

Annual Report
2015-16



Impex Ferro Tech Limited

Corporate Information

Board of Directors

Mr. Suresh Kumar Patni	Chairman cum Managing Director
Mr. Satish Kumar Singh	Executive Director
Mr. Ankit Patni	Promoter/Non-Executive Director
Mrs. Sujata Agarwal	Independent/Non-Executive Director
Mr. Rohit Jain	Independent/Non-Executive Director
Mr. Nanda Samai	Independent/Non-Executive Director

Company Secretary

Ms. Richa Agarwal

Chief Financial Officer

Mr. Sanjeet Kumar Gupta

Statutory Auditor

M/s. R. Kothari & Company
Chartered Accountants
16A, Shakespeare Sarani, Kolkata – 700071

Secretarial Auditor

CS Abhijeet Jain
M/s. A. J & Associates
Practicing Company Secretaries
'Diamond Chambers' 4, Chowringhee Lane,
Block- 1, 4th Floor, Suite #4M, Kolkata- 700016

Cost Auditors

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

Internal Auditors

M/s. N R & Associates
Cost Accountants
16A, Shakespeare Sarani,
5th Floor, Kolkata-700071,
New B.K Market.

Bankers

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

Registered office

35, C.R. Avenue, Kolkata-700 012
Phone: +91 33 2211 0225/0226

Corporate office

SKP House, 132A, S. P. Mukherjee Road,
Kolkata – 700 026
Phone: +91 33 4016 8000/8100
Fax: +91 33 4016 8191/8107
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 21st Annual General Meeting of the members of the Company will be held on Tuesday, 27th September, 2016 at 10:00 A.M. at 'AIKATAN', Eastern Zonal Cultural Center (EZCC), IA-290, Sector-III, Salt Lake City, Kolkata - 700 097 to transact the following businesses:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2016, 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. Suresh Kumar Patni (DIN: 00032674), 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 the provisions of 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, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder, Mr. Ankit Patni (DIN: 00034907) who was appointed as an Additional Director on the Board of Directors of the Company on September 30, 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 Promoter Director of the Company, whose period of office would be liable to be determined by retirement of Directors by rotation."
5. 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 re-imbursalment of out of pocket expenses payable to M/s. A.J.S & Associates, Cost Accountants (Registration No. 000106), 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, 2017 be and is hereby ratified."

By Order of the Board
For **Impex Ferro Tech Limited**

Place : Kolkata
Date : August 12, 2016

Richa Agarwal
Company Secretary

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 and clause 1.2.5 of Secretarial Standards - 2 (SS-2) on General Meeting relating to Special Business to be transacted at the meeting, is annexed hereto.
3. The relevant details, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges; of person seeking appointment/re-appointment as Director under Item No. 2 and 4 is annexed hereto as additional information.
4. The Register of Members and Share Transfer Books shall remain closed from Tuesday, September 20, 2016 to Tuesday, September 27, 2016 (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 Agent, 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 dematerialised form.

Notice

6. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
7. Members/Proxies are requested to bring their Attendance Slip for attending the Meeting.
8. Members who hold shares in dematerialised 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 (10) 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 on all working days except Saturday between 11:00 a.m. and 1:00 p.m. upto the date of Annual General Meeting (AGM).
12. Electronic copy of the Annual Report for 2016 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 2016 is being sent in the permitted mode. Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014 and as amended from time to time 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 21st 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 21st 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 the provisions of section 108 of the Companies Act, 2013 and rule 20 of the Companies (Management and Administration) Rules, 2014 and as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards - 2 (SS-2) on General Meeting, the members are informed that the Company is pleased to offer e-voting facility to cast the vote electronically. The Company has made necessary arrangement with the Central Depository Services (India) Limited (CDSL) to facilitate e-voting.

The e-voting facility is available at the link www.evotingindia.com vide the EVSN **160823029**.

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

Commencement of e-voting	From : 10:01 a.m. of 24th September, 2016
End of e-voting	Upto : 5:00 p.m. of 26th September, 2016

E-voting shall not be allowed beyond 5:00 p.m. of 26th September, 2016.

The detailed procedure is mentioned below. For the aforesaid purpose the Company has appointed CS Abhijeet Jain of 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 instructions for shareholders voting electronically are as under:

- (i) The voting period begins on September 24, 2016 at 10:01 a.m. and ends on September 26, 2015 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) of September 20, 2016 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 Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

Notice

- (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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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)	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. <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 (iv).

- (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 the relevant <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) Shareholders can also cast their vote using CDSL's mobile app m-voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) 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 Corporates.
 - 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 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 scrutiniser to verify the same.
- (xxi) 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.

Notice

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND CLAUSE 1.2.5 OF SECRETARIAL STANDARDS - 2 (SS-2) ON GENERAL MEETING

Item No. 4

Mr. Ankit Patni, aged about 31 years was appointed as an Additional Director of the Company at the Board Meeting held on September 30, 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. Ankit Patni, 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. Ankit Patni, as a Director in the Company.

Mr. Ankit Patni is a member in Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Executive Committee of the Board of Directors of the Company. Mr. Ankit Patni holds 1,75,600 equity shares in the Company.

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

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Ankit Patni as a Non-Executive Promoter Director, for approval by the members.

Mr. Ankit Patni 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.

The Board recommends the Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Item No. 5

As recommended by Audit Committee, Board of Directors had appointed M/s. A.J.S & Associates, Cost Accountants (Registration No. 000106), being eligible and having sought re-appointment, as Cost Auditor of the Company, for a remuneration of ₹ 35,000/- plus applicable taxes and re-imbursment 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 April 1, 2016 and ending on March 31, 2017.

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. 5 of the Notice.

The Board recommends the resolution set out at Item No. 5 of the Notice for approval by the shareholders.

ADDITIONAL INFORMATION:

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE- APPOINTMENT

(In pursuance to Regulation 36(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Name of Director	Mr. Suresh Kumar Patni	Mr. Ankit Patni
Brief Resume	He is a Commerce graduate with a wide experience of more than two decades in Iron & Steel related ferro alloy Industry. He is also a co-promoter of Ankit Metal & Power Limited, Impex Metal & Ferro Alloys Limited and Rohit Ferro Tech Limited. He contributes with his experience and provides guidance to the Senior management of the Company.	He is a B.Com, CFA and MBA and had started his career by associating with Ankit Metal & Power Limited.
Nature of his expertise in specific functional areas	Wide Technical, Marketing and Management Experience.	He has good amount of experience in the matters of finance, raw material procurements and marketing.
Disclosure of relationships between Directors inter-se	Mr. Ankit Patni is the son of Mr. Suresh Kumar Patni.	Mr. Suresh Kumar Patni is father of Mr. Ankit Patni.
Directorships in other Listed Companies	<ul style="list-style-type: none"> • Rohit Ferro-Tech Limited • Ankit Metal & Power Limited 	<ul style="list-style-type: none"> • Rohit Ferro-Tech Limited • Ankit Metal & Power Limited
Membership of the Committees** of the Board of other Listed Companies	In Rohit Ferro-Tech Limited - Member in Stakeholders' relationship Committee In Ankit Metal & Power Limited - Member in Nomination & Remuneration Committee	In Ankit Metal & Power Limited - Member in Stakeholders Relationship Committee
Shareholding	4,66,200 Equity Shares	1,75,600 Equity Shares

** Committee herein refers Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee.

Directors' Report

Dear Shareholders,

The Directors are pleased to present the 21st Annual Report of the Company together with Audited Accounts for the Financial Year ended 31st March, 2016.

FINANCIAL HIGHLIGHTS

(₹ in Lacs)

Particulars	Current Year 31.03.2016	Previous Year 31.03.2015
Revenue from Operation (net)	27,195.85	50,580.19
Other Income	121.22	304.77
Total Revenue	27,316.97	50,884.97
Profit before Finance Cost, Depreciation and Tax	(3,982.80)	(2,246.24)
Less: Depreciation & Amortisation	730.26	863.76
Less: Finance Cost	3,424.13	3,033.65
Less: Tax Expenses	-	-
Net Profit after Tax	(8,137.19)	(6,143.64)
Add: Balance brought forward from previous year	(6,349.26)	(101.95)
Adjusted for Depreciation relating to Fixed Assets	-	(103.67)
Balance carried over to Balance Sheet	(14486.45)	(6,349.27)

FINANCIAL AND OPERATIONAL REVIEW

During the year under review, the Company has achieved Net Sales/Income from operation of ₹ 27,195.85 lacs as against ₹ 50,580.19 lacs in previous year registering a decline of 46.23%. The Company incurred a loss of ₹ 8,137.19 lacs as against ₹ 6,143.64 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 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.

TRANSFER TO RESERVE

Since the Company has incurred loss during the year, no amount has been transferred to reserves.

DIVIDEND

In view of the losses incurred by the Company, the Directors of the Company do not recommend any dividend for the financial year 2015-16.

BOARD MEETINGS

The Board met Twelve (12) times during the year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CHANGES IN SHARE CAPITAL

To accommodate the allotment of Equity Shares consequent to Preferential Issue, the Company has increased the Authorised Share Capital from ₹ 82,50,00,000 to ₹ 95,00,00,000. The Capital Clause of the Memorandum of Association of the Company was accordingly amended.

The Board of Directors in their meeting held on December 26, 2015, allotted 63,35,000 Equity Shares of ₹ 10/- each at a premium of ₹ 10/- per share on preferential basis to an entity belonging to Promoter group in terms of the approval received from the Shareholders in the previous Annual General Meeting held on September 28, 2015.

Directors' Report

DIRECTORS

Retirement

In accordance with the provisions of the Companies Act, 2013, Mr. Suresh Kumar Patni (DIN: 00032674), retires by rotation and being eligible, offers himself for re-appointment.

Resignation

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.

During the year Mr. Ramesh Seemakurti (DIN: 00096163), Non-Executive Director of the Company has resigned from the directorship of the Company with effect from November 14, 2015.

Appointment / Re-appointment

Pursuant to the provisions of section 161 of the Companies Act, 2013, read with the relevant provisions in the Articles of Association, Mr. Ankit Patni (DIN: 00034907) was appointed as an Additional Director (Non-Executive Promoter) by the Board of Directors of the Company with effect from September 30, 2015 to hold office up to the date of ensuing Annual General Meeting. The Company has received a notice in writing from a member proposing his candidature for the office of Non-Executive Promoter Director.

Pursuant to the provisions of section 196, 197, 198 of the Companies Act, 2013, read with Schedule V, Mr. Satish Kumar Singh (DIN: 005295625) Executive Director, whose tenure was expired on August 23, 2015, was re-appointed for a further period of three (3) years from August 24, 2015 to August 23, 2018.

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, 2016.

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 judgements 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 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 'D' and Short-Term facilities is 'A4 (A Four)', rated by ICRA Limited.

SALE OF INVESTMENT

The Company entered into a Joint Venture with Ankit Metal & Power Ltd. and formed SKP Mining Pvt. Ltd. on January 16, 2015. Since the purpose for which Joint Venture was formed could not be materialized, the Company decided to exit from the same and thus disposed off its holding in the Company on June 30, 2015.

Directors' Report

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Consequent upon the sale of investment in SKP Mining Pvt. Ltd., the Joint Venture with SKP Mining Pvt. Ltd. no more exists.

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 DEPOSITS

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

INSURANCE

The properties and insurable assets and interests of the Company, like building, plant and machinery and stocks, among others are adequately insured.

STATUTORY AUDITOR

At the 19th Annual General Meeting (AGM) of the Company held on September 27, 2014, M/s. R. Kothari & Company (FRN: 307069E), Chartered Accountants, were appointed as Statutory Auditor of the Company to hold office for a term of five (5) years from the conclusion of 19th AGM (subject to ratification of such appointment by the members at every AGM) till the conclusion of the 24th AGM of the Company. Accordingly, the appointment of M/s. R. Kothari & Company (FRN: 307069E), Chartered Accountants, as Statutory Auditor of the Company, is placed for ratification by the members. The Company has received a confirmation from M/s. R. Kothari & Company, Chartered Accountants, to this effect that their appointment, if ratified, would be within the limits prescribed under section 139 of the Companies Act, 2013 and the rules framed thereunder and in accordance with section 141 of the Companies Act, 2013. They have also confirmed that they hold a valid peer review certificate as prescribed under Regulation 33(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee and the Board of Directors of the Company recommend ratification of their appointment from the conclusion of this AGM upto the conclusion of the 24th AGM of the Company.

STATUTORY AUDITOR 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 000106), as Cost Auditor of the Company, at a remuneration of ₹ 35,000/- plus applicable taxes and reimbursement 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 April 1, 2016 and ending on March 31, 2017.

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 Companies Act, 2013 and rules made there under, CS Abhijeet Jain of M/s. A J & Associates, Practicing Company Secretary have been appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditor in **Form MR-3** 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) Form MGT-14 for Appointment of Internal Auditor u/s 138 for the year 2015-16 is yet to be filed
- (ii) It was noted that the Company has complied the Secretarial Standards issued by the ICSI to a great extent; however the stricter implementation of the Secretarial Standards is yet to be observed by the Company.
- (iii) There has been some instances where the Forms were filed with some delay, thereby paying the additional fees. Some forms are yet to be filed.

Directors' Report

Our Comments are as under:

- (i) Owing to technical glitches at MCA Portal throughout the last year, the filings were failing at many times. This led to confusion at our end and the Form was not filed, steps will be taken to file the same.
- (ii) The Secretarial Standards were issued in the last year, we are trying our level best to implement these in entirety in the near future.

INTERNAL AUDITOR

In terms of section 138 of the Companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014, on the recommendation of Audit Committee, the Board of Directors has appointed M/s. N R & Associates, Cost Accountants, (FRN : 102903) as Internal Auditor of the Company for the financial year 2016-17 at a remuneration fixed by the Board of Directors of the Company in consultation with the Auditors.

