holding
Suanvi Trading & Investment Co. Pvt. Ltd.	1,50,73,046	18.47
Vasupujya Enterprises Pvt. Ltd.	1,06,00,000	12.99
Poddar Mech-Tech Services Pvt. Ltd.	1,06,33,750	13.03
Invesco Finance Pvt. Ltd.	1,08,71,250	13.32

Note : As per the CDR Package approved by the CDR EG (Refer Note No. 26) on 10th November, 2014, the Company has during the year received unsecured loan amounting to ₹ 1,267 Lacs which is to be converted to equity by 30th September, 2015. The conversion price will be determined in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations.

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

(₹ in Lacs)

	31.03.2015
NOTE 4 RESERVES AND SURPLUS	
Capital Reserve - As per last account	
- State Capital Subsidy	278.62
- Forfeiture of Share Warrants	133.80
	412.42
Securities Premium Account	
At the beginning of the accounting period	4,613.17
Additions during the year	-
	4,613.17
Share Issue/Preliminary Expenses written off	-
At the end of the accounting period	4,613.17
Surplus (Balance in the Statement of Profit & Loss)	
Balance as per last Financial Statement	(101.95)
Profit/(Loss) for the year	(6,148.98)
Adjusted for Depreciation relating to Fixed Assets (Tangible) (Refer Note Below)	(103.67)
Closing Balance	(6,354.60)
Total	(1,329.00)

Note: Transitional provision provided in Note 7(b) of Schedule II to the Companies Act, 2013 an amount of ₹ 103.67 Lacs has been adjusted in the opening balance of retained earnings in respect of assets having no useful life as on 1st April, 2014.

(₹ in Lacs)

	Non-current portion
	31.03.2015
NOTE 5 LONG-TERMBORROWINGS	
Secured Loans	
Loan from Banks	
Restructured Term Loans	2,209.66
Funded Interest Term Loans	1,221.48
Working Capital Term Loans	12,324.99
Loans from Related Party (Refer Note 37)	
From Bodies Corporate (Unsecured)	1,335.50
From Directors & Promoters (Unsecured)	357.00
Other Loans & Advances	
From Bodies Corporate (Unsecured)	6,157.56
	23,606.20
The above amount includes	
Secured Borrowings	15,756.13
Unsecured Borrowings	7,850.06
Amount disclosed under the head - "Other Current Liabilities" (Refer Note 8)	-
	23,606.20

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

NOTE 5 LONG-TERM BORROWINGS (Contd.)

(A) Terms of Repayment

(I) Term Loans

(₹ in Lacs)

Terms of Repayment	Nature of Securities	Interest Rate (p.a.)	Loan Amount as at 31st March 2015
Restructured Term Loans In equal quarterly installments of respective years as follows starting from July, 2016. ₹ 0.71 Crores in 2016-17, ₹ 1.42 Crores in 2017-18, ₹ 2.36 Crores in 2018-19, ₹ 2.84 Crores in 2019-20, ₹ 3.07 Crores in 2020-21, ₹ 3.31 Crores in 2021-22, ₹ 4.26 Crores in 2022-23, ₹ 5.67 Crores in 2023-24.	See note below	11.75% (Linked to MI Base Rate) (subject to be reset after completion of 2 years)	2,209.66
Funded Interest Term Loans In equal quarterly installments of respective years as follows starting from July, 2016. ₹ 2.66 Crores in 2016-17, ₹ 3.66 Crores in 2017-18, ₹ 4.49 Crores in 2018-19, ₹ 5.32 Crores in 2019-20, ₹ 5.66 Crores in 2020-21, ₹ 5.49 Crores in 2021-22, ₹ 4.99 Crores in 2022-23, ₹ 1.00 Crores in 2023-24.		11.25% (Linked to MI Base Rate) (subject to be reset after completion of 2 years)	1,221.48
Working Capital Term Loans-I In equal quarterly installments of respective years as follows starting from July, 2016. ₹ 4.80 Crores in 2016-17, ₹ 6.59 Crores in 2017-18, ₹ 8.09 Crores in 2018-19, ₹ 9.59 Crores in 2019-20, ₹ 10.19 Crores in 2020-21, ₹ 9.89 Crores in 2021-22, ₹ 8.99 Crores in 2022-23, ₹ 1.80 Crores in 2023-24.		11.25% (Linked to MI Base Rate) (subject to be reset after completion of 2 years)	5,995.00
Working Capital Term Loans-II In equal quarterly installments of respective years as follows starting from July, 2016. ₹ 5.06 Crores in 2016-17, ₹ 6.96 Crores in 2017-18, ₹ 8.55 Crores in 2018-19, Rs 10.13 Crores in 2019-20, ₹ 10.76 Crores in 2020-21, ₹ 10.44 Crores in 2021-22, ₹ 9.50 Crores in 2022-23, ₹ 1.90 Crores in 2023-24.		11.25% (Linked to MI Base Rate) (subject to be reset after completion of 2 years)	6,329.99
Unsecured Loans from Bodies Corporates a) Repayable after 30th June, 2023	N.A.	Interest Free	5,849.86
b) Promoter's Contribution received under CDR out of which ₹ 12.67 Crores to be converted into equity by 30th September, 2015.		Interest Free	1,285.50
c) Others		12%-13%	714.70

