



# CHITRAKOOT STEEL AND POWER PVT.LTD.

Registered Office : Apex Plaza, 1st Floor, # 3, Nungambakkam High Road, Chennai - 600 034.

Phone : 61991060 Fax : 61991066 e-mail : tulsyanneold@vsnl.net. tulsyannecc@gmail.com

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 17<sup>th</sup> Annual General Meeting of Chitrakoot Steel and Power Private Limited will be held on Monday, 28<sup>th</sup> September, 2020 at 11.00 a.m. at the Registered office of the Company situated at 1st Floor, Apex Plaza, Old No.3, New No.77, Nungambakkam High Road, Chennai-600034, Tamil Nadu, to transact the following business:

### ORDINARY BUSINESS

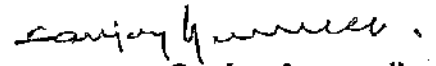
1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2020 and the Reports of the Directors and Auditors thereon.
2. Re-appointment of Statutory Auditors for the FY 2020-21.

To consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of sections 139, 141 and 142(1) and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the retiring auditors, Messrs. C.A. Patel & Patel, Chartered Accountants (FRN: 005026S), Chennai, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration as may be decided by the Board of Directors in addition to the out of pocket expenses as may be incurred by them during the course of the Audit for the financial year ending March 31, 2021."

By Order of the Board  
For Chitrakoot Steel and Power Private Limited

Place: Chennai  
Date: 29<sup>th</sup> July, 2020

  
Sanjay Agarwalla  
Director  
(DIN 00632864)

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THAT SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
2. The Proxy form duly filled in should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. All alterations/corrections made in the form of Proxy should be initialed by the Member.
3. As per Section 113 of the Companies Act, 2013, Corporate Members intending to send their representatives to attend the meeting are requested to send the Company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. As per Secretarial Standards-2 (SS-2), Attendance Slip and a Proxy Form are attached with the Notice hereunder as an **Annexure-1 & 2** respectively.
5. As per Secretarial Standards-2 (SS-2), Route Map for easy access to location of the venue of the Meeting is attached herein as an **Annexure-3**.
6. Pursuant to Sections 101(1) and 136 of the Companies Act, 2013 of the Companies Act, 2013 read with Rule 18 of Companies (Management & Administration) Rules, 2014, as amended from time to time, companies can now send notice of the ensuing Annual General Meeting to their Members, Auditors and Directors / documents including the Annual Report to their Members through electronic mode, to their e-mail addresses registered with the Company. Members who would like to receive such notices / documents including the Annual Report in electronic mode in lieu of physical copy and who have not registered their e-mail addresses so far or who would like to update their e-mail addresses already registered with the Company, are requested to register/update their e-mail addresses by sending a request at [investor@tulsyanec.in](mailto:investor@tulsyanec.in) , mentioning therein their folio number and e-mail address so as to enable the Company to send the Notice of the General Meeting and Annual Report through Electronic Mode to their registered e-mail addresses.

**ATTENDANCE SLIP**

**17<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON MONDAY, 28<sup>TH</sup> SEPTEMBER, 2020 AT 11.00 A.M.**

Reg. Folio No. / Client ID	
DP ID	
No. of Shares	

I hereby record my presence at the 17th Annual General Meeting of the Company to be held at the Registered Office of the Company at 1st Floor, Apex Plaza, Old No.3, New No.77, Nungambakkam High Road, Chennai-600034, at 11.00 a.m. on Monday, 28<sup>th</sup> September, 2020.

Name of the Member / Proxy Holder / Representative	
Address of the Member / Proxy Holder / Representative	
Signature of the Member / Proxy Holder / Representative	

**Notes:**

1. Only Member/ Proxy holder / Representative can attend the Meeting.
2. Please complete the Folio No./DP ID No./Client ID No. and name of the Member/Proxy holder/ Representative and sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
3. A Member/Proxy holder/Representative attending the meeting should bring copy of the Notice for reference at the meeting.

**Form MGT-11****Proxy form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Company : Chitrakoot Steel and Power Private Limited  
 CIN : U28999TN2003PTC051803  
 Registered office: : 1st Floor, Apex Plaza, Old No.3, New No.77 Nungambakkam High Road, Chennai-600034

Name of the member(s)
Registered Address
E-mail ID
Folio No/Client ID
DP ID

I/We, being the member(s) holding \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail ID : \_\_\_\_\_  
 Signature : \_\_\_\_\_
- \_\_\_\_\_ or failing him
2. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail ID : \_\_\_\_\_  
 Signature : \_\_\_\_\_

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 17<sup>th</sup> Annual General Meeting of the Company to be held on Monday, 28<sup>th</sup> September, 2020 at 11.00 a.m. at 1st Floor, Apex Plaza, Old No.3, New No.77, Nungambakkam High Road, Chennai-600034 and at any adjournment thereof in respect of such resolutions as indicated below:

Resolution No.	Description	Optional	
		For	Against
1	To receive, consider and adopt the audited financial		

	statements of the Company for the financial year ended March 31, 2020 and the Reports of the Directors and Auditors thereon.		
2	Re-appointment of Statutory Auditors for the FY 2020-21.		