INTERNAL FINANCIAL CONTROL SYSTEM

The Companies Act, 2013 has mandated the Company to have a formal framework of Internal Financial Controls (IFC) and has also laid down specific responsibilities on the Board, Audit Committee, Independent Directors and Statutory Auditors with regard to IFC.

The financial control system and framework is required to ensure:

- The orderly and efficient conduct of its business,
- Safeguarding of its assets,
- The prevention and detection of frauds and errors,
- The accuracy and completeness of the accounting records and
- The timely preparation of reliable financial information.

The Board reviews the effectiveness of controls documented as part of Internal Affairs and Financial Control (IAFC) framework and take necessary corrective actions, where weaknesses are identified as a result of such reviews. This review covers entity level controls, fraud risk controls and information technology environment.

The Policies and procedure adopted by the Company ensures the orderly and efficient conduct of its business and adherence to the Company's policies, prevention and detection of frauds and errors, accuracy and completeness of the records and the timely preparation of reliable financial information. Based on this evaluation, no significant events had come to notice during the year that have materially affected, or are reasonably likely to materially affect our IFC. The management has also come to the conclusion that the IFC and other financial reporting was effective during the year and is adequate considering the business operations of the Company.

The Statutory Auditor of the Company has audited the IFC over Financial Reporting and their Audit Report is annexed as Annexure-B to the Independent Auditors' Report under Financial Statements.

DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

Disclosure pertaining to remuneration and other details as required under section 134(3)(q), 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's Report as **Annexure-III**.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING 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) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules 2014, is annexed to this report as **Annexure-IV**.

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

The Board has formulated a Code of Conduct 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.

Directors' Report

PREVENTION OF INSIDER TRADING

The Company already had a structured Code of Conduct for Prevention of Insider Trading, 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 and SEBI (Prohibition of Insider Trading) Regulations, 2015 and be named as 'Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders' which is also displayed on the website of the Company www.impexferrotech.com.

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 the Directors and 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.

MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

- The Company has become a sick industrial company as per section 3(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 as the accumulated losses of the Company at the end of Financial Year 31.03.2016 exceeded its entire net worth as per Audited Financial Statement as on 31.03.2016. The Company will make necessary reference to the Board for Industrial and Financial Reconstruction (BIFR) under section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985.
- As per Companies (Indian Accounting Standard) (Ind AS), every Listed Company and their holding and subsidiary companies (other than banking companies, insurance companies and non-banking financial companies) are required to comply with Ind AS in the preparation of their financial statements for accounting periods beginning on or after April, 2016, with the comparatives for the periods ending March, 2016. The Company is not falling under the criteria from April, 2016 as the Net worth of the Company is below ₹ 500 Crores. Accordingly the Company will adopt the said Ind AS with effect from April 1, 2017. The Company has devised a suitable implementation plan for adoption of Ind AS.

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.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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.

Directors' Report

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, 2016, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

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 familiarisation programmes policy and details of familiarisation programme 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 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 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 part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In line with the provisions of the Companies Act, 2013, the Company has framed its Corporate Social Responsibility (CSR) policy for the development of programmes and projects for the benefit of weaker sections of the society and the same has been approved by the CSR Committee and the Board of Directors of the Company. The Company has not spent any amount in CSR activities since the Company has incurred losses during the last 3 years eroding the entire net worth.

VIGIL MECHANISM POLICY

In terms of section 177 of the Companies Act, 2013, rules framed thereunder and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a vigil mechanism in place for the Directors and Employees of the Company through which genuine concerns regarding various issues relating to inappropriate functioning of the organization can be communicated. For this purpose, the Board has a Vigil Mechanism Policy and the same has been uploaded on the website of the Company i.e. www.impexferrotech.com. The policy provides access to the Chairman of the Audit Committee in certain circumstances. During the year under review, there has been no incidence reported which requires action by the Audit Committee.

PERFORMANCE/BOARD EVALUATION

The Board has carried out an annual evaluation of its own performance, the Directors individually as well as the evaluation of the functioning of various Committees. The Independent Directors also carried out the evaluation of the Chairman and the Non Independent Directors, the details of which are covered in the Corporate Governance Report.

Directors' 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 Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Report on Corporate Governance as stipulated under the above Regulation 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 Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of this Annual Report.

CEO/CFO CERTIFICATION

As required by Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the CEO/CFO certification has been submitted to the Board and forms an integral part of this Annual Report.

AWARDS & ACHIEVEMENTS

During the year under review the Company was awarded for Export Excellence by EEPC INDIA for highest exporter in the product group Thrust Markets of Thrust Products in the large enterprise category for the outstanding contribution to Engineering Exports during year 2015-16 in Ferro Alloy Segment (Eastern Region).

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. The 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

The 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), Depository Participants (DP's) and all other Business Associates for the growth of the organization.

The 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 PART OF THE DIRECTORS' REPORT

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

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

Suresh Kumar Patni

Chairman cum Managing Director

Kolkata, August 12, 2016

Annexure to the Directors' Report

Annexure - I

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on March 31, 2016

[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014.]

I REGISTRATION AND OTHER DETAILS:

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 AND ASSOCIATE COMPANIES

Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable section
Nil				

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-2015]				No of Shares held at the end of the year [As on 31-March-2016]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	8,51,800	-	8,51,800	1.04	8,51,800	-	8,51,800	0.97	0.07
b) Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
c) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
d) Any Other (Specify)									
1. Bodies Corp.	5,35,78,046	-	5,35,78,046	65.66	5,99,13,046	-	5,99,13,046	68.14	2.48
Sub-total (A)(1)	5,44,29,846	-	5,44,29,846	66.71	6,07,64,846	-	6,07,64,846	69.10	2.39

Annexure to the Directors' Report

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2015]				No of Shares held at the end of the year [As on 31-March-2016]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any other(specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	5,44,29,846	-	5,44,29,846	66.71	6,07,64,846	-	6,07,64,846	69.10	2.39
B. Public Shareholding									
1. Institutions									
a) Mutual Fund	-	-	-	-	-	-	-	-	-
b) Venture Capital Fund	-	-	-	-	-	-	-	-	-
c) Alternate Investment Funds	-	-	-	-	-	-	-	-	-
d) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
e) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
f) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
g) Insurance Companies	-	-	-	-	-	-	-	-	-
h) Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
i) Any Other (Specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	-	-	-	-	-	-	-	-	-
2. Central Government/ State Government(s)/ President of India	-	-	-	-	-	-	-	-	-
3. Non-Institutions									
a) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh.	96,80,806	42,002	97,22,808	11.92	1,20,11,445	42,002	1,20,53,447	13.71	1.79
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	62,67,273	1,98,100	64,65,373	7.92	1,08,24,649	1,98,100	1,10,22,749	12.54	4.62

Annexure to the Directors' Report

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2015]				No of Shares held at the end of the year [As on 31-March-2016]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
c) Employee Trusts	-	-	-	-	-	-	-	-	-
d) Overseas Depositories(holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-
e) Others (Specify)									
1. Trusts	100	-	100	0.00	100	-	100	0.00	0.00
2. Hindu Undivided Family	-	-	-	-	-	-	-	-	-
3. Non Resident Indians (Non Repat)	59,837	-	59,837	0.07	1,12,625	-	1,12,625	0.13	0.06
4. Non Resident Indians (Repat)	1,13,533	-	1,13,533	0.14	2,32,175	-	2,32,175	0.26	0.12
5. Clearing Member	47,279	-	47,279	0.06	7,32,035	-	7,32,035	0.83	0.77
6. Bodies Corporate	1,02,41,828	5,16,000	1,07,57,828	13.18	24,97,627	5,16,000	30,13,627	3.43	(9.75)
Sub-total(B)(3)	2,64,10,656	756102	2,71,66,758	33.29	2,64,10,656	7,56,102	2,71,66,758	30.90	(2.39)
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	2,64,10,656	756102	2,71,66,758	33.29	2,64,10,656	7,56,102	2,71,66,758	30.90	(2.39)
C. Non Promoter - Non Public									
1. Custodian/DR Holder	-	-	-	-	-	-	-	-	-
2. Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	8,08,40,502	7,56,102	8,15,96,604	100.00	8,71,75,502	7,56,102	8,79,31,604	100.00	0.00

Annexure to the Directors' Report

ii) SHAREHOLDING OF PROMOTERS-

Sl No.	Shareholders Name	Shareholding at the beginning of the year as on 01-04-2015			Shareholding at the end of the year as on 31-03-2016			% change in Shareholding during the year
		No of Shares	% of total Shares of the Company	% of shares pledged/encumbered to total shares	No of Shares	% of total Shares of the Company	% of shares pledged/encumbered to total shares	
Directors & their Relatives								
1	Mr. Ankit Patni	1,75,600	0.22	100.00	1,75,600	0.20	100.00	0.00
2	Mr. Rohit Patni	1,75,000	0.21	100.00	1,75,000	0.20	100.00	0.00
3	Mr. Suresh Kumar Patni	4,66,200	0.57	92.44	4,66,200	0.53	100.00	0.00
4	Mrs. Sarita Patni	35,000	0.04	100.00	35,000	0.04	100.00	0.00
Bodies Corporate								
5	M/s. Invesco Finance Pvt. Ltd.	1,08,71,250	13.32	100.00	1,08,71,250	12.36	100.00	0.00
6	M/s. Vasupujya Enterprises Pvt. Ltd.	1,06,00,000	12.99	100.00	1,06,00,000	12.05	100.00	0.00
7	M/s. Shreyansh Leafin Pvt. Ltd.	39,50,000	4.84	100.00	39,50,000	4.49	100.00	0.00
8	M/s. Whitestone Suppliers Pvt. Ltd.	24,50,000	3.00	100.00	24,50,000	2.79	100.00	0.00
9	M/s. Poddar Mech Tech Services Pvt. Ltd.	1,06,33,750	13.03	100.00	1,06,33,750	12.09	100.00	0.00
10	M/s. Suanvi Trading & Investment Co. Pvt. Ltd.	1,50,73,046	18.47	100.00	1,50,73,046	17.14	100.00	0.00
11	M/s. Astabhuj Properties Pvt. Ltd.	-	-	-	63,35,000	7.20	100.00	100.00
Total		5,44,29,846	66.71	99.94	6,07,64,846	69.10	89.57	11.64

(iii) CHANGE IN PROMOTERS' SHAREHOLDING

Sl No.	Shareholders Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares held as on 01.04.2015	% of total Shares of the Company	No. of Shares held as on 31.03.2016	% of total Shares of the Company
	At the beginning of the year	5,44,29,846	66.71	-	-
1.	Increase in Promoters Shareholding due to Preferential Allotment on 26.12.2015				
	a. M/s. Astabhuj Properties Pvt. Ltd.	63,35,000	7.20	6,07,64,846	69.10
	At the end of the year	-	-	6,07,64,846	69.10

Annexure to the Directors' Report

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDR'S & ADR'S)

SI No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Reason	Cumulative Shareholding at the end of the year	
		No. of Shares held held as on 01.04.2015	% of total Shares of the Company	Date of transaction	No. of Shares		No. of Shares held held as on 31.03.016	% of total Shares of the Company
1.	BMA WEALTH CREATORS LTD.	5,68,790	0.70				5,68,790	0.65
	Transfer			10-Apr-2015	700	Purchase	5,69,490	0.65
	Transfer			8-May-2015	45	Purchase	5,69,535	0.65
	Transfer			26-Jun-2015	(20)	Sell	5,69,515	0.65
	Transfer			21-Aug-2015	2,000	Purchase	5,71,515	0.65
	Transfer			28-Aug-2015	(600)	Sell	5,70,915	0.65
	Transfer			27-Nov-2015	5,500	Purchase	5,76,415	0.66
	Transfer			11-Dec-2015	1,000	Purchase	5,77,415	0.66
	Transfer			8-Jan-2016	(400)	Sell	5,77,015	0.66
	Transfer			22-Jan-2016	1,500	Purchase	5,78,515	0.66
	Transfer			29-Jan-2016	(2,100)	Sell	5,76,415	0.66
	Transfer			5-Feb-2016	(4,500)	Sell	5,71,915	0.65
	Transfer			12-Feb-2016	100	Purchase	5,72,015	0.65
	Transfer			11-Mar-2016	(200)	Sell	5,71,815	0.65
	Transfer			25-Mar-2016	(500)	Sell	5,71,315	0.65
	At the end of the Year						5,71,315	0.65
2.	PRASTAV COMMERCE PVT LTD	5,01,000	0.61				5,01,000	0.57
	At the end of the Year						5,01,000	0.57
3.	PUNEET KUMAR GIRDHAR	1,60,000	0.20				1,60,000	0.18
	Transfer			24-Jul-2015	40,000	Purchase	2,00,000	0.23
	Transfer			18-Sep-2015	2,00,000	Purchase	4,00,000	0.45
	At the end of the Year						4,00,000	0.45
4.	ALPESH H SHAH	-	-				-	-
	Transfer			28-Aug-2015	5,000	Purchase	5,000	0.01
	Transfer			4-Sep-2015	40,000	Purchase	45,000	0.05
	Transfer			18-Sep-2015	3,70,000	Purchase	4,15,000	0.47
	Transfer			30-Sep-2015	10,000	Purchase	4,25,000	0.48
	Transfer			9-Oct-2015	(20,000)	Sell	4,05,000	0.46
	Transfer			12-Feb-2016	(1,000)	Sell	4,04,000	0.46
	Transfer			26-Feb-2016	(4,000)	Sell	4,00,000	0.45
	At the end of the Year						4,00,000	0.45