(II) Working Capital Term Loan (WCTL) :

Upon implementaion of the CDR Package (Refer Note 26), the overdrawn portion of the Cash Credit Accounts of the Company has been carved out into separate Working Capital Term Loans (WCTL).

(III) Funded Interest Term Loan (FITL) :

Upon implementaion of the CDR Package (Refer Note 26), funding of interest has been provided for:

- Interest on existing term loans for a period of 24 months from the Cut-Off Date i.e from May 01, 2014 to April 30, 2016;
- Interest on WCTL for a period of 24 months from the Cut-Off Date i.e from May 01, 2014 to April 30, 2016.

(IV) Details of Security

- In terms of the CDR package, Rupee Term Loans, Working Capital Term Loans, Funded Interest Term Loans and Working Capital Loan (Refer Note 26) are pooled together and secured as under:
 - First pari-passu charge on fixed assets by way of equitable mortgage of the land & building/shed along with all movable and immovable plant & machinery and other fixed assets thereon at Kalyaneshwari, Dist.: Burdwan, West Bengal.

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

NOTE 5 LONG-TERM BORROWINGS (Contd.)

- b) First pari-passu charge on the entire Current Assets of the Company comprised of stock of raw materials, semi finished and finished goods and book debts, outstanding moneys, receivables, both present and future pertaining to the Company's manufacturing units/divisions at Kalyaneshwari, Dist.: Burdwan, West Bengal.
- c) Collateral Security of equitable mortgage on office space at 35, C. R. Avenue, Kolkata is standing in the name of the Company on pari passu basis.
- d) Additional Security of Equitable mortgage of two floors at the Corporate office of the group at SKP House, 132A, S.P. Mukherjee Road, Kolkata - 700 026 standing in the name of Marble Arch Properties Pvt Ltd on pari passu basis.
- e) Personal guarantee of Promoters/Director - Mr. Suresh Kumar Patni, Mr. Rohit Patni, & Mr. Ankit Patni.
- f) Further, the restructured facilities has been secured by pledge of entire promoter & promoter group stake in Company (in Demat Form), representing 66.71% of paidup capital of Company.

The following amounts due during the year have been paid subsequent to the Balance Sheet date:

(₹ in Lacs)

	31.03.2015
NOTE 6 DEFERRED TAX LIABILITY (NET)	
Deferred Tax Liability	
- Difference in WDV as per Companies Act and Income Tax Act	1,319.20
Deferred Tax Asset	
- Related to Unabsorbed Depreciation	(1,007.03)
- Related to Unabsorbed Business Loss	(3,269.71)
Deferred Tax Liability/(Assets)	(2,957.54)

Note: Net Deferred Tax Assets (DTA) of ₹ 2,957.54 Lacs as at 31st March, 2015 has not been recognized in the accounts as a matter of prudence and in terms of the accounting policy indicated in Note no. 2.13 above.

	31.03.2015
NOTE 7 SHORT-TERM BORROWINGS	
Loan guaranteed by Promoters & Directors	
Working Capital Loans from Banks (Secured)	
Rupee Loans	9,861.48
Unsecured Loans	
From Directors	0.20
From Body Corporate	80.00
	9,941.67

Details of Security :

- (a) Pari pasu 1st charge on all movable & immovable assets of the Company, both present & future which is pooled and charges thereon created to secure all the facilities of the Company which will rank pari pasu with the other lenders. All the aforesaid facilities will also be secured by personal guarantee of Mr. Suresh Kumar Patni, Mr. Rohit Patni and Mr. Ankit Patni.
- (b) Working Capital facilities from banks carries interest of 11.75% p.a. (Linked to MI base rate), subject to reset of every year.