Signed this ..... day of ..... 2020

Signature of shareholder: .....

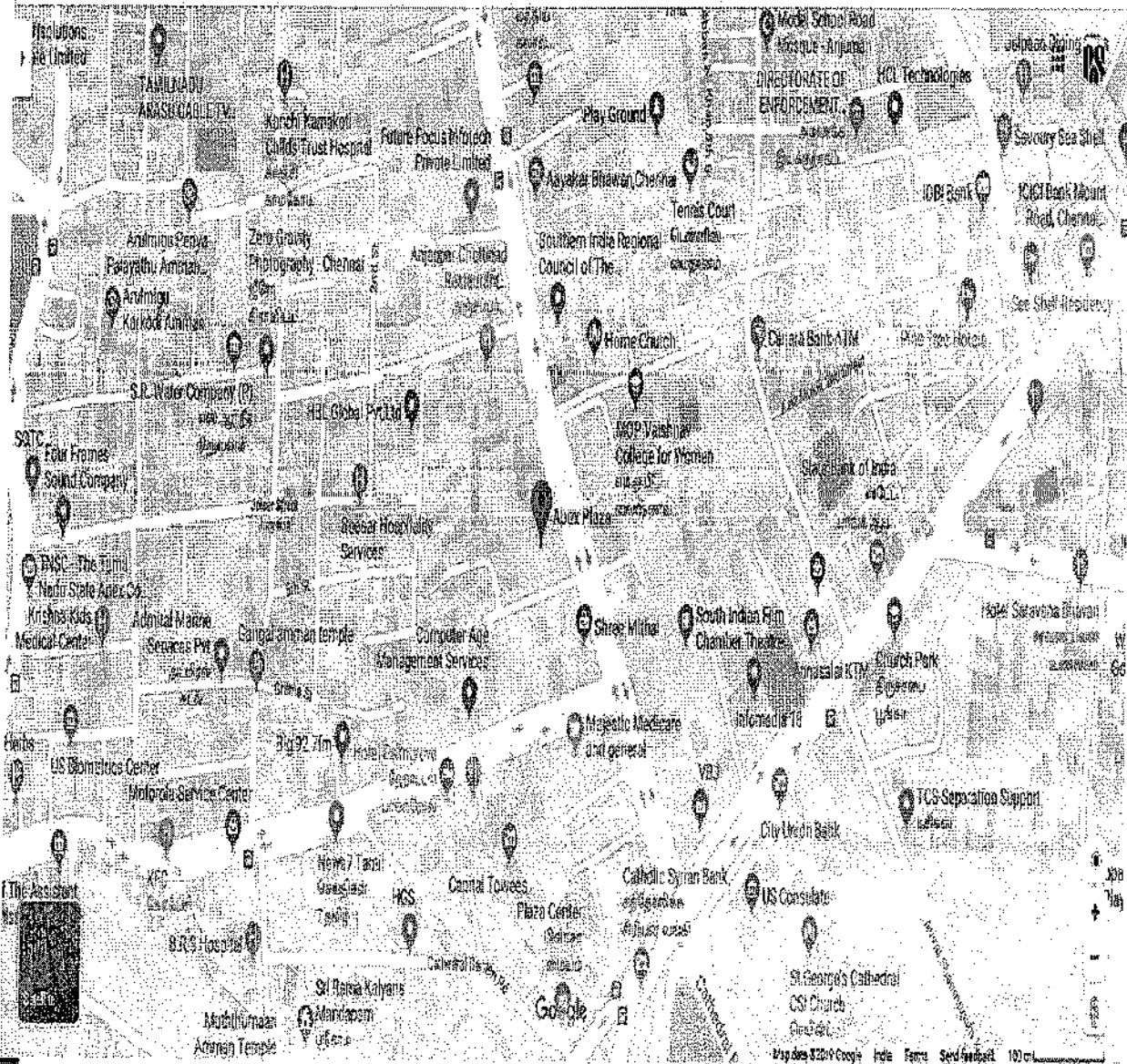
Signature of Proxy holder(s): .....

Affix Revenue Stamp
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Note:

1. This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting;
2. It is an optional to indicate your preference. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she think appropriate;
3. Members may note that a person shall not act as a Proxy for more than 50 members and holding in aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a Proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a Proxy for any other person.

ROUTE MAP





# CHITRAKOOT STEEL AND POWER PVT.LTD.

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Phone : 61991060 Fax : 61991066 e-mail : tulsyannecltd@vsnl.net. tulsyannecc@gmail.com

## Boards' Report

To  
The Shareholders of Chitrakoot Steel and Power Private Limited

Your Directors have pleasure in presenting the Board's Report of your Company together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2020.