Annexure to the Directors' Report

Sl No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Reason	Cumulative Shareholding at the end of the year	
		No. of Shares held as on 01.04.2015	% of total Shares of the Company	Date of transaction	No. of Shares		No. of Shares held as on 31.03.016	% of total Shares of the Company
5.	VIJAY N BHORKAR	-	-				-	-
	Transfer			11-Dec-2015	6,792	Purchase	6,792	0.01
	Transfer			8-Jan-2016	1,41,430	Purchase	1,48,222	0.17
	Transfer			15-Jan-2016	1,74,278	Purchase	3,22,500	0.37
	Transfer			22-Jan-2016	24,492	Purchase	3,46,992	0.39
	Transfer			12-Feb-2016	3,872	Purchase	3,50,864	0.40
	Transfer			26-Feb-2016	1,000	Purchase	3,51,864	0.40
	Transfer			18-Mar-2016	4,669	Purchase	3,56,533	0.41
	Transfer			25-Mar-2016	680	Purchase	3,57,213	0.41
	At the end of the Year						3,57,213	0.41
6.	TRADEBULLS SECURITIES (P) LTD.	2,500	0.00				2,500	0.00
	Transfer			10-Apr-2015	4,000	Purchase	6,500	0.01
	Transfer			22-May-2015	(4,000)	Sell	2,500	0.00
	Transfer			21-Aug-2015	(2,500)	Sell	-	-
	Transfer			28-Aug-2015	1,53,000	Purchase	1,53,000	0.17
	Transfer			4-Sep-2015	500	Purchase	1,53,500	0.17
	Transfer			30-Sep-2015	600	Purchase	1,54,100	0.18
	Transfer			9-Oct-2015	1,500	Purchase	1,55,600	0.18
	Transfer			16-Oct-2015	5,135	Purchase	1,60,735	0.18
	Transfer			23-Oct-2015	(2,200)	Sell	1,58,535	0.18
	Transfer			30-Oct-2015	(1,100)	Sell	1,57,435	0.18
	Transfer			27-Nov-2015	(1,165)	Sell	1,56,270	0.18
	Transfer			4-Dec-2015	1,50,500	Purchase	3,06,770	0.35
	Transfer			11-Dec-2015	500	Purchase	3,07,270	0.35
	Transfer			25-Dec-2015	500	Purchase	3,07,770	0.35
	Transfer			8-Jan-2016	7,000	Purchase	3,14,770	0.36
	Transfer			15-Jan-2016	(7,000)	Sell	3,07,770	0.35
	Transfer			5-Feb-2016	(4,270)	Sell	3,03,500	0.35
	Transfer			25-Mar-2016	500	Purchase	3,04,000	0.35
	At the end of the Year			31-Mar-2016	500	Purchase	3,04,500	0.35
7.	PRAKASH VINAYAK KULKARNI	30,000	0.04				30,000	0.03
	Transfer			21-Aug-2015	(30,000)	Sell	-	-
	Transfer			27-Nov-2015	2,00,000	Purchase	2,00,000	0.23
	At the end of the Year						2,00,000	0.23
8.	NARESH KUMAR JAIN	1,98,100	0.24				1,98,100	0.23
	At the end of the Year						1,98,100	0.23

Annexure to the Directors' Report

Sl No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Reason	Cumulative Shareholding at the end of the year	
		No. of Shares held as on 01.04.2015	% of total Shares of the Company	Date of transaction	No. of Shares		No. of Shares held as on 31.03.016	% of total Shares of the Company
9.	TULIKA INVESTMENTS PVT. LTD.	1,50,000	0.18				1,50,000	0.17
	At the end of the Year		-				1,50,000	0.17
10.	KARVY STOCK BROKING LTD.	98,663	0.12				98,663	0.11
	Transfer			10-Apr-2015	(100)	Sell	98,563	0.11
	Transfer			24-Apr-2015	(500)	Sell	98,063	0.11
	Transfer			8-May-2015	350	Purchase	98,413	0.11
	Transfer			15-May-2015	50	Purchase	98,463	0.11
	Transfer			22-May-2015	(9)	Sell	98,454	0.11
	Transfer			29-May-2015	1,470	Purchase	99,924	0.11
	Transfer			5-Jun-2015	(3,374)	Sell	96,550	0.11
	Transfer			12-Jun-2015	(15)	Sell	96,535	0.11
	Transfer			19-Jun-2015	(1,000)	Sell	95,535	0.11
	Transfer			26-Jun-2015	(15)	Sell	95,520	0.11
	Transfer			17-Jul-2015	(1,500)	Sell	94,020	0.11
	Transfer			24-Jul-2015	(170)	Sell	93,850	0.11
	Transfer			7-Aug-2015	(1,000)	Sell	92,850	0.11
	Transfer			21-Aug-2015	4,135	Purchase	96,985	0.11
	Transfer			28-Aug-2015	65,390	Purchase	1,62,375	0.18
	Transfer			4-Sep-2015	(1,950)	Sell	1,60,425	0.18
	Transfer			11-Sep-2015	(31,600)	Sell	1,28,825	0.15
	Transfer			18-Sep-2015	500	Purchase	1,29,325	0.15
	Transfer			30-Sep-2015	(6,950)	Sell	1,22,375	0.14
	Transfer			9-Oct-2015	7,518	Purchase	1,29,893	0.15
	Transfer			16-Oct-2015	(1,000)	Sell	1,28,893	0.15
	Transfer			30-Oct-2015	(100)	Sell	1,28,793	0.15
	Transfer			27-Nov-2015	15,300	Purchase	1,44,093	0.16
	Transfer			11-Dec-2015	(5,000)	Sell	1,39,093	0.16
	Transfer			18-Dec-2015	2,475	Purchase	1,41,568	0.16
	Transfer			25-Dec-2015	300	Purchase	1,41,868	0.16
	Transfer			8-Jan-2016	2,700	Purchase	1,44,568	0.16
	Transfer			15-Jan-2016	1,500	Purchase	1,46,068	0.17
	Transfer			29-Jan-2016	(2,500)	Sell	1,43,568	0.16
	Transfer			5-Feb-2016	1,700	Purchase	1,45,268	0.17
	Transfer			26-Feb-2016	2,000	Purchase	1,47,268	0.17
	Transfer			4-Mar-2016	(500)	Sell	1,46,768	0.17
	Transfer			18-Mar-2016	(2,500)	Sell	1,44,268	0.16
	Transfer			25-Mar-2016	2,500	Purchase	1,46,768	0.17
	At the end of the Year			31-Mar-2016	482	Purchase	1,47,250	0.17

Annexure to the Directors' Report

SI No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Reason	Cumulative Shareholding at the end of the year	
		No. of Shares held as on 01.04.2015	% of total Shares of the Company	Date of transaction	No. of Shares		No. of Shares held as on 31.03.2016	% of total Shares of the Company
11.	SWEETY HOLDINGS PVT. LTD.	27,20,241	3.33				27,20,241	3.09
	Transfer			21-Aug-2015	4,95,000	Purchase	32,15,241	3.66
	Transfer			28-Aug-2015	(12,01,376)	Sell	20,13,865	2.29
	Transfer			27-Nov-2015	(15,42,625)	Sell	4,71,240	0.54
	Transfer			4-Dec-2015	(4,71,240)	Sell	-	-
	At the end of the Year						-	-
12.	SINGRODIA BROS HOLDING (P) LTD.	20,10,000	2.46				20,10,000	2.29
	Transfer		-	21-Aug-2015	(20,10,000)	Sell	-	-
	At the end of the Year						-	-
13.	INDIAN INFOTECH AND SOFTWARE LTD.	11,25,000	1.38				11,25,000	1.28
	Transfer			27-Nov-2015	(9,90,199)	Sell	1,34,801	0.15
	Transfer			4-Dec-2015	(1,34,801)	Sell	-	-
	At the end of the Year						-	-
14.	ROTOMAC VINIMAY PVT. LTD.	10,00,000	1.23				10,00,000	1.14
	Transfer		-	21-Aug-2015	(10,00,000)	Sell	-	-
	At the end of the Year						-	-
15.	DESTINATION TEXTILES PVT. LTD.	4,95,000	0.61				4,95,000	0.56
	Transfer		-	21-Aug-2015	(4,95,000)	Sell	-	-
	At the end of the Year						-	-
16.	MAYANK SECURITIES PVT. LTD.	2,52,000	0.31				2,52,000	0.29
	Transfer		-	21-Aug-2015	(2,52,000)	Sell	-	-
	At the end of the Year						-	-

- Note :**
1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 8,79,31,604 Shares.
 2. The details of holding has been clubbed based on PAN.

Annexure to the Directors' Report

V. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Reason	Cumulative Shareholding at the end of the year	
		No. of Shares held held as on 01.04.2015	% of total Shares of the Company	Date of transaction	No. of Shares		No. of Shares held held as on 31.03.2016	% of total Shares of the Company
1	Mr. Suresh Kumar Patni (Managing Director)	4,66,200	0.57	-	-	-	4,66,200	0.53
2	Mr. Ankit Patni (Additional Non-Executive Director)	1,75,600	0.22	-	-	-	1,75,600	0.20
3	Mr. Satish Kumar Singh (Executive Director)	-	-	-	-	-	-	-
4	Mr. Rohit Jain (Independent Director)	-	-	-	-	-	-	-
5	Mr. Nanda Samai (Independent Director)	-	-	-	-	-	-	-
6	Mrs. Sujata Agarwal (Independent Director)	-	-	-	-	-	-	-
7	Mr. Sanjeet Kumar Gupta (Chief Financial Officer)	-	-	-	-	-	-	-
8	Ms. Richa Agarwal (Company Secretary)	-	-	-	-	-	-	-

VI. 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 01.04.2015)				
i) Principal Amount	27,761.37	7,850.06	-	35,611.43
ii) Interest due but not paid	66.73	-	-	66.73
iii) Interest accrued but not due		-	-	-
Total (i+ii+iii)	27,828.10	7,850.06	-	35,678.16
Change in Indebtedness during the financial year				
Additions	3,601.33		-	3,601.33
Reduction		1,212.42	-	1,212.42
Net Change	3,601.33	-1,212.42	-	2,388.91
Indebtness at the end of the financial year (i.e. as on 31.03.2016)				
i) Principal Amount	31,106.87	6,637.64		37,744.51
ii) Interest due but not paid	322.56			322.56
iii) Interest accrued but not due		-	-	-
Total (i+ii+iii)	31,429.43	6,637.64	-	38,067.07

Annexure to the Directors' Report

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lacs)

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 Act, 1961.	12,00,000.00	9,00,000.00	-	21,00,000.00
	(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)	12,00,000.00	9,00,000.00	-	21,00,000.00
	Ceiling as per the Act	Rs. 1,20,00,000/- p.a.			

B. Remuneration to other Directors:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of the Directors			Total
1	Independent Directors	Mr. Rohit Jain	Mr. Nanda Samai	Mrs. Sujata Agarwal	
	(a) Fee for attending Board Committee meetings	21,000.00	22,500.00	16,500.00	60,000.00
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	21,000.00	22,500.00	16,500.00	60,000.00
2	Other Non Executive Directors	Mr. Ankit Patni			
	(a) Fee for attending Board Committee meetings	22,500.00	-	-	22,500.00
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	Total (2)	22,500.00	-	-	22,500.00
	Total (B)=(1+2)		-	-	82,500.00
	Total Managerial Remuneration	-	-	-	
	Overall Cieling as per the Act.	₹ 1,00,000/- (Per Meeting)			

Note : Sitting fees was excluding of TDS. Actual Payment was made after deduction of 10% TDS.

Annexure to the Directors' Report

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	CFO	
1	Gross Salary	Ms. Richa Agarwal	Mr. Sanjeet Kr. Gupta	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	3,49,183	8,10,000	11,59,183
	(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	3,49,183	8,10,000	11,59,183

VIII. 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					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure to the Directors' Report

Annexure - II

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

[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 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with 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 maintained by the Company for the financial year ended on 31.03.2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made 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 Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-
 - (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 and 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **(Not Applicable to the Company during the Audit period);**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **(Not Applicable to the Company during the Audit period);**
- (vi) Other than the fiscal, labour and environmental laws which are generally applicable to all manufacturing/trading companies, there is no such law that applies specifically to the Company. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes in place to monitor and ensure compliance with those laws.

Annexure to the Directors' Report

We further report that we have not commented on the compliance of various tax laws and accounting standards and compliance of Schedule III in the preparation of Financial Statements as it is dealt separately by an appropriate independent professional and forms part of the Annual report.

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

- (i) Secretarial Standard (SS 1 & SS 2) issued by the Institute of Company Secretaries of India (ICSI);
- (ii) The Listing Agreement entered into by the Company with the Stock Exchange(s) (NSE & BSE) and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (applicable from 1st December, 2015).

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, guidelines, standards, etc. mentioned above except to the extent as mentioned below:

1. Form MGT 14 for Appointment of Internal Auditor u/s 138 for the year 2015-16 is yet to be filed.
2. It was noted that the Company has complied the Secretarial Standards issued by the ICSI to a great extent; however the stricter implementation of the Secretarial Standards is yet to be observed by the Company.
3. There has been some instances where the Forms were filed with some delay, thereby paying the additional fees. Some forms are yet to be filed.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded, wherever required, as part of the minutes. However, the resolutions in the Board /Committee meetings as observed, were unanimous and hence, no dissenting views have been recorded.

We further report that as per the explanation given to us and the representations made by the Management, 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 law, rules, regulations and guidelines. A compliance report by the Company Secretary (CS) is submitted to the Board quarterly.

We further report that during the audit period, there are specific events/actions which have the major bearing on the Company's affairs:

- i. The accumulated losses of the Company have eroded the entire networth of the Company indicating the uncertainty about the Company's ability to continue on a going concern basis.