	31.03.2015
NOTE 8 TRADE PAYABLES	
Acceptances	2,143.77
Sundry creditors for goods, services etc.	13,070.82
	15,214.58

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

NOTE 8 TRADE PAYABLES (Contd.)

a) There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

b) The trade payable includes ₹ 2,774.06 Lacs due to related parties (Refer Note No. 36)

(₹ in Lacs)

	31.03.2015
NOTE 9 OTHER CURRENT LIABILITIES	
Current Maturities of Long Term Debts (Refer Note No. 5)	-
Interest accrued and due on Borrowings	66.73
Advance from Customers	3,576.80
Other Payables	
For Statutory Dues	61.17
For Capital Goods	147.72
For Accrued Expenses	71.53
	3,923.95

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

NOTE 10 FIXED ASSETS

(₹ in Lacs)

Particulars	Tangible Assets								Intangible Assets
	Freehold Land	Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipments	Others	Total	ERP Software
Gross Block									
As at 1st April, 2013	183.36	3,881.03	19,975.85	36.56	27.63	11.16	14.73	24,130.32	26.90
Additions	-	4.03	284.98	0.98	-	2.93	2.85	295.77	-
Disposals	-	-	-	-	-	-	-	-	-
Other Adjustments								-	
- Borrowing Costs	-	-	-	-	-	-	-	-	-
As at 31st March, 2014	183.36	3,885.06	20,260.83	37.54	27.62	14.09	17.58	24,426.06	26.90
Additions	-	3.18	6.62	0.74	-	0.11	0.62	11.27	-
Disposals	-	-	-	-	-	-	-	-	-
As at 31st March, 2015	183.36	3,888.24	20,267.45	38.28	27.62	14.20	18.20	24,437.34	26.90
Depreciation & Amortisation									
As at 1st April, 2013	-	577.88	3,155.07	15.78	17.00	3.03	5.23	3,773.98	11.05
Charge for the year	-	129.33	1,034.49	2.36	2.62	2.00	0.83	1,171.62	5.38
Deductions / Adjustments	-	-	-	-	-	-	-	-	-
As at 31st March, 2014	-	707.21	4,189.56	18.14	19.62	5.03	6.06	4,945.60	16.43
Charge for the year	-	120.02	716.38	8.99	5.76	5.24	2.82	859.21	4.56
Transfer to Retained Earnings		-	100.16	-	-	0.03	3.48	103.67	-
Deductions / Adjustments	-							-	-
As at 31st March, 2015	-	827.23	5,006.10	27.13	25.38	10.30	12.36	5,908.48	20.99
Net Block									
As at 31st March, 2014	183.36	3,177.85	16,071.27	19.40	8.00	9.06	11.52	19,480.46	10.47
As at 31st March, 2015	183.36	3,061.00	15,261.35	11.15	2.24	3.90	5.84	18,528.87	5.91

Notes:

- Gross Block of ₹ 103.67 Lacs on account of assets whose useful life is already exhausted as at April 01, 2014 have been adjusted against the opening balance of profit & loss account pursuant to adoption of estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act, 2013.
- Depreciation for the year would have been lower by ₹ 322 Lacs, if the Company would have continued to charge depreciation as per previous method.

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

(₹ in Lacs)

	31.03.2015
NOTE 11 CAPITAL WORK-IN-PROGRESS	
At the beginning of the year	42.89
Add : Incurred during the year	-
Less : Capitalised during the year	-
At the end of the year	42.89
Capital work-in-progress includes Pre Operative Expenses relating to project under implementation, pending allocation to Fixed Assets.	
Opening Balance	8.25
Add : Expenditure incurred during the period	
Cost of Materials Consumed	-
Vehicle Hire Charges	-
Total	-
Amount allocated to Fixed Assets	-
Closing Balance	8.25
NOTE 12 LONG TERM LOANS AND ADVANCES	
(Unsecured, Considered good)	
Capital Advances	137.16
Security Deposits	37.91
	175.07
NOTE 13 INVENTORIES	
(As taken, valued and certified by the management)	
Raw Materials [includes in transit ₹ 460.72 Lacs]	8,491.20
Work-In-Progress	2,750.13
Finished Goods	568.50
Stores & Spares	210.64
Packing Material	7.48
	12,027.95
NOTE 14 TRADE RECEIVABLES	
(Unsecured, Considered Good)	
Debts outstanding for a period exceeding six months from the date they are due for payment	13,753.25
Other Debts	9,714.82
	23,468.06

Note: The trade receivable includes ₹ 1,463.70 Lacs due to related parties (Refer Note No. 36)

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

(₹ in Lacs)

	31.03.2015
NOTE 15 CASH & BANK BALANCES	
i) Cash & Cash Equivalents	
(A) Cash-in-Hand (as Certified)	28.92
(B) Balance with Banks	
In Current Accounts	215.04
	243.96
ii) Other Bank Balances	
- Term Deposits with Banks	774.05
(includes ₹ 77.05 Lacs having maturity greater than 12 months)	
	774.05
	1,018.01

a) Term Deposits amounting to ₹ 690 Lacs have been pledged as margin money against Letter of Credit and Bank guarantee facilities.

NOTE 16 SHORT TERM LOANS & ADVANCES	
(Unsecured, considered good)	
Advances recoverable in cash or in kind or for value to be received	
To others	2,244.10
Balance with Central Excise & CENVAT Receivable	975.43
VAT Credit Receivable/Refundable	173.12
Income Tax Payments	65.31
MAT Credit Entitlement	193.30
	3,651.25

Note : Income Tax Payments include ₹ 21.42 Lacs seized pursuant to search and seizure operation conducted by the Income Tax authorities on 5th January, 2004.