### FINANCIAL HIGHLIGHTS

Particulars	Year ended 31.03.2020 (In Rs.)	Year ended 31.03.2019 (In Rs.)
Gross Income	36,01,57,208	18,87,65,174
Gross Expenses	30,32,87,009	12,71,04,815
Profit/Loss for the year (After tax)	6,86,53,095	4,03,74,006

### STATE OF COMPANY'S AFFAIRS

During the financial year under review, the performance of your company was quite satisfactory as it has earned a net profit of Rs.6,86,53,095 as compared to a net profit of Rs.4,03,74,006 in the preceding financial year. Turnover of your company was Rs.35,91,42,713 as compared to Rs.18,87,26,874 in the preceding financial year. However, total expenses incurred by the company during the financial year were comparatively high as compared to the previous year. Your company has incurred total expenses of Rs.30,32,87,009 as compared to Rs.12,71,04,815 in the preceding financial year.

### INDUSTRIES SCENARIO AND BUSINESS OUTLOOK

The vision of the company is to expand its existing business.

### CHANGE IN NATURE OF BUSINESS, IF ANY

There were no changes in the company's nature of business during the year under review.

### DIVIDEND

Your Directors has not recommended any dividend for the financial year ended 31<sup>st</sup> March, 2020.

### TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

No Amount was transferred to Reserves during the financial year ended 31<sup>st</sup> March, 2020.

### INFORMATION ABOUT SUBSIDIARY / JV / ASSOCIATE COMPANY

Your Company does not have any Subsidiary, Joint venture or Associate Company as on the date of this report.

### TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There was no unpaid/unclaimed dividend to be transferred to IEPF Account for the financial year ended 31<sup>st</sup> March, 2020.

Works : Survey No.77, Thandalacherry Road, Next to TCP Ltd, New Gummidpoondi - 601 201.

Tel. : 27921541 / 42 Fax : 27921543 CIN U28999TN2003 PTC 051803

#### **MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relates till the date of this report.

#### **EXTRACT OF ANNUAL RETURN**

An Extract of Annual Return for the financial year ended 31<sup>st</sup> March, 2020 as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith as an "Annexure-1."

#### **MEETINGS OF THE BOARD OF DIRECTORS**

During the Financial Year ended 31<sup>st</sup> March, 2020, five Board meetings were held in accordance with the provisions of Section 173 of the Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

Sl.No.	Date of Meeting	Board Strength	No. of Directors Present
1	25/05/2019	4	4
2	24/06/2019	4	4
3	14/08/2019	4	4
4	14/11/2019	4	4
5	14/02/2020	4	4

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a) In the preparation of the annual accounts for the financial year 31<sup>st</sup> March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2020 on a going concern basis; and
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

#### **INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY**

The Company has adequate internal control system commensurate with the size of the Company and nature of its business with regard to the purchase of inventories, fixed assets and sale of goods and services.

#### **STATUTORY AUDITORS AND THEIR REPORT**

The Auditors, M/s. C.A. Patel & Patel, Chartered Accountants, Chennai, retiring at the ensuing Annual General Meeting and, being eligible have offered themselves for reappointment for a period of one year from the conclusion of the ensuing Annual General Meeting [AGM] till the conclusion of the next AGM.

The Statutory Auditors of your Company have expressed the following qualified opinion in the Audit report as detailed hereunder:-

There are no Dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the Company on account of disputes, except for the following:



Serial No.	Particulars	Amount (Rs. in Lakhs)	Forum where the dispute is pending	Relevant Financial year
1	Penalty & fine for non maintenance of proper records under central Excise-RG23A	8.61	SVLDR, Chennai	2019-20
2	Penalty for non-payment of Excise duty on Dolochar	1.59	SVLDR, Chennai	2019-20

**Reply to Auditor's Qualification:**

The dues are still pending. However, the Management is taking the necessary efforts in order to clear the dues at earliest.

**LOANS, GUARANTEES AND INVESTMENTS**

The details of Loans, guarantees or investments made by the Company during the year under review are in compliance with the provisions of section 185 and 186 of the Companies Act, 2013 and the details of the same are given in notes to financial statements which forms part of the annual report.

**RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto has been disclosed in **Form No. AOC-2** in compliance with the provisions of section 134 of the Companies Act, 2013 and is annexed herewith as an "**Annexure-2**".

**PARTICULARS OF EMPLOYEES:**

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**

Particulars as per the provisions of section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended on 31<sup>st</sup> March, 2020.

**A. Conservation of Energy & Technology Absorption**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

**B. Foreign Exchange Earnings And Outgo**

There were no foreign exchange earnings and outgo during the financial year under review.

**RISK MANAGEMENT**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year, there was no change in the constitution of the Board of Directors of your Company.

**DEPOSITS**

During the year, the company has not accepted any deposits within the meaning of section 73 to 76 of the Companies Act, 2013.

**SHARE CAPITAL**

The paid-up equity share capital of the Company as on 31st March, 2020 was Rs.6,48,92,000.

**a. BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

**b. SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

**c. BONUS SHARES**

No Bonus Shares were issued during the year under review.

**d. EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees.

**SIGNIFICANT / MATERIAL ORDER PASSED BY THE REGULATORS**

No such significant and material orders have been passed by any regulators / courts / tribunals against the Company which will impact the going concern status and Company's operation in future.

**SEXUAL HARASSMENT OF WOMEN AT WORK PLACE**

Regarding the Sexual Harassment of