The Company has passed the following resolution in its general meeting :

- i. The Company has approved, ratified and confirms the Corporate Debt Restructuring Package by and between the lenders and the Company.
- ii. Company has granted an option to the CDR lenders to convert their outstanding loans into Corporate Restructuring and Master Restructuring Agreement.
- iii. Increase of Authorised Capital from Rs. 82.50 Crores to Rs. 95 Crores.
- iv. Consent of the Company accorded for issue of 63.35 Lac Equity Shares on Preferential Basis to the lender of the Company for the amount raised under the CDR Scheme and the Master Restructuring Agreement.

For **A J & ASSOCIATES**
Company Secretaries

CS Abhijeet Jain
Proprietor

FCS: 4975

C. P. No.: 3426

Place: Kolkata

Date: 12.08.2016

Annexure to the 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. It is the management's responsibility to identify corporate and other laws, rules, regulations, standards, guidelines and directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records in letter and in spirit. Our examination was limited to the verification of procedures on test basis. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The 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
FCS: 4975
C. P. No.: 3426

Place: Kolkata
Date: 12.08.2016

Annexure to the Directors' Report

Annexure – III

Particulars of Employees

Sl. No.	Name of Director/ KMP & Designation	Remuneration of Director/KMP for Financial Year 2015-16	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Suresh Kumar Patni (Managing Director)	12,00,000	0%	9.84
2.	Mr. Satish Kumar Singh (Executive Director)	9,00,000	0%	7.38
3.	Mr. Sanjeet Kumar Gupta (CFO)	8,10,000	83.55%	NA
4.	Ms. Richa Agarwal (Company Secretary)	3,49,183	12.38%	NA

Note :

- i) No other Director other than the Managing Director and Whole Time Director received any remuneration other than sitting fees during the financial year 2015-16.
- ii) In the financial year, there was an increase of 4.10% in the median remuneration of employees.
- iii) There were 237 Permanent employees on the rolls of Company as on March 31, 2016.
- iv) The remuneration of the Key Managerial Personnel put together is ₹ 32.59 lacs which increased by 2.60% from ₹ 31.77 lacs as against a loss at the PBT level in the financial year 2015-16.
- v) The remuneration of the Key Managerial Personnel (KMPs) is linked to the market and is commensurate with their diverse responsibilities and experience.
- vi) The market capitalization of the Company as on March 31, 2016 decreased by 29.58%, when compared to that of March 31, 2015. 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.
- vii) 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.
- viii) It is hereby affirmed that the remuneration paid during the Financial Year ended March 31, 2016 is as per the Remuneration Policy of the Company.

Annexure to the Directors' Report

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

i. Steps taken for Conservation of Energy

- Installation of HT & LT Capacitor bank in Submerged Arc Furnace.
- Effective use of waste char for Power Generation.
- Effective maintenance and daily monitoring of capacitor bank for improvement in power factor.

ii. Steps taken for Utilizing Alternate Source of Energy

- Installation of energy efficient light fittings in shop floor, offices and other areas
- Replacement of old motors with energy efficient motors

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 save on energy costs.

B) Technology Absorption

i. Efforts made towards technology absorption

The Company is continually updating the production processes through the latest technology.

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 Company is actively exploring the export market and has taken various initiatives to export its products.

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

	Particulars	31.03.2016	31.03.2015
1.	Foreign Exchange earned	11899.53	17844.86
2.	Foreign Exchange used	4272.74	7836.60

Annexure to the 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
NIL					

For and on behalf of the Board

Kolkata, August 12, 2016

Suresh Kumar Patni
Chairman cum Managing Director

Management Discussion and Analysis

Economic Overview

According to the International Monetary Fund, the global economy is expected to grow at 3.4% in 2016-17 compared to 3.1% in 2015-16. The pick-up in global activity is projected to be gradual.

The Indian GDP growth expanded to 7.5% in previous financial year due to improving economic sentiments and is expected to pick up from 2016-17. The currency movements and interest rates continue to be risks for growth.

Industry structure and developments

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 viz., HC ferro manganese, silicon manganese, ferro silicon, HC ferro chrome, charge chrome, etc. and noble ferro alloys viz., 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 favourable location.

Opportunities and Threats

The growth of Ferro-Alloys industry is directly linked with the growth of Iron and Steel Industry. 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. Further, with investments/ expansion plans in Roads, Railways, Automobile Sector and Power Sector, the demand for Ferro Alloys is expected to improve 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. The ferro-alloys producers are now focusing on setting up their captive power units. This will reduce the input cost and ensure continuous supply of power.

Further, it is hoped that the government would recognize 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 of key raw material is a global challenge. The volatility in prices of raw materials as well as disruption in the supply of inputs, could adversely affect the profitability of the Company. The Company is having adequate arrangements with domestic and international Ore Suppliers to take care of such exigencies.

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, 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

Management Discussion and Analysis

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 29304.510 MT of Ferro Alloys against 43,943.560 MT of Ferro Alloys in previous year registering a de-growth of 33% over previous year. The Gross revenue from the Ferro Alloys segment was Rs.189.53 Crores. The Ferro Alloys export during the year under review has decreased by 25% to 25,428 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 places 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 employs contract labour in its manufacturing facilities. The Company recruits judiciously through Industry contacts, newspaper advertisements and consultants. 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 206 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 recognise that this is a conscious and continuous process across the Organisation, which enables the Company to adopt best practices as we incorporate improvements based on the past experience.

A report on compliances with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is given here under.

BOARD OF DIRECTORS

As on March 31, 2016, the Board consisted of Six (6) Directors out of which Two (2) were Executive Directors and Four (4) 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 Regulation 17(1) along with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

None of the Directors on the Board are member of more than Ten (10) Committees and they do not act as Chairman of more than Five (5) 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 March 31, 2016 along with the number of Board meetings attended by the Directors during the year 2015-16 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	12	7	1	-	Yes
Mr. Ankit Patni@	Promoter/Non-Executive	11	6	1	-	No
Mr. Satish Kumar Singh	Executive	12	-	-	-	Yes
Mr. Nanda Samai	Independent – Non-Executive	10	1	1	-	Yes
Mrs. Sujata Agarwal	Independent – Non-Executive	11	4	2	2	Yes
Mr. Rohit Jain	Independent – Non-Executive	10	2	1	2	Yes
Mr. Ramesh Seemakurti %	Promoter/Non-Executive	NA	NA	NA	NA	No

Notes:

\$ Only two committees i.e. Audit Committee and Stakeholders Relationship Committee are considered for this purpose.

@ Resigned from the directorship w.e.f August 22, 2015 and re-appointed as an Additional Director w.e.f September 30, 2015.

% Resigned from the directorship w.e.f November 14, 2015

None of the Non-Executive Directors have any pecuniary relationship or transactions with the Company except for holding Directorship & receiving sitting fees, 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.

Corporate Governance Report

MEETINGS

Twelve (12) Board Meetings were held during the year 2015-16 and the gap between two meetings did not exceed One Hundred and Twenty (120) days. The dates on which the Board Meetings were held are as follows:

4th May, 2015; 15th May, 2015; 30th May, 2015; 30th June, 2015; 28th July, 2015; 13th August, 2015; 22nd August, 2015; 30th September, 2015; 13th November, 2015, 7th December, 2015, 26th December, 2015 and 12th February, 2016.

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 stipulated in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 17(7) of the said regulations entered into with Stock Exchanges is regularly made available on 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.

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 Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that 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 March 31, 2016.

For **Impex Ferro Tech Limited**

Suresh Kumar Patni

Chairman cum Managing Director

Kolkata, May 30, 2016

CODE OF CONDUCT FOR INDEPENDENT DIRECTORS

As per the provisions of section 149(8) of the Companies Act, 2013, the Independent Directors shall abide by the provisions specified in Schedule IV. Further, Schedule IV lays down a Code for Independent Directors of the Company. Pursuant to the said provisions of the Companies Act, 2013, the Company has drafted a Code for Independent Directors of the Company and ensures that all the Independent Directors of the Company follows the same.

INDEPENDENT DIRECTORS

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

MEETINGS OF INDEPENDENT DIRECTORS

In compliance with the requirements of Schedule IV of the Companies Act, 2013 read with Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on March 24, 2016, inter-alia, to discuss:

- a) Review the Performance of Non-Independent Directors and the Board of Directors 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.

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.

Corporate Governance Report

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

COMMITTEES OF DIRECTORS

Currently, there are Five (5) Board Committees – Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility (CSR) Committee and Executive Committee. The terms of reference of the Audit 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:

AUDIT COMMITTEE

The Company has an Audit Committee within the scope of section 177 of the Companies Act, 2013 and rules framed thereunder read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee of the Company meets every quarter, inter alia, to review the Financial Results for the previous quarter before the same are approved at Board Meetings, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The existing Audit Committee has been reconstituted on September 30, 2015.

In accordance with the provisions of section 177 of the Companies Act, 2013 and Regulation 18 read with Part-C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 utilised 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 scrutinise inter-corporate loans and investments, if any.
11. To value undertakings or assets of the Company, wherever it is necessary.

Corporate Governance Report

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.
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.

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 Meeting Attended
Mr. Rohit Jain	Chairman	Independent/Non-Executive	5
Mr. Ankit Patni *	Member	Promoter/Non-Executive	3
Mr. Nanda Samai	Member	Independent/Non-Executive	5
Mr. Ramesh Seemakurti §	Member	Promoter/Non-Executive	-

* Resigned as a Member of Audit Committee w.e.f August 22, 2015 and was re-appointed as a Member of Audit Committee w.e.f September 30, 2015 subsequent to his appointment as an Additional Director.

§ Resigned as a member w.e.f November 14, 2015

The Managing 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.

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. Rohit Jain, Independent Director, having expertise in finance is the Chairman of the Audit Committee.

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

During the Financial Year ended 31st March, 2016, 5 (Five) Audit Committee Meetings were held on 30th May, 2015; 13th August, 2015; 22nd August, 2015; 13th November, 2015 and 12th February, 2016.

The terms of reference of the Audit Committee includes the powers as laid down in Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Corporate Governance Report

NOMINATION AND REMUNERATION COMMITTEE

In compliance of the provisions of section 178(1) of the Companies Act, 2013 and rules framed thereunder along with Regulation 19 read with Part-D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 Committee consists of 3 (Three) Non-Executive Directors. The Committee met 4 (Four) times during the year i.e., on 23rd April, 2015; 13th August, 2015; 22nd August, 2015 and 12th February, 2016. The existing Nomination and Remuneration Committee has been reconstituted on September 30, 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. Rohit Jain	Chairman	Independent/Non-Executive	3
Mr. Sujata Agarwal	Member	Independent/Non-Executive	4
Mr. Ankit Patni *	Member	Promoter/Non-Executive	3
Mr. Ramesh Seemakurti §	Member	Promoter/Non-Executive	-

* Resigned as a Member of Nomination and Remuneration Committee w.e.f August 22, 2015 and was re-appointed as a Member of Nomination and Remuneration Committee w.e.f September 30, 2015 subsequent to his appointment as an Additional Director.

§ Resigned as a member w.e.f November 14, 2015.

The Chairman was present at the last Annual General Meeting.

PERFORMANCE EVALUATION

Pursuant to the provisions of section 178 of the Companies Act, 2013 read with rules framed thereunder along with Schedule IV of the Act and Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee and by the Board.

The Chairman and Managing Director is evaluated on key aspects of the role which includes inter-alia effective leadership to the Board and adequate guidance to the each level of Management. Based on prescribed criteria as laid down, the performance of the Board, various Committees i.e. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee, and Individual were evaluated at satisfaction level. During the year under review, the Independent Directors of the Company reviewed the performance of Non- Independent Directors and Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors. The Board as a whole is a balanced unit where diverse views are expressed and dialogued whenever required. All the directors are participative, interactive and communicative. The Chairman has abundant knowledge experience, skills and understanding of the Board's functioning processes. The information flow between the Company's Management and the Board is timely and sufficient.

Corporate Governance Report

REMUNERATION TO DIRECTORS

Nomination & 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 Committees 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.

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 2015-16 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/-	24.08.2015	23.08.2018	2 months

* Re-appointed for a further period of 3 (Three) years w.e.f. August 24, 2015 to August 23, 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 March 31, 2015 are as follows:

Corporate Governance Report

Name of the Director	Sitting Fee paid (₹)	No. of Shares held as on March 31, 2016
Mr. Ankit Patni	22,500	1,75,600
Mr. Nanda Samai	22,500	Nil
Mr. Rohit Jain	21,000	Nil
Mrs. Sujata Agarwal	16,500	Nil

STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the provisions of section 178(5) of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 3 (Three) Directors, out of which 2 (Two) are Independent Directors and 1 (One) is a Non-Executive Director. The Chairman of the Committee is an Independent Director. During the year under review, the Committee has met once on 18th January, 2016.

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 Meeting Attended
Mrs. Sujata Agarwal	Chairman	Independent /Non-Executive	1
Mr. Suresh Kumar Patni	Member	Promoter/Executive	1
Mr. Rohit Jain	Member	Independent /Non-Executive	1

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.

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 2015-16, excluding correspondences which are not in the nature of complaints are given below:

Number of complaints received from the shareholders	1
Number of complaints redressed	1
Number of complaints not solved/pending	0

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors of the Company as per the provisions of section 135 of the Companies Act, 2013 read with Corporate Social Responsibility (CSR) Rules, 2014 as amended from time to time. The existing Corporate Social Responsibility Committee has been re-constituted on September 30, 2015.

Corporate Governance Report

The composition of the Committee is as under:

Name of the Member	Designation	Category
Mr. Nanda Samai	Chairman	Independent/ Non Executive
Mr. Satish Kumar Singh	Member	Executive
Mr. Ankit Patni *	Member	Promoter /Non-Executive
Mr. Ramesh Seemakurti §	Member	Promoter/Non-Executive

* Resigned as a Member of CSR Committee w.e.f August 22, 2015 and was re-appointed as a Member of CSR Committee w.e.f September 30, 2015 subsequent to his appointment as an Additional Director.