NOTE 17 OTHER CURRENT ASSETS	
(Unsecured, considered Good)	
Other Current Assets (Refer Note below)	65.28
Interest Refundable under CDR	137.95
Incentives Receivable	395.84
	599.07

Note : Other current assets include ₹ 35.79 Lacs paid towards TDS demand for the period from F.Y 2007-08 to 2013-14, which is subject to assessment & reconciliation of figures for the aforesaid years.

NOTE 18 REVENUE FROM OPERATIONS (GROSS)	
Sale of Products	
Sale of Manufactured Goods - Ferro Alloys	24,802.98
Sale of Raw Materials	
Manganese Ore	2,484.70
Coal & Coke	24.45
Sale of Traded Goods	
Iron and Steel Products	24,026.05
Other Operating Revenues	
Export Incentives	963.95
	52,302.13

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

(₹ in Lacs)

	31.03.2015
NOTE 19 OTHER INCOME	
Interest Income	
- On Fixed Deposits	190.55
Foreign Exchange Fluctuation Gain	25.55
Sale of Scrap	46.10
Commision Income	42.65
	304.85
NOTE 20 COST OF MATERIALS CONSUMED	
(Including cost of raw material sold)	
Raw materials at the beginning of the year	8,582.59
Add : Purchases	16,866.44
	25,449.02
Less : Raw materials at the end of the year	8,483.16
	16,965.86
Details of Raw Materials Consumed	
Manganese Ore	13,158.14
Coal and Coke	3,118.36
Dolomite	16.42
Others	672.95
	16,965.86
NOTE 21 PURCHASES OF STOCK-IN-TRADE	
Iron and Steel Products	23,849.09
	23,849.09
NOTE 22 CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS	
Ferro Alloys	
Opening Stock	
Finished Goods	365.14
Work-in-Progress	3,205.91
	3,571.06
Less: Closing Stock	
Finished Goods	568.50
Work-in-Progress	2,750.13
	3,318.63
	252.43
NOTE 23 EMPLOYEE BENEFITS EXPENSE	
Salaries, wages & bonus	435.98
Contribution to provident & other Funds	35.35
Staff Welfare Expenses	7.34
	478.67
NOTE 24 FINANCE COSTS	
Interest Expense	2,689.94
Other Borrowing Costs	343.71
	3,033.65

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015
(₹ in Lacs)

	31.03.2015
NOTE 25 OTHER EXPENSES	
Consumption of Stores and Spare Parts [Refer Note No. (c) below & 29(b)]	768.57
Packing Materials	62.77
Power [Refer Note No. (a) below & Note No. 27 (d)]	8,848.28
Rent	6.52
Rates & Taxes [Refer Note No. (b) below]	7.01
Repairs & Maintenance	
- Building	15.50
- Plant and Machinery	17.95
- Others	5.04
Insurance	36.98
Material Handling Expenses	305.06
Vehicle Hire & Maintenance Charges	119.10
Directors' Sitting Fees	1.25
Auditors' Remuneration [Refer Note No. (b) below]	6.02
Travelling & Conveyance	18.59
Commission	10.25
Legal & Professional Charges	70.38
Security Charges	108.36
Miscellaneous Expenses	65.69
Rebates and Discounts	23.05
Freight & Forwarding	1,067.63
Testing Charges	26.57
	11,590.56

a) Power includes following expenses incurred on the Operation of Captive Power Plant

Cost of Materials Consumed - Coal, Coke and Dolomitic	
Inventory at the beginning of the year	332.47
Add: Purchases during the year	0.31
Less: Transferred to Ferro alloys division	(324.74)
Less: Inventory at the end of the year	8.04
	-
Consumption of Stores and Spares	3.13
Repairs & Maintenance	
- Building	1.50
- Plant and Machinery	11.45
- Others	0.94
Vehicle Hire & Maintenance Charges	1.86
Miscellaneous Expenses	0.15
	19.03

b) Auditor's Remuneration

i) As Auditor [includes Tax Audit fees of ₹ 0.80 Lacs]	4.77
ii) For other services	1.25
	6.02

c) Consumption of stores and spares includes ₹ 531.75 Lacs towards cost of Electrode Carbon Paste which were previously classified under the head consumption of raw materials.