§ Resigned as a member w.e.f November 14, 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.

EXECUTIVE COMMITTEE

The Executive Committee of the Board of Directors was originally constituted on February 14, 2015 and reconstituted on September 30, 2015 with necessary powers delegated to it with a view to conduct the affairs of the Company smoothly consisting of 2 (Two) Executive Directors and 1 (One) Non-Executive Directors.

The composition of the Committee is as under:

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

* Resigned as a Member of Executive Committee w.e.f August 22, 2015 and was re-appointed as a Member of Executive Committee w.e.f September 30, 2015 subsequent to his appointment as an Additional Director.

§ Resigned as a member w.e.f November 14, 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 authorise opening and closing of bank accounts; To authorise 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;

Corporate Governance Report

- 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 28, 2015	2014-15	Purbashree, Bhartiyam Cultural Multiplex, IB-201, Sector-III, Salt Lake City, Kolkata – 700 106	10.00 AM
September 27, 2014	2013-14	Purbashree, Bhartiyam Cultural Multiplex, IB-201, Sector-III, Salt Lake City, Kolkata – 700 106	10.00 AM
September 30, 2013	2012-13	'Rotary Sadan' 94/2, Chowringhee Road, Kolkata- 700 020	10.00 AM

Special Resolutions Passed at the last three Annual General Meetings:

Financial Year	Items
2014-15	<ul style="list-style-type: none"> Re-appointment of Executive Director. Approval, Ratification and Confirmation of the Corporate Debt Restructuring Scheme by and between the Company and the Rupee Lenders of the Company. Conversion of Loan into Equity. Increase in Authorised Share Capital of the Company and consequential amendment to the Memorandum of Association of the Company. Issue of Equity Shares on Preferential basis to the Promoters.
2013-14	<ul style="list-style-type: none"> Alteration of Articles of Association of the Company.
2012-13	<ul style="list-style-type: none"> Issue Shares to Promoters and Non-Promoter Group on preferential basis.

No Resolution was passed during the Financial Year ended March 31, 2016 through Postal Ballot under section 110 of the Companies Act, 2013 and Rules framed thereunder. The Company does not propose to conduct any Special Resolution through postal ballot at the ensuing AGM.

MEANS OF COMMUNICATION

i. Financial Results

In compliance with the requirements of the Listing Agreements/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

ii. Newspapers

The aforesaid Financial Results are published in English National daily—"Business Standard" and in a local vernacular newspaper—"Dainik Statesman" widely circulated in the state of West Bengal.

iii. Website

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.

Corporate Governance Report

GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting (AGM)

Day, Date & Time	Tuesday, September 27, 2016 at 10.00 A.M.
Venue	“AIKATAN”, Eastern Zonal Cultural Centre (EZCC), IA-290, Sector-III, Salt Lake City, Kolkata – 700 097
2. Date of Book Closure	September 20, 2016 to September 27, 2016 (both days inclusive)
3. Dividend payment date	N.A.
4. Financial Calendar	
Indicative calendar of events for the Financial Year 2016-17 is as under:	
Financial Year	April 1 to March 31

Financial Reporting for the quarters:-

First Quarter	Disclosed on August 12, 2016.
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 September 30, 2017.

5. Listing of the Equity Shares on Stock Exchange

Name of the Stock Exchange	Address	Stock Code
BSE Ltd. (BSE)	“Phiroze Jeejeebhoy Tower” 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 2016-17 to both the Stock Exchanges where the shares of the Company are listed.

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

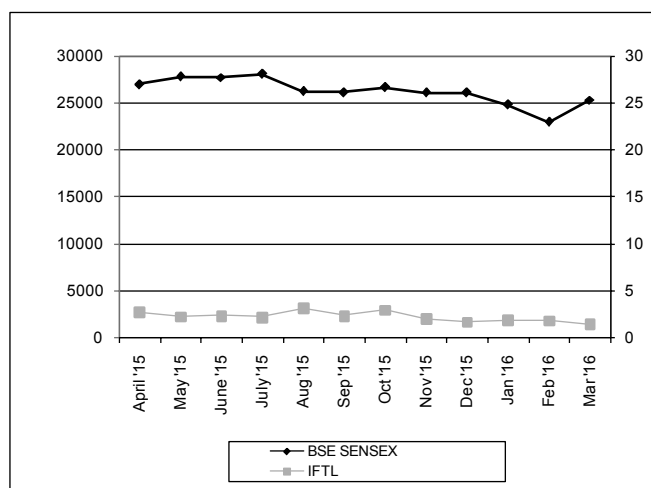
7. Market Price Data

The Stock Market data on BSE & NSE for the last 12 (Twelve) months are provided herein:

Month	National Stock Exchange of India Ltd. (₹)		BSE Ltd. (₹)	
	HIGH	LOW	HIGH	LOW
April, 2015	2.75	1.80	2.80	1.95
May, 2015	2.30	1.85	2.30	1.80
June, 2015	2.40	1.65	2.42	1.69
July, 2015	2.20	1.75	2.28	1.76
August, 2015	3.20	1.75	3.24	1.71
September, 2015	2.40	1.85	2.42	1.74
October, 2015	2.95	2.00	3.00	2.01
November, 2015	2.05	1.40	2.11	1.60
December, 2015	1.90	1.45	1.75	1.49
January, 2016	2.00	1.65	1.95	1.72
February, 2016	1.95	1.45	1.89	1.49
March, 2016	1.55	1.25	1.55	1.37

Corporate Governance Report

8. Performance of the Company in comparison with BSE Sensex



9. Shareholding Pattern as on March 31, 2016

Category	No. of Shares	% of holding
Promoter & Promoter Group	6,07,64,846	69.10
Bodies Corporate	30,13,627	3.44
Individuals	2,30,76,196	0.83
Non-Resident Individuals	3,44,800	0.00
Clearing Member	7,32,035	0.39
Trusts	100	26.24
Total	8,79,31,604	100.00

10. Distribution of Shareholding as on March 31, 2016

Range	No. of Shareholders	% of Shareholders	No. of Shares	% of Total
Upto 500	6,628	56.29	14,59,806	1.65
501 to 1000	1,969	16.72	17,85,077	2.03
1001 to 2000	1,269	10.78	21,36,760	2.43
2001 to 3000	501	4.25	13,33,733	1.52
3001 to 4000	218	1.85	8,07,409	0.92
4001 to 5000	343	2.91	16,70,466	1.90
5001 to 10000	433	3.68	34,14,960	3.89
10001 and above	415	3.52	7,53,23,393	85.66
Total	11,776	100.00	8,79,31,604	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 March 31, 2016, 8,71,75,502 Equity Shares representing 99.14% of the share capital are held in dematerialised form i.e., CDSL - 6,97,77,882 Equity Shares and NSDL – 1,73,97,620 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 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 Ltd.
SKP House,
132A, S.P. Mukherjee Road,
Kolkata – 700 026
Ph: +91-33-4016 8000/8100
Fax: +91-33-4016 8191/8107
Email Id: cs@impexferrotech.com

Address for Correspondence

Registered Office:

Impex Ferro Tech Ltd.
35, C. R. Avenue,
Kolkata – 700 012
Phone: +91 33 2211 0225/0226
Email Id: grievance@impexferrotech.com
CIN : L27101WB1995PLC071996

Corporate Office:

Impex Ferro Tech Ltd.
SKP House,
132A, S. P. Mukherjee Road,
Kolkata – 700 026
Phone: +91 33 4016 8000/8100
Fax: +91 33 4016 8191/8107

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

OTHER DISCLOSURES

- There are no materially significant related party transactions, i.e. transactions of the Company of material in 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 Related Party Transactions by Audit Committee and grant of omnibus approval.
- The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and in the preparation of Financial Statements, the Company has not adopted a treatment different from that prescribed in the Accounting Standards.
- The Company has complied with all the requirements of the Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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.

Corporate Governance Report

- The Company does not have any Subsidiary.
- The Company entered into a Joint Venture with M/s. Ankit Metal & Power Ltd. and formed M/s. SKP Mining Pvt. Ltd. on 16.01.2015. On 30.06.2015, the Company has decided to dissolve the Joint Venture.
- A Risk Management Policy has been formed by the Company on May 30, 2015. 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**

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 or Whistle Blower Policy. 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 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

- **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 Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the notice of ensuing Annual General Meeting as an Additional Information.

- **Management Discussion & Analysis Report**

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

CEO/CFO Certification

Pursuant to Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2016 and that to the best of our knowledge and belief, we state that:

- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
 - we accept responsibility for establishing and maintaining Internal Controls for Financial Reporting and that we have evaluated the effectiveness of Internal Control Systems of the listed entity pertaining to Financial Reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
 - we have indicated to the Auditors and the Audit Committee
 - significant changes in internal control over financial reporting during the year if any;
 - significant changes in accounting policies during the year if any and that the same have been disclosed in the notes to the Financial Statements if any ; and
 - instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's Internal Control System over financial reporting.

Corporate Governance Report

CORPORATE GOVERNANCE COMPLIANCE

The Company has complied with all the mandatory requirements as mandated under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (from December 1, 2015 to March 31, 2016) and Clause 49 of the erstwhile Listing Agreement with the Stock Exchanges (from April 1, 2015 to November 30, 2015) for the purpose of ensuring Corporate Governance. A Certificate from the Practicing Company Secretary to this effect has been included in this report.

NON-MANDATORY REQUIREMENTS

1. Nomination and Remuneration Committee:

The Company has a Nomination and Remuneration Committee comprising of 3(Three) Non-Executive Directors of which 2 (Two) are Independent 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 2015-16.

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 Limited**

Suresh Kumar Patni
Chairman

Kolkata, August 12, 2016.

Auditors' Certificate on Corporate Governance

To,
The Members of
Impex Ferro Tech Limited

We have examined the compliance of conditions of Corporate Governance by Impex Ferro Tech Ltd. ('the Company'), for the year ended on March 31, 2016 as stipulated in Clause 49 of the Listing Agreement (Listing Agreement) of the Company with the Stock Exchanges for a period April 1, 2015 to November 30, 2015 and as per the clause stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as referred to in Regulation 15(2) of the Listing Regulations for the period December 1, 2015 to March 31, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of the Corporate Governance. It is neither an audit nor an expression 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/ Listing Regulations, as applicable.

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

CS Abhijeet Jain
Proprietor

FCS: 4975

C. P. No.: 3426

Place: Kolkata

Date: August 12, 2016.

Independent Auditors' Report

To
The Members of
Impex Ferro Tech Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **M/S IMPEX FERRO TECH LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2016, Statement of Profit and Loss and the 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow 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 provision 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 control, that were operating effectively for ensuring that 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 financial statements based on our audit.

We have taken into account the provision of the Act, the accounting and auditing standards, and matters which are required to be included in the audit report under the provision 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2016;
- (b) In the case of statement of Profit & 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

- (a) We draw your attention to Note No. 39 of the Financial Statements which indicate that as at March 31, 2016, the accumulated losses amounting to ₹ 14,486.45 lacs has eroded the entire 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 statements have been prepared on a going concern basis for the reasons stated in the said note.
- (b) Pending confirmations of certain secured loans and advances, trade receivables, trade payables and other liabilities as referred in Note No. 33 of accompanying statements, are subject to confirmations and reconciliation.

Our report is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid 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 March 31, 2016, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016, from being appointed as a Director in terms of section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
 - (g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - i. The Company has disclosed the impact of pending litigations on the financial position in the Financial Statements – Refer Note – 29 (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

Place : Kolkata
Date : May 30, 2016

Annexure to the Independent Auditors' Report

The Annexure referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016, we report that:

- i. In respect of its fixed assets:
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed asset has been physically verified by the management during the year and no material discrepancies were noticed on such verification and the same have been properly dealt with in the books of accounts.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventories have been physically verified during the year by the management and the discrepancies noticed on physical verification of stocks as compared to book records were not material and have been properly dealt with in the books of account.
- iii. According to the information and explanations given to us, the Company has not granted loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore reporting under paragraph 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanation given to us, the Company has complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans and investments made.
- 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 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. We have broadly reviewed the books of accounts maintained by the Company in respect of manufacture of iron and Steel product and 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 determine whether they are accurate & complete.
- vii. In respect of statutory dues:
 - (a) According to the information & explanation given to us and on the basis of examination of the books of account, the Company has generally been irregular in depositing undisputed statutory dues, in respect of Provident Fund, Employee's State Insurance, Income-tax, Tax deducted at sources, Professional Tax, Service Tax, Cess and other material statutory dues applicable to it, with the appropriate authorities. Moreover, the following statutory dues remain overdue as at March 31, 2016:

Sl. No.	Nature of Dues	₹/Lacs
1	SERVICE TAX	40.42
2	TDS	19.77
3	PF, ESI & OTHER DUES	5.27
TOTAL		65.46

According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Cess and other material statutory dues in arrears/were outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income tax, Wealth tax, Sales tax, Value added tax, Service tax, Customs duty, Excise duty and Cess which have not been deposited with the appropriate authorities on account of any dispute except the following :-

Annexure to the Independent Auditors' 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	0.50	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	₹ 104.56 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	1,606.46	Commissioner of Income Tax (Appeals), Kolkata
Total			1,606.46	₹ NIL paid under protest

- viii. Based upon the audit procedures performed and according to the records of the Company examined by us and the information and explanation given to us, the Company has defaulted in payment of interest on borrowings to banks as follows

Particulars	Amount of default as at 31st March, 2016 (₹ in Lacs)	Period of default	Nature of Loan
Union Bank of India	12.09	January, 2016 to March, 2016	FITL
State Bank of India	10.75	March, 2016	FITL
State Bank of Travancore	9.18	February, 2016 & March, 2016	FITL
Bank of Baroda	4.40	February, 2016 & March, 2016	FITL
Punjab National Bank	6.48	January, 2016 to March, 2016	FITL
State Bank of India	66.96	February, 2016 & March, 2016	CC
State Bank of Travancore	18.38	March, 2016	CC
Bank of Baroda	38.39	February, 2016 & March, 2016	CC
Pubjab National Bank	19.81	January, 2016 to March, 2016	CC

- ix. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys during the year by way of initial public issue/follow-on offer (including debt instruments) and term loans.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, we report that managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, reporting under Paragraph 3 (xii) of the Order are not applicable to the Company.

Annexure to the Independent Auditors' Report

- xiii. Based upon the audit procedures performed and the information and explanations given by the management, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards and Companies Act, 2013.
- xiv. The Company has made preferential allotment of 63.35 lacs shares during the year under review. Based upon the audit procedures performed and the information and explanations given by the management the requirement of Section 42 of the Companies Act, 2013 have been complied and the amount raised have been used for the purposes for which the funds were raised.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with Directors or persons connected with him. Accordingly, the reporting under Paragraph 3 (xv) of the Order is not applicable to the Company and hence not commented upon.
- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, reporting under Paragraph 3 (xvi) of the Order is not applicable to the Company and hence not commented upon.

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

Manoj Kumar Sethia
Partner

Membership No. 064308

Place : Kolkata
Date : May 30, 2016

Annexure to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **M/s. IMPEX FERRO TECH LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Annexure to the Independent Auditors' Report

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

Place : Kolkata
Date : May 30, 2016

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

Manoj Kumar Sethia
Partner
Membership No. 064308

Balance Sheet as at 31st March, 2016

(₹ in Lacs)

S.N.	PARTICULARS	NOTE NO.	31.03.2016	31.03.2015
I	EQUITY AND LIABILITIES			
	(1) Shareholders' Funds			
	(a) Share Capital	3	8,793.16	8,159.66
	(b) Reserves and Surplus	4	(8,827.37)	(1,323.68)
			(34.21)	6,835.98
	(2) Non-Current Liabilities			
	(a) Long-Term Borrowings	5	22,651.25	23,606.20
	(b) Deferred Tax Liability (Net)	6	-	-
	(c) Long Term Provisions		-	-
			22,651.25	23,606.20
	(3) Current Liabilities			
	(a) Short-Term Borrowings	7	12,015.47	9,861.48
	(b) Trade Payables	8	13,491.45	15,214.58
	(c) Other Current Liabilities	9	4,692.40	3,852.42
	(d) Short-Term Provisions	10	98.98	71.50
			30,298.29	28,999.98
	Total		52,915.34	59,442.19
II	ASSETS			
	(1) Non-Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	11	17,909.53	18,528.87
	(ii) Intangible Assets	11	3.41	5.91
	(iii) Capital Work-In-Progress	12	-	42.89
			17,912.94	18,577.67
	(b) Non Current Investments	13	-	5.00
	(c) Long-Term Loans and Advances		-	-
	(d) Long-Term Loans And Advances	14	169.29	175.07
	(e) Other Non Current Assets		-	-
			18,082.23	18,757.74
	(2) Current Assets			
	(a) Current Investments		-	-
	(b) Inventories	15	8,246.50	12,027.95
	(c) Trade Receivables	16	22,105.87	23,468.06
	(d) Cash And Cash Equivalents	17	580.67	938.20
	(e) Short-Term Loans And Advances	18	3,414.31	3,651.25
	(f) Other Current Assets	19	485.76	598.99
			34,833.11	40,684.46
	Total		52,915.34	59,442.19
	Summary of Significant Accounting Policies	2		

Accompanying notes (1-41) 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, May 30, 2016

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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, 2016

(₹ in Lacs)

S.N.	PARTICULARS	NOTE NO.	31.03.2016	31.03.2015
I	INCOME			
	Revenue from Operations (Gross)	20	28,122.66	52,302.13
	Less: Excise Duty		926.81	1,721.94
	Revenue from Operations (Net)		27,195.85	50,580.19
II	Other Income	21	121.12	304.77
III	Total Revenue (I + II)		27,316.97	50,884.96
IV	EXPENSES			
	Cost of Materials Consumed	22	14,413.42	16,965.86
	Purchases of Stock-In-Trade	23	8,291.84	23,849.09
	Changes in Inventories of Finished Goods and Work in Progress	24	(142.97)	252.43
	Employee Benefits Expense	25	442.26	478.67
	Finance Costs	26	3,424.13	3,033.65
	Depreciation and Amortisation Expense	11	730.26	863.76
	Other Expenses	27	8,295.23	11,585.14
	Total Expenses (IV)		35,454.17	57,028.60
V	PROFIT/(LOSS) BEFORE TAX (III-IV)		(8,137.19)	(6,143.65)
VI	Tax Expenses			
	Current Tax		-	-
	Less : MAT Credit entitlement		-	-
	Net Current Tax		-	-
	Earlier Years Tax		-	-
	Deferred Tax		-	-
VII	PROFIT/(LOSS) FOR THE YEAR		(8,137.19)	(6,143.65)
	Earning Per Equity Share (Nominal Value of Share - ₹ 10/-) Basic & Diluted (₹)	38	(9.77)	(7.53)
	Summary of Significant Accounting Policies	2		

Accompanying notes (1-41) 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, May 30, 2016

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, 2016

(₹ in Lacs)

	Year Ended 31st March, 2016		Year Ended 31st March, 2015	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax & Extra-Ordinary Items		(8,137.19)		(6,143.65)
Adjustments for :				
Depreciation	730.26		863.76	
Finance costs	3,266.42		2,689.94	
Interest Received	(36.09)		(190.47)	
Sundry Balances Written Back	-		-	
Loss on Sale of Investments	4.50		-	
		3,965.09		3,363.23
Operating Profit before Working Capital Changes		(4,172.11)		(2,780.42)
Adjustments for :				
(Increase)/Decrease in Inventories	3,781.45		533.32	
(Increase)/Decrease in Trade Receivables	1,362.17		(4,151.79)	
(Increase)/Decrease in Loans and Advances	250.39		1,793.04	
(Increase)/Decrease in Other Assets	113.24		(247.45)	
Increase/(Decrease) in Trade Payables	(1,695.66)		(4,022.28)	
Increase/(Decrease) in Other Liabilities	(738.86)		1,334.73	
		3,072.73		(4,760.42)
Cash generated from operations		(1,099.38)		(7,540.83)
Direct Tax Paid		(7.68)		(13.07)
Net Cash from Operating Activities		(1,107.05)		(7,553.90)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(65.53)		(11.27)	
Investment sold (SKP Mining)	0.50		(5.00)	
Interest Income	36.09		190.47	
Maturity Proceeds of Fixed Deposits	170.39		1,851.14	
Purchase of Fixed Deposits with Banks	-		-	
Net Cash used in Investing Activities		141.45		2,025.35
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Issue of Shares	1,267.00		-	
Increase/(Decrease) in Short Term Borrowings	941.57		(4,758.24)	
Proceeds from Long Term Borrowings	(813.48)		12,324.99	
Repayment of Long Term Borrowings	(44.76)		(402.13)	
Finance Costs	(571.87)		(1,455.18)	
Net Cash from Financing Activities		778.46		5,709.43
Net Increase/(Decrease) in Cash & Cash Equivalents		(187.14)		180.88
Cash & Cash Equivalents at the beginning of the year (Refer Note No.17 to the Accounts)		240.69		59.81
Cash & Cash Equivalents at the end of the year (Refer Note No.17 to the Accounts)		53.54		240.69

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, May 30, 2016

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, 2016

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 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 norm 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 recognized 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,

Notes to and forming part of the Financial Statements as at 31st March, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 over the useful life of the assets as 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 amortized 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 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.

2.6 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

Notes to and forming part of the Financial Statements as at 31st March, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

2.8 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, amortization 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 capitalized 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, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (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. Unrecognized 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.

2.13 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 relating 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 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.

2.16 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 cash on 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, 2016

(₹ in Lacs)

	31.03.2016	31.03.2015
NOTE 3 SHARE CAPITAL		
Authorised:		
950.00 lacs (P.Y. 825.00 lacs) Equity Shares of ₹ 10/- each	9,500.00	8,250.00
Issued, Subscribed and Paid-up:		
879.31 lacs (P.Y. 815.96 lacs) Equity Shares of ₹ 10/- each fully paid up.	8,793.16	8,159.66

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

Equity Shares	31.03.2016		31.03.2015	
	No. in Lacs	Amt (₹ in Lacs)	No. in Lacs	Amt (₹ in Lacs)
At the Beginning of the Period	815.97	8,159.66	815.97	8,159.66
Issued During the Period (Refer Note below)	63.35	633.50	-	-
At the End of the Period	879.32	8,793.16	815.97	8,159.66

(b) Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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	31.03.2016		31.03.2015	
	No. of Shares	% holding	No. of Shares	% holding
Suanvi Trading & Investment Co. Pvt. Ltd	150.73	17.14	150.73	18.47
Vasupujya Enterprises Pvt. Ltd.	106.00	12.05	106.00	12.99
Poddar Mech-Tech Services Pvt.Ltd	106.34	12.09	106.34	13.03
Invesco Finance Pvt. Ltd.	108.71	12.36	108.71	13.32
Astabhuja Properties Private Limited	63.35	7.20	-	-

Note : Pursuant to CDR package, the Company has allotted 63.35 lacs equity shares on 26th December, 2015 of ₹ 10 each at a price of ₹ 20 per share (including a premium of ₹ 10 per share) on preferential basis to Astabhuja Properties Pvt. Ltd., promoter group company as per SEBI (Issue of Capital and Disclosure Requirements) Regulations.

(₹ in Lacs)

	31.03.2016	31.03.2015
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	4,613.17
Additions during the year	633.50	-
	5,246.67	4,613.17
Share Issue / Preliminary Expenses written off	-	-
At the end of the accounting period	5,246.67	4,613.17
Surplus (Balance in the Statement of Profit & Loss)		
Balance as per last Financial Statement	(6,349.28)	(101.95)
Profit for the year	(8,137.19)	(6,143.67)
Adjusted for Depreciation relating to Fixed Assets (Tangible) (Refer Note Below)	-	(103.67)
Closing Balance	(14,486.47)	(6,349.28)
Total	(8,827.37)	(1,323.68)

Note: Transitional provision provided in Note 7(b) of Schedule II to the Companies Act, 2013 an amount of ₹ NIL (P.Y. ₹ 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, 2016

(₹ in Lacs)

	Non-current portion		Current Maturities	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
NOTE 5 LONG-TERMBORROWINGS				
Secured Loans				
Loan from Banks				
Restructured Term Loans	2,235.90	2,209.66	71.00	-
Funded Interest Term Loans	2,438.72	1,221.48	266.00	-
Working Capital Term Loans	11,338.99	12,324.99	986.00	-
Loans from Related Party (Refer Note 37)				
From Bodies Corporate (Unsecured)	218.00	1,335.50	-	-
From Directors & Promoters (Unsecured)	417.00	357.00	-	-
Other Loans & Advances				
From Bodies Corporate (Unsecured)	6,002.64	6,157.56	-	-
	22,651.25	23,606.20	1,323.00	-
The above amount includes				
Secured Borrowings	16,013.61	15,756.13	1,323.00	-
Unsecured Borrowings	6,637.64	7,850.06	-	-
Amount disclosed under the head - "Other Current Liabilities" (Refer Note 9)	-	-	(1,323.00)	-
	22,651.25	23,606.20	-	-

(A) Details of Security

(A) Terms of Repayment

(i) Term Loans

Terms of Repayment	Nature of Securities	Interest Rate (p.a.)	Loan Amount as at 31st March 2016
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	11.05 % (Linked to MI Base Rate) (subject to be reset after completion of 2 years)	2,306.90
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.	-Do-	10.55% (Linked to MI Base Rate) (subject to be reset after completion of 2 years)	2,704.72
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.	-Do-	10.55% (Linked to MI Base Rate) (subject to be reset after completion of 2 years)	10,987.00

Notes to and forming part of the Financial Statements as at 31st March, 2016

Terms of Repayment	Nature of Securities	Interest Rate (p.a.)	Loan Amount as at 31st March 2016
NOTE 5 LONG-TERM BORROWINGS (Contd.)			
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, ₹ 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.	-Do-	10.55% (Linked to MI Base Rate) (subject to be reset after completion of 2 years)	1,338.00
Unsecured Loans from Bodies Corporates	N.A.	Interest Free	6,077.86
a) Repayable after 30th June, 2023		12%-13%	559.78
b) Others			

(II) Working Capital Term Loan (WCTL) :

Upon implementation of the CDR Package (Refer Note 28), 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 implementation of the CDR Package (Refer Note 28), 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 28) 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 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 promoter & promoter group stake in Company (in Demat Form), representing 69.10% (PY 66.71%) of paid up capital of Company. Out of that, 63.35 lac shares issued during the year pursuant to CDR package are in the process of being pledged.