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

NOTE 26 CORPORATE DEBT RESTRUCTURING

As a part of its financial revival process, the lenders of the Company have already approved the Corporate Debt Restructuring of debts. CDR EG vide its letter dated 10th November, 2014 has approved the loan restructuring scheme for the Company. The CDR Package includes reliefs/measures such as reduction in interest rates, funding of interest, rearrangement of securities etc., the salient features of which are as follows :

- a) Cut off date for implementation: 30th April, 2014 and upon implementation, the financial effect thereof has duly been taken into accounts. The said accounts are subject to confirmation and reconciliation with the Lenders. The reported financials would have consequential impact once the reconciliation is completed, the quantum where of remains unascertained.
- b) Waiver of liquidated damages/compounding interest/penal interest for the period from 30th April, 2014 till implementation of the CDR package.
- c) Restructuring of existing loans into Restructured Term Loans, conversion of irregular portion of working capital facilities into Working Capital Term Loan of ₹ 12,324.00 Lacs and creation of Funded Interest Term Loan (FITL) of ₹ 3,328 Lacs from interest on Restructured Term Loan and working capital term loan for the period from 01/05/ 2014 to 30/04/2016.
- d) Restructuring of existing fund based and non fund based financial facilities.
- e) Rate of interest on Term Loans/WCTL/FITL would be reset after completion of 2 years and rate of interest on working capital would be reset every year.
- f) The option of selling off the 30 MW CPP or part thereof may be explored and considered with prior approval of the lenders and the CDR EG to liquidate the bank's dues
- g) The CDR Package as well as the provisions of the Master Circular on Corporate Debt Restructuring issued by the Reserve Bank of India, gives a right to the CDR Lenders to get a recompense of their waivers and sacrifices made as part of the CDR Proposal. The recompense payable by the Company is contingent on various factors, the outcome of which currently is materially uncertain and hence the proportionate amount payable as recompense has been treated as a contingent liability. The aggregate present value of the outstanding sacrifice made to be made by CDR Lenders as per the CDR package is approximately ₹ 15,117 Lacs.
- h) Contribution of ₹ 1,267 Lacs in the Company by the promoters in lieu of bank sacrifices. The contribution is to be brought initially in the form of unsecured loan and the same is to be converted into equity.

NOTE 27 CONTINGENT LIABILITIES AND COMMITMENTS

Contingent Liabilities not provided for in the books of accounts in respect of :

- (a) Bills discounted with Banks outstanding as on 31st March 2015 - ₹ 587.38.
- (b) Excise Demand of ₹ 36.67 Lacs for the Financial Year 2005-06, 2006-07 & 2007-08 disputed in appeal. The Company has paid a sum of ₹ 20.92 Lacs under protest.
- (c) Sales Tax Demand disputed in appeal for the Financial year 2005-06, 2006-07, 2008-09 & 2009-10 aggregates to ₹ 1743.67 Lacs. The Company has paid a sum of ₹ 88.62 Lacs under protest.
- (d) Several Parties including the Company have disputed the basis of levy of Fuel Surcharge in the electricity bills of Damodar Valley Corporation (DVC). Pending finalisation of the outcome of the matter, an amount of ₹ 2964.20 Lacs (after considering waiver of electricity duty admitted by DVC) has not been provided for by the Company.
- (e) The company has challenged the constitutional validity of Entry Tax levied by the Government of West Bengal w.e.f 1st April, 2012. In view of the stay granted by the Hon'ble High Court of Calcutta, the Company has not provided for the same in the books of accounts amounting to ₹ 272.51 Lacs
- (f) Relating to Assessment year 2012-13, a demand of ₹ 1,606.46 Lacs was raised by Income Tax Department against which the company has filed an application to respective department.
- (g) Bank Guarantee from bank amounting to ₹ 76.54 Lacs.
- (h) Right to Recompense to CDR Lenders for the relief and sacrifice extended, subject to provisions of CDR Guidelines, amounting to ₹ 1045 Lacs.

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

(₹ in Lacs)

	31.03.2015
NOTE 28 FOREIGN EXCHANGE EARNINGS AND OUTGO	
Foreign Exchange Earnings :	
F.O.B. Value of Exports	17,844.86
CIF Value of Imports:	
Raw Materials	7,834.84
Expenditure in Foreign Currency :	
Sales Commission	-
Compensation	1.76

	31.03.2015	
	%	(₹ in Lacs)
NOTE 29 BREAK UP INTO IMPORTED & INDIGENEOUS		
a) Cost of Materials Consumed :		
Indigenous	64.86	11,003.51
Imported	35.14	5,962.35
	100.00	16,965.86
b) Stores, Spares & Consumables :		
Indigenous	100	771.70
Imported	-	-
	100.00	771.70

NOTE 30 AMOUNTS RECEIVABLE / PAYABLE IN FOREIGN CURRENCY

(a) Forward contracts/hedging instruments outstanding as at the Balance Sheet date are ₹ Nil.

(b) Particulars of unhedged foreign currency exposures as at 31st March, 2015 are as follows :

Particulars	Currency	31.03.2015
Amount payable in foreign currency	USD Lacs	5.66
Amount receivable in foreign currency	USD Lacs	7.45

NOTE 31

In the opinion of the management, current and non-current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the accounts. Adequate provisions have been made for all known losses and liabilities.