(V) Period & Amount of default as on the Balance Sheet Date :

Particulars	Nature	Amount of default as at the balance sheet date (₹ in Lacs)	Period of default
Union Bank of India	Interest on FITL	12.09	January, 2016 to March, 2016
State Bank of India	Interest on FITL	10.75	March, 2016
State Bank of Travancore	Interest on FITL	9.18	February, 2016 & March, 2016
Bank of Baroda	Interest on FITL	4.40	February, 2016 & March, 2016
Punjab National Bank	Interest on FITL	6.48	January, 2016 to March, 2016

Notes to and forming part of the Financial Statements as at 31st March, 2016

(₹ in Lacs)

	31.03.2016	31.03.2015
NOTE 6 DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liability		
- Difference in WDV as per Companies Act and Income Tax Act	1,527.19	1,319.20
Deferred Tax Asset		
- Related to Unabsorbed Depreciation	(1,487.76)	(1,007.03)
- Related to Unabsorbed Business Loss	(5,556.56)	(3,269.71)
Deferred Tax Liability/(Assets)	(5,517.13)	(2,957.54)

Note : Net Deferred Tax Assets (DTA) of ₹ 5517.13 lacs as at 31st March, 2016 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.

	31.03.2016	31.03.2015
NOTE 7 SHORT-TERM BORROWINGS		
Loan guaranteed by Promoters & Directors		
Working Capital Loans from Banks (Secured)		
Rupee Loans	12,015.47	9,861.48
	12,015.47	9,861.48

Details of security :

- 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.
- Working Capital facilities from banks carries interest of 11.05% p.a. (Linked to MI base rate), subject to reset of every year.
- Period & amount of continuing default in payment of interest

Particulars	Amount of default as at the balance sheet date (₹ in Lacs)	Period of default
State Bank of India	66.96	February, 2016 & March, 2016
State Bank of Travancore	18.38	March, 2016
Bank of Baroda	38.39	February, 2016 & March, 2016
Punjab National Bank	19.81	January, 2016 to March, 2016

	31.03.2016	31.03.2015
NOTE 8 TRADE PAYABLES		
Acceptances	1,754.79	2,143.77
Sundry creditors for goods, services etc.	11,736.66	13,070.82
	13,491.45	15,214.58

- 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 2016. 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.
- The trade payable includes ₹ 2325.40 Lacs (P.Y. ₹ 2774.06) due to related parties (Refer Note No. 37)

Notes to and forming part of the Financial Statements as at 31st March, 2016

(₹ in Lacs)

	31.03.2016	31.03.2015
NOTE 9 OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Debts (Refer Note No. 5)	1,323.00	-
Interest accrued and due on Borrowings	322.56	66.73
Advance from Customers	2,819.08	3,576.80
Other Payables		
For Statutory Dues	65.46	61.17
For Capital Goods	162.29	147.72
For Accrued Expenses	-	-
	4,692.40	3,852.42

	31.03.2016	31.03.2015
NOTE 10 SHORT TERM PROVISIONS		
Provisions for Employee Benefits	60.53	33.28
Provisions for Expenses	38.44	38.23
	98.98	71.50

NOTE 11 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
Additions	1.26	-	105.94	0.05	-	0.58	0.63	108.46	-
Disposals	-	-	-	-	-	-	-	-	-
As at 31st March, 2016	184.62	3,888.23	20,373.39	38.33	27.62	14.78	18.83	24,545.80	26.90
Depreciation & Amortisation									
As at 31st March, 2015	-	827.23	5,006.09	27.11	25.38	10.30	12.36	5,908.47	20.99
Charge for the year	-	120.39	602.76	0.86	0.86	1.90	1.00	727.76	2.50
Transfer to Retained Earnings	-	-	-	-	-	-	-	-	-
Deductions / Adjustments	-	-	-	-	-	-	-	-	-
As at 31st March, 2016	-	947.62	5,608.85	27.97	26.24	12.20	13.36	6,636.23	23.49
Net Block									
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
As at 31st March, 2016	184.62	2,940.61	14,764.53	10.35	1.38	2.58	5.47	17,909.53	3.41

Notes to and forming part of the Financial Statements as at 31st March, 2016

(₹ in Lacs)

	31.03.2016	31.03.2015
NOTE 12 CAPITAL WORK-IN-PROGRESS		
At the beginning of the year	42.89	42.89
Add : Incurred during the year	-	62.36
Less : Capitalised during the year	42.89	62.36
At the end of the year	-	42.89
Opening Balance	8.25	8.25
Add : Expenditure incurred during the period		
Less : Amount allocated to Fixed Assets	8.25	-
Closing Balance	-	8.25

	31.03.2016	31.03.2015
NOTE 13 NON - CURRENT INVESTMENT		
Investment in Joint Venture (Refer Note No. 35)		
SKP Mining Pvt. Ltd.	-	5.00
NIL Shares (P.Y. 0.50 lacs) (Unquoted, fully paid up) (Face Value - ₹ 10)		
	-	5.00

Note : During the year the Company has sold its stake in SKP Mining Private Limited and hence the Joint Venture in the name of SKP Mining Private Limited with M/s. Ankit Metal & Power Limited has ceased to exist during the year ended 31st March, 2016.

	31.03.2016	31.03.2015
NOTE 14 LONG TERM LOANS AND ADVANCES		
(Unsecured, Considered good)		
Capital Advances	139.24	137.16
Security Deposits	30.05	37.91
	169.29	175.07

	31.03.2016	31.03.2015
NOTE 15 INVENTORIES		
(As taken, valued and certified by the management)		
Raw Materials [includes in transit ₹ 550.71 Lacs (P.Y.- ₹ 460.72 Lacs)]	4,566.64	8,491.20
Work In Progress	3,405.73	2,750.13
Finished Goods	62.86	568.50
Stores & Spares	208.29	210.64
Packing Material	2.99	7.48
	8,246.50	12,027.95

	31.03.2016	31.03.2015
NOTE 16 TRADE RECEIVABLES		
(Unsecured, Considered Good)		
Debts outstanding for a period exceeding six months from the date they are due for payment	13,235.98	13,753.25
Other Debts	8,869.89	9,714.82
	22,105.87	23,468.06

Note: The trade receivable includes ₹ 1428.17 Lacs (P.Y. 1463.70 Lacs) due to related parties (Refer Note No. 37)

Notes to and forming part of the Financial Statements as at 31st March, 2016

(₹ in Lacs)

	31.03.2016	31.03.2015
NOTE 17 CASH & BANK BALANCES		
i) Cash & Cash Equivalents		
(A) Cash in Hand (as Certified)	30.58	28.91
(B) Balance with Banks		
In Current Accounts	22.96	211.78
	53.54	240.69
ii) Other Bank Balances		
- Term Deposits with Banks	527.13	697.52
(includes ₹ Nil Lacs (P.Y. ₹ 77.05 Lacs) having maturity greater than 12 months)		
	527.13	697.52
Total	580.67	938.20

Notes :

Term Deposits amounting to ₹ 527.13 lacs (P.Y. ₹ 690 Lacs) have been pledged as margin money against Letter of Credit and Bank guarantee facilities.

	31.03.2016	31.03.2015
NOTE 18 SHORT TERM LOANS & ADVANCES		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	2,195.51	2,244.10
Balance with Central Excise & CENVAT Receivable	823.96	975.43
VAT Credit Receivable/Refundable	128.56	173.12
Income Tax Payments	72.98	65.31
MAT Credit Entitlement	193.30	193.30
	3,414.31	3,651.25

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

	31.03.2016	31.03.2015
NOTE 19 OTHER CURRENT ASSETS		
(Unsecured, considered Good)		
Other Current Assets (Refer Note below)	149.27	65.20
Interest/charges Refundable from banks	83.74	137.95
Incentives Receivable	250.75	395.84
Rent receivable	2.00	-
	485.76	598.99

Note : Other current assets include ₹ 22.56 lacs (PY 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.

	31.03.2016	31.03.2015
NOTE 20 REVENUE FROM OPERATIONS (GROSS)		
Sale of Products		
Sale of Manufactured Goods - Ferro Alloys	14,901.23	24,802.98
Sale of Raw Materials		
Manganese Ore	4,500.30	2,484.70
Coal & Coke	33.61	24.45
Sale of Traded Goods		
Iron and Steel Products	8,243.33	24,026.05
Other Operating Revenues		
Export Incentives	444.19	963.95
	28,122.66	52,302.13

Notes to and forming part of the Financial Statements as at 31st March, 2016

(₹ in Lacs)

	31.03.2016	31.03.2015
NOTE 21 OTHER INCOME		
Interest Income		
- On Fixed Deposits	36.09	190.47
- On others	15.80	-
Foreign Exchange Fluctuation Gain	-	25.55
Sale of Scrap	45.52	46.10
Commision Income	21.72	42.65
Rent Income	2.00	-
	121.12	304.77

	31.03.2016	31.03.2015
NOTE 22 COST OF MATERIALS CONSUMED		
(Including cost of raw material sold)		
Raw materials at the beginning of the year	8,483.16	8,582.59
Add : Purchases	10,491.17	16,866.44
	18,974.34	25,449.02
Less : Raw materials at the end of the year	4,560.92	8,483.16
	14,413.42	16,965.86

Details of Raw Materials Consumed		
Manganese Ore	6,791.93	11,214.41
Coal and Coke	2,776.68	2,674.75
Dolomite	26.94	16.42
Others	120.36	561.56
	9,715.90	14,467.12

Details of Cost of Raw Materials Sold		
Manganese Ore	4,146.65	1,943.73
Coal and Coke	488.18	443.61
Others	62.69	111.39
	4,697.51	2,498.73

	31.03.2016	31.03.2015
NOTE 23 PURCHASES OF STOCK-IN-TRADE		
Iron and Steel Products	8,291.84	23,849.09
	8,291.84	23,849.09

	31.03.2016	31.03.2015
NOTE 24 CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS		
Inventories at the beginning of the period		
Finished Goods	592.16	365.14
Work-In-Progress	2,750.13	3,205.91
	3,342.29	3,571.06
Inventories at the closing end of the period		
Finished Goods	62.86	592.16
Work-In-Progress	3,405.73	2,750.13
	3,468.59	3,318.62
Less: Excise Duty on increase/ (Decrease) of Finished Goods #	16.68	23.66
	(142.97)	252.43

Excise duty on Inventories represents differential excise duty on opening and closing stock of finished goods.

Notes to and forming part of the Financial Statements as at 31st March, 2016

(₹ in Lacs)

	31.03.2016	31.03.2015
NOTE 25 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages & Bonus	408.11	435.98
Contribution to Provident & Other Funds	27.37	35.35
Staff Welfare Expenses	6.77	7.34
	442.26	478.67

	31.03.2016	31.03.2015
NOTE 26 FINANCE COSTS		
Interest Expense	3,266.42	2,689.94
Other Borrowing Costs	157.71	343.71
	3,424.13	3,033.65

	31.03.2016	31.03.2015
NOTE 27 OTHER EXPENSES		
Consumption of Stores and Spare Parts	656.83	768.57
Packing Materials	31.84	62.77
Power [Refer Note (a) below]	6,200.91	8,848.28
Rent	6.02	6.52
Rates & Taxes	10.00	7.01
Repairs & Maintenance		
- Building	14.74	15.50
- Plant and Machinery	14.32	17.95
- Others	2.75	5.04
Insurance	33.58	36.98
Manufacturing Expenses	405.96	305.06
Vehicle Hire & Maintenance Charges	77.80	119.10
Directors' Sitting Fees	0.83	1.25
Auditors' Remuneration [Refer Note (b) below]	11.20	5.99
Travelling & Conveyance	19.09	18.59
Commission	4.75	10.25
Legal & Professional Charges	37.66	70.38
Security Charges	96.70	108.36
Miscellaneous Expenses	98.34	60.30
Rebates and Discounts	5.19	23.05
Freight & Forwarding	540.96	1,067.63
Testing Charges	21.01	26.57
Loss on sale of DEPB	-	-
Foreign Exchange Fluctuation Loss	4.77	-
	8,295.23	11,585.14

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

	31.03.2016	31.03.2015
Cost of Materials Consumed - Coal, Coke and Dolochar		
Inventory at the beginning of the year	8.04	332.47
Add: Purchases during the year	54.22	0.31
Less: Transferred to Ferro alloys division	-	324.74
Less: Inventory at the end of the year	5.72	8.04
Consumption	56.54	-
Consumption of Stores and Spares	32.28	3.13

Notes to and forming part of the Financial Statements as at 31st March, 2016

(₹ in Lacs)

	31.03.2016	31.03.2015
NOTE 27 OTHER EXPENSES (Contd.)		
Repairs & Maintenance		
- Building	-	1.50
- Plant and Machinery	0.08	11.45
- Others	14.88	0.94
Material Handling Expenses	-	-
Vehicle Hire & Maintenance Charges	2.39	1.86
Miscellaneous Expenses	-	0.15
	106.18	19.04

b) Auditor's Remuneration

	31.03.2016	31.03.2015
i) To Statutory Auditor		
a) For Audit (including Tax Audit)	5.15	4.74
b) For Certification work & other services	2.30	0.55
ii) To other Auditors	3.75	0.70
	11.20	5.99

NOTE 28 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 of Rs. 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.
- 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 has to be converted into equity.

Notes to and forming part of the Financial Statements as at 31st March, 2016

NOTE 29 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 2016 - ₹ NIL (Previous Year ₹ 587.38 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 ₹ 20.92 Lacs) under protest.
- Sales Tax Demand disputed in appeal for the Financial year 2005-06, 2006-07, 2008-09 & 2009-10 aggregates to ₹ 1743.67 Lacs (Previous Year ₹ 1743.67 Lacs). The Company has paid a sum of ₹ 104.56 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 ₹ 2650.16 Lacs (Previous Year ₹ 2964.20 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 ₹ 2154 lacs.