NOTE 32

Certain balances of Trade Payables, Trade Receivables and Advances are subject to confirmation and reconciliation.

NOTE 33 EMPLOYEE BENEFITS

The disclosures of Employee Benefits as defined in Accounting Standard – 15 are given below :

Defined Contribution Plan :

Contribution to Defined Contribution Plan, recognised as expense for the year is as under :

Particulars	31.03.2015
Employer's Contribution to Provident and Other Funds	26.60

Defined Benefit Plan :

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as on 31st March, 2015, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

(₹ in Lacs)

Particulars	Gratuity (Funded)
	31.03.2015
NOTE 33 EMPLOYEE BENEFITS (Contd.)	
(i) Reconciliation of Opening and Closing Balances of the present value of Defined Benefit Obligation:	
Defined Benefit obligation at beginning of the year	36.86
Current Service Cost	7.92
Interest Cost	2.85
Actuarial (Gain)/Loss	3.06
Benefits paid	(2.48)
Defined Benefit obligation at the year end	48.20
(ii) Reconciliation of Opening and Closing Balances of fair value of Plan Assets:	
Fair value of plan assets at beginning of the year	56.60
Expected return on plan assets	5.05
Actuarial Gain/(Loss)	0.01
Employers' contribution	15.07
Benefits paid	(2.48)
Fair value of plan assets at the year end	74.26
Actual return on plan assets	5.07
(iii) Reconciliation of fair value of assets and obligation:	
Fair value of plan assets	74.26
Present value of obligation	48.20
Amount recognised as (liability)/asset in Balance Sheet	26.05
(iv) Expenses recognised during the year in the Statement of Profit & Loss:	
Current Service Cost	7.92
Interest Cost	2.85
Expected return on plan assets	(5.05)
Actuarial (Gain)/Loss	3.04
Net Cost (recognised in "Contribution to Provident & Other Funds" under Note No. 23)	8.75
(v) Break-up of Plan Assets as a percentage of total plan assets:	
Insurer Managed Funds	100%
(vi) Actuarial Assumptions:	
Mortality Table (IAL)	IALM 2006-08 ULTIMATE
Discount rate (per annum)	8.00%
Expected return on plan assets (per annum)	8.93%
Rate of escalation in salary (per annum)	10%F5Y & 6%TA
(vii) Other Disclosures	31.03.2015
Defined Benefit Obligation	48.20
Plan Assets	74.26
Surplus/(Deficit)	26.05
Experience Adjustment on Plan Liabilities	(3.10)

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The discounting rate is considered based on market yield on government bonds having currency and terms consistent with the currency in terms of the post employment benefit obligations.

The above information is certified by an Actuary.

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

NOTE 34 INTEREST IN JOINT VENTURE

The Company has the following investment, in a jointly controlled entity:

Name of the entity : SKP Mining Pvt. Ltd.

Country of Incorporation : India

Percentage of ownership interest : 50% as at 31st March, 2015

Percentage of ownership interest : NIL as at 31st March, 2014

The Company's share of each of the assets, liabilities, income, expenses, etc (each without elimination of the effect of transactions between the Company and the Joint Venture) related to its interest in this joint venture, based on the audited Financial Statements are :

(₹ in Lacs)

Particulars	31.03.2015
a) Assets : Current Assets	159.78
b) Liabilities : Current Liabilities	160.45
c) Income :	0.16
d) Expenses :	10.83

NOTE 35 SEGMENT REPORTING

Business Segments: The Company is mainly engaged in the business segment of manufacture & sale of Ferro Alloys, Trading in Iron & Steel and Generation of Power.

Particulars	31.03.2015
Segment Revenue	
Ferro Alloys	26,554.14
Iron and Steel	24,026.05
Power	-
	50,580.19
Less: Inter Segment Revenue	-
Total	50,580.19

Segment Results (Profit before Finance Cost & Tax)	
Ferro Alloys	(2,870.42)
Iron and Steel	176.96
Power	(421.86)
Total	(3,115.33)
Finance Costs	3,033.65
Profit before tax	(6,148.98)
Less: Tax Expenses	-
Profit after tax	(6,148.98)

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

Other Information

(₹ in Lacs)

	Assets	Liabilities	Capital Expenditure	Depreciation
For the Financial Year 2014-15				
Ferro Alloys	23,697.64	15,984.99	11.27	460.94
Iron and Steel	20,610.38	3,086.80	-	-
Power	14,950.42	-	-	402.82
Unallocated	258.64	-	-	-
Total	59,517.08	19,071.80	11.27	863.76
For the Financial Year 2013-14				
Ferro Alloys	24,077.01	7,831.12	165.94	349.01
Iron and Steel	19,676.36	13,243.55	-	-
Power	16,224.29	492.56	180.88	827.99
Unallocated	-	245.54	-	-
Total	59,977.65	21,812.76	346.82	1,177.00

Geographical segments: The Company's secondary geographical segments have been identified based on the location of customers and are disclosed based on revenues within India and revenues outside India. Secondary segment assets are based on the location of such assets.

			Segment Revenue(Based on Location of Customers)	Segment Assets(Based on Location of Assets)
Within India	Year ended	31.03.2015	31,164.87	58,969.79
Outside India	Year ended	31.03.2015	19,415.32	472.40
Total	Year ended	31.03.2015	50,580.19	59,442.19

NOTE 36 RELATED PARTY DISCLOSURE

(i) Name of the related parties where control exists irrespective of whether transactions have occurred or not

(a) **Key Managerial Personnel (KMP)**

Mr. Suresh Kumar Patni, Managing Director
 Mr. Ankit Patni, Director
 Mr. Satish Kumar Singh, Executive Director
 Mr. Sanjeet Kr. Gupta, Chief Financial Officer
 Ms. Richa Agarwal, Company Secretary

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

Mr. Rohit Patni
 Mrs. Sarita Patni

(c) **Entities/Individuals owning directly or indirectly an interest in the voting power that gives them control :**

Shubham Complex Pvt. Ltd.
 Relybulls Derivatives & Commodities Pvt. Ltd.
 SKP Power Ventures Ltd.
 SKP Aviation Services Ltd.
 A. B. Infratel Pvt. Ltd.
 SBM Steels Pvt. Ltd.
 Gajkarna Merchandise Pvt. Ltd.
 Gajavakra Merchandise Pvt. Ltd.

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

NOTE 36 RELATED PARTY DISCLOSURE (Contd.)

Gannath Commerce Pvt. Ltd.
Mahabala Merchants Pvt. Ltd.
Marble Arch Properties Pvt. Ltd.
Narmada River Resources Pvt. Ltd.

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

Ankit Metal & Power Ltd.
Impex Metal & Ferro Alloys Ltd.
Rohit Ferro-Tech Ltd.
Suanvi Trading & Investment Co Pvt. Ltd.
Shreyansh Leafin Pvt. Ltd.
SKP Overseas Pte. Ltd.
Vasupujya Enterprises Pvt. Ltd.
Whitestone Suppliers Pvt. Ltd.
Astabhuj Properties Pvt. Ltd.

(ii) **Transactions with related parties referred to above, in ordinary course of the business, are as under:**

(₹ in Lacs)

Particulars	31.03.2015
Managerial Remuneration	
Suresh Kumar Patni	12.00
Satish Kumar Singh	9.00
Purchase of Goods	
Ankit Metal & Power Ltd.	3,142.25
Impex Metal & Ferro Alloys Ltd.	723.89
Rohit Ferro-Tech Ltd.	6,376.83
SKP Overseas Pte. Ltd.	-
Purchases of Capital Goods	
Ankit Metal & Power Limited	12.97
Sales of Finished Goods	
Ankit Metal & Power Ltd.	3,389.56
Impex Metal & Ferro Alloys Ltd.	1,115.72
Rohit Ferro-Tech Ltd.	2,904.62
Purchase of DEPB Licence	
Impex Metal & Ferro Alloys Ltd.	35.99
Rohit Ferro-Tech Ltd.	10.21
Sale of DEPB Licence	
Rohit Ferro-Tech Ltd.	249.83
Impex Metal & Ferro Alloys Ltd.	12.41
Sitting Fees	
Mr. Ankit Patni	0.27
Unsecured Loan	
Astabhuj Properties Pvt. Ltd.	1,335.50
Suresh Kr. Patni	112.10
Rohit Patni	100.00
Ankit Patni	145.10
Advances Given, Refunded Back	
SKP Overseas Pte Ltd.	163.31

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

(₹ in Lacs)

Particulars	31.03.2015
NOTE 36 RELATED PARTY DISCLOSURE (Contd.)	
Outstanding Balances as at 31.03.2015	
Trade Receivable	
Ankit Metal & Power Ltd.	95.30
Impex Metal & Ferro Alloys Ltd.	1,368.40
Trade Payable	
Rohit Ferro-Tech Ltd.	2,774.06
Unsecured Loan	
Astabhuja Properties Pvt. Ltd.	1,285.50
Suresh Kr. Patni	112.10
Rohit Patni	100.00
Ankit Patni	145.10

(Amount in ₹)

NOTE 37 EARNINGS PER SHARE	
Weighted average number of Equity Shares outstanding during the year	8,15,96,604
Number of Shares Considered as weighted average shares and potential shares outstanding for calculation of Diluted Earnings Per Share	8,15,96,604
Profit/(Loss) after Tax attributable to Equity Shareholders (₹ in Lacs)	(6,148.98)
Nominal Value of Ordinary Shares (₹)	10
Earnings Per Share (Basic) (₹)	(7.54)
Earnings Per Share (Diluted) (₹)	(7.54)

Note: Pursuant to CDR package, the Company has received unsecured loans amounting to ₹ 1,267 Lacs from promoters & promoter companies as promoter contribution to be converted into equity by September 30th, 2015 at such prices as will be determined in accordance to SEBI (Issue of Capital & Disclosure Requirements) Regulations. Pending approval and determination of price by SEBI, the same has not been considered in the calculation of diluted EPS for the year.