(₹ in Lacs)

	31.03.2016	31.03.2015
NOTE 30 FOREIGN EXCHANGE EARNINGS AND OUTGO		
Foreign Exchange Earnings :		
F.O.B. Value of Exports	11,899.53	17,844.86
CIF Value of Imports:		
Raw Materials	4,239.85	7,834.84
Expenditure in Foreign Currency :		
Sales Commission	4.01	-
Compensation	28.88	1.76

	31.03.2016		31.03.2015	
	%	(₹ in Lacs)	%	(₹ in Lacs)
NOTE 31 BREAK UP INTO IMPORTED & INDIGENEOUS				
a) Cost of Materials Consumed :				
Indigenous	30.40%	2,953.37	64.86%	11,003.51
Imported	69.60%	6,762.53	35.14%	5,962.35
	100.00%	9,715.90	100.00%	16,965.86
b) Stores, Spares & Consumables :				
Indigenous	100%	689.11	100.00%	771.70
Imported	-	-	-	-
	100.00%	689.11	100.00%	771.70

NOTE 32 AMOUNTS RECEIVABLE / PAYABLE IN FOREIGN CURRENCY

- Forward contracts/hedging instruments outstanding as at the Balance Sheet date are ₹ Nil. (P.Y. ₹ NIL).
- Particulars of unhedged foreign currency exposures as at 31.03.16 are as follows:

Particulars	Currency	31.03.2016	31.03.2015
Amount payable in foreign currency	USD Lacs	5.52	5.66
Amount receivable in foreign currency	USD Lacs	0.27	7.45

Notes to and forming part of the Financial Statements as at 31st March, 2016

NOTE 33

The current and non-current assets, in the opinion of the management, have a value on realization 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. Certain Balances of the sundry creditors, sundry debtors, unsecured loans and advances are subject to confirmation and reconciliation. The reported financials might have consequential impact once the reconciliation is completed, the quantum where of remains unascertained.

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 :

Particulars	31.03.2016	31.03.2015
Employer's Contribution to Provident and Other Funds	26.65	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, 2016, which recognizes 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.

Particulars	Gratuity (Funded)	
	31.03.2016	31.03.2015
(i) Reconciliation of Opening and Closing Balances of the present value of Defined Benefit Obligation:		
Defined Benefit obligation at beginning of the year	48.20	36.86
Current Service Cost	7.45	7.92
Interest Cost	3.74	2.85
Actuarial (Gain)/Loss	(3.99)	3.06
Benefits paid	(0.60)	(2.48)
Defined Benefit obligation at the year end	54.80	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	74.26	56.60
Expected return on plan assets	5.94	5.05
Actuarial Gain/(Loss)	0.53	0.01
Employers' contribution	-	15.07
Benefits paid	(0.60)	(2.48)
Fair value of plan assets at the year end	80.13	74.26
Actual return on plan assets	6.47	5.07
(iii) Reconciliation of fair value of assets and obligation:		
Fair value of plan assets	80.13	74.26
Present value of obligation	54.80	48.20
	25.33	26.05
(iv) Expenses recognised during the year in the Statement of Profit & Loss:		
Current Service Cost	7.45	7.92
Interest Cost	3.74	2.85
Expected return on plan assets	(5.94)	(5.05)
Actuarial (Gain)/Loss	(4.52)	3.04
Net Cost (recognised in "Contribution to Provident & Other Funds" under Note No. 25)	0.72	8.75
(v) Break-up of Plan Assets as a percentage of total plan assets:		
Insurer Managed Funds	100%	100%

Notes to and forming part of the Financial Statements as at 31st March, 2016

(₹ in Lacs)

Particulars	Gratuity (Funded)	
	31.03.2016	31.03.2015
NOTE 34 EMPLOYEE BENEFITS (Contd.)		
(vi) Actuarial Assumptions:		
Mortality Table (IAL)	IALM 2006-08 ULTIMATE	IALM 2006-08 ULTIMATE
Discount rate (per annum)	7.80%	8.00%
Expected return on plan assets (per annum)	8.00%	8.93%
Rate of escalation in salary (per annum)	10%F5Y & 6%TA	10%F5Y & 6%TA

(vii) Other Disclosures	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Defined Benefit Obligation	54.80	48.20	36.86	22.78	20.50
Plan Assets	80.13	74.26	56.60	32.34	25.09
Surplus/(Deficit)	25.33	26.05	19.74	9.56	4.59
Experience Adjustment on Plan Liabilities	(5.30)	(3.10)	(5.81)	(3.37)	(1.67)

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.

NOTE 35 INVESTMENT IN JOINT VENTURE

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

Name of the entity : SKP Mining Private Limited

Country of Incorporation : India

Percentage of ownership interest : NIL as at 31st March, 2016

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

During the year the Company has sold its stake in SKP Mining Pvt Ltd & hence Joint Venture in the name of SKP Mining Pvt Ltd with M/S Ankit Metal & Power Ltd has ceased to exist during the year ended 31st March 2016.

(₹ in Lacs)

Particulars	31.03.2016	31.03.2015
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.

(₹ in Lacs)

Particulars	31.03.2016	31.03.2015
Segment Revenue		
Ferro Alloys	18,952.52	26,554.14
Iron and Steel	8,243.33	24,026.05
Power	153.52	-
	27,349.37	50,580.19
Less: Inter Segment Revenue	153.52	-
Total	27,195.85	50,580.19

Notes to and forming part of the Financial Statements as at 31st March, 2016

(₹ in Lacs)

Particulars	31.03.2016	31.03.2015
Segment Reporting (Contd.)		
Segment Results (Profit before Finance Cost & Tax)		
Ferro Alloys	(4,308.89)	(2,865.09)
Iron and Steel	(48.52)	176.96
Power	(355.66)	(421.86)
Total	(4,713.06)	(3,109.99)
Finance Costs	3,424.13	3,033.65
Profit before tax	(8,137.19)	(6,143.65)
Less: Tax Expenses	-	-
Profit after tax	(8,137.19)	(6,143.65)

Other Information

Particulars	Assets	Liabilities	Capital Expenditure	Depreciation	Non-cash Expenses (other than Depreciation)
For the Financial Year 2015-16					
Ferro Alloys	20,359.77	17,861.22	105.94	326.34	-
Iron and Steel	17,740.84	7,111.94	-	-	-
Power	14,548.45	854.36	-	403.92	-
Unallocated	266.28	-	1.31	-	-
Total	52,915.34	25,827.52	107.25	730.26	-
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	-

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	31.03.2016	14,765.43	52,898.16	108.46
	Year ended	31.03.2015	31,164.87	58,969.79	11.27
Outside India	Year ended	31.03.2016	12,430.42	17.18	-
	Year ended	31.03.2015	19,415.32	472.40	-
Total	Year ended	31.03.2016	27,195.85	52,915.34	108.46
	Year ended	31.03.2015	50,580.20	59,442.19	11.27

Notes to and forming part of the Financial Statements as at 31st March, 2016

NOTE 37 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 :
- Subham Complex Private Limited
Relybulls Derivatives & Commodities Private Limited
SKP Power Ventures Limited
SKP Aviation Services Limited
A. B. Infratel Private Limited
SBM Steels Private Limited
Gajkarna Merchandise Private Limited
Gajavakra Merchandise Private Limited
Gannath Commerce Private Limited
Mahabala Merchants Private Limited
Marble Arch Properties Private Limited
Narmada River Resources Private Limited
- (d) Enterprises owned or significantly Influenced by the Key Managerial Personnel or their relatives:
- Ankit Metal & Power Limited
Impex Metal & Ferro Alloys Limited
Rohit Ferro-Tech Limited
Suanvi Trading & Investment Co Private Limited
Shreyansh Leafin Private Limited
SKP Overseas Pte Ltd.
Vasupujya Enterprises Private Limited
Whitestone Suppliers Private Limited
Astabhuj Properties Private Limited
- (ii) Transactions with related parties referred to above, in ordinary course of the business, are as under:

	(₹ in Lacs)	
Particulars	31.03.2016	31.03.2015
Managerial Remuneration		
Suresh Kumar Patni	12.00	12.00
Satish Kumar Singh	9.00	9.00
Purchase of Goods		
Ankit Metal & Power Limited	10.96	3,142.25
Impex Metal & Ferro Alloys Limited	338.01	723.89
Rohit Ferro-Tech Limited	1,865.94	6,376.83
Purchases of Capital Goods		
Ankit Metal & Power Limited	-	12.97
Sales of Finished Goods		
Ankit Metal & Power limited	248.68	3,389.56
Impex Metal & Ferro Alloys Limited	426.90	1,115.72
Rohit Ferro-Tech Limited	1,557.49	2,904.62

Notes to and forming part of the Financial Statements as at 31st March, 2016

(₹ in Lacs)

Particulars	31.03.2016	31.03.2015
NOTE 37 RELATED PARTY DISCLOSURE (Contd.)		
Purchase of DEPB Licence	16.71	35.99
Impex Metal & Ferro Alloys Limited		
Rohit Ferro-Tech Limited	20.10	10.21
Sale of DEPB Licence		
Rohit Ferro-Tech Limited	132.59	249.83
Impex Metal & Ferro Alloys Limited	-	12.41
Sitting Fees		
Mr. Ankit Patni	0.23	0.27
Unsecured Loan		
Astabhuja Properties Pvt. Ltd.	168.00	1,335.50
Suresh Kr. Patni	-	112.00
Rohit Patni	-	100.00
Ankit Patni	60.00	145.00
Advances Given, Refunded Back		
SKP Overseas Pte Ltd.	-	163.31
Outstanding Balances as at 31.03.2016		
Trade Receivable		
Ankit Metal & Power Limited	354.52	95.30
Impex Metal & Ferro Alloys Limited	1,073.65	1,368.40
Trade Payable		
Rohit Ferro-Tech Limited	2,325.40	2,774.06
Investment In Equity Shares		
SKP Mining Private Limited	-	5.00
Unsecured Loan		
Astabhuja Properties Pvt. Ltd.	218.00	1,285.50
Suresh Kr. Patni	112.00	112.00
Rohit Patni	100.00	100.00
Ankit Patni	205.00	145.00

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.

Particulars	31.03.2016	31.03.2015
NOTE 38 EARNINGS PER SHARE		
Weighted average number of Equity Shares outstanding during the year	832.76	815.97
Number of Shares Considered as weighted average shares and potential shares outstanding for calculation of Diluted Earnings Per Share	832.76	815.97
Profit after Tax attributable to Equity Shareholders (Rs. in Lacs)	(8,137.19)	(6,143.65)
Nominal Value of Ordinary Shares (₹)	10.00	10.00
Earnings Per Share (Basic) (₹)	(9.77)	(7.53)
Earnings Per Share (Diluted) (₹) (Refer Note below)	(9.77)	(7.53)

Note: Pursuant to CDR package, the Company has allotted 63.35 lacs equity shares on 26th December, 2015 of ₹ 10 each at a price of ₹ 20 per share (including a premium of ₹ 10 per share) on preferential basis to Astabhuja Properties Private Limited, promoter group company as per SEBI (Issue of Capital and Disclosure Requirements) Regulations and the same has been considered in the calculation of weighted average no. of shares outstanding during the year.

Notes to and forming part of the Financial Statements as at 31st March, 2016

NOTE 39

The operations of the Company are severely impacted by weak steel industry scenario and lack of demand for Company's finished product. Lower utilisation of capacity and drop in finish goods price realisation has impacted the topline as well as bottom line of the company. The Company has incurred loss of ₹ 8137.00 Lacs for year ended 31.03.2016. The accumulated loss as on 31st March, 2016 is ₹ 14,486.45 Lacs which is in excess of the entire net worth of the Company. The lenders of the Company has approved CDR package as a part of its financial revival process. 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 emerging scenario of steel industry in India, the management is of view of foreseeable future about the operations of the Company and accordingly 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, May 30, 2016

For and on behalf of the Board

Suresh Kumar Patni

Managing Director

Ankit Patni

Director

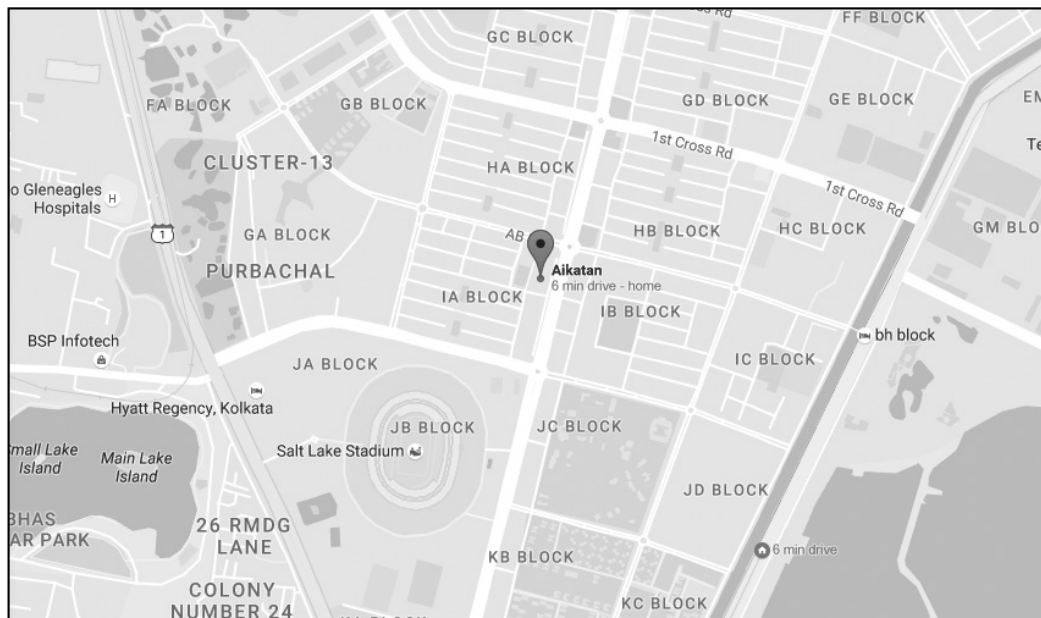
Richa Agarwal

Company Secretary

S. K. Gupta

Chief Financial Officer

ROAD MAP OF AGM VENUE



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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