NOTE 38

The operations of the Company are severely impacted by weak steel industry scenario and lack of demand for company's finished product. The company has incurred loss after tax of ₹ 6,148.98 Lacs and accumulated Consolidated loss as on 31st March, 2015 is ₹ 6,354.60 Lacs which is in excess of 50% of the net worth of the Company.

As a part of its financial revival process, the lenders of the company has already approved CDR package (as referred in note no 26 above). The company has continuous support from the promoters and has put in place measures for revival and cost reduction

Considering the above initiative of the company and given the overall position of steel industry in India, the Financial Statements have been prepared under Going Concern basis.

Notes to and forming part of the Consolidated Financial Statements as at 31st March, 2015

NOTE 39

Additional Information, as required under Schedule III to the Companies Act, 2013 of entity consolidated as Jointly controlled entity.

Name of the Entity	Net Assets		Share on Profit or Loss	
	As a % of Consolidated Net Assets	Amount ₹ in Lacs	As a % of Consolidated Net Assets	Amount ₹ in Lacs
Parent Company				
Impex Ferro Tech Limited	100.01	6,831.00	(99.91)	(6,143.65)
Jointly Controlled Entity				
SKP Mining Private Limited	(0.01)	(0.34)	(0.09)	(5.33)
Total	100.00	6,830.66	(100.00)	(6,148.98)

NOTE 40

The Company has not made any remittance in foreign currencies on account of dividend during the year and does not have information as to the extent to which remittance in foreign currencies on account of dividends have been made on behalf of non - resident shareholders.

NOTE 41

Since this is the first year of consolidation, previous year figure to this Financial Statements have not been given.

As per our report of even date

For **R. Kothari & Company**

Chartered Accountants

FRN : 307069E

Manoj Kumar Sethia

Partner

Membership No: 064308

Kolkata, 30th May, 2015

For and on behalf of the Board

Suresh Kumar Patni

Managing Director

Ankit Patni

Director

Richa Agarwal

Company Secretary

S. K. Gupta

Chief Financial Officer

FORM AOC 1

[Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/ Joint Ventures

PART "A" - Subsidiaries

1	Sl. No.	1
2	Name of the Subsidiary	Not Applicable
3	Reporting Period	-
4	Reporting Currency	-
5	Share Capital	-
6	Reserves & Surplus	-
7	Total Assets	-
8	Total Liabilities	-
9	Investments	-
10	Turnover	-
11	Profit Before Taxation	-
12	Provision for Taxation	-
13	Profit After Taxation	-
14	Proposed Dividend	-
15	% of Shareholding	-

1. Name of Subsidiaries which are yet to commence operations : None
2. Name of Subsidiaries which have been liquidated or sold during the year : None

FORM AOC 1 (Contd.)**PART "B" - Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to
Associate Companies and Joint Ventures**

Sl. No.	Name of Associate/Joint Venture	SKP MININIG PVT. LTD.
1	Latest Audited Balance Sheet date	31st March, 2015
2	Shares of Joint Ventures held by the Company on the year end	
	No. of Shares	50,000
	Amount of Investment in Joint Venture	500,000
	Extend of Holding %	50%
3	Description of how there is significant influence	Joint Venture
4	Reason why the Joint Venture is not consolidated	N.A.
5	Networth attributable to Shareholdings as per latest audited Balance Sheet (₹ in Lacs)	(0.67)
6	Profit/Loss for the year (₹ in Lacs)	
	i. Considered in Consolidation	(5.33)
	ii. Not Considered in Consolidation	0

- Names of Associates or Joint Ventures which are yet to commence operations : None
- Names of Associates or Joint Ventures which have been liquidated or sold during the year : None

As per our report of even date

For **R. Kothari & Company**

Chartered Accountants

FRN : 307069E

Manoj Kumar Sethia

Partner

Membership No: 064308

Kolkata, 30th May, 2015

For and on behalf of the Board

Suresh Kumar Patni

Managing Director

Ankit Patni

Director

Richa Agarwal

Company Secretary

S. K. Gupta

Chief Financial Officer

Notes

[illegible]

Notes

[illegible]

DISCLAIMER

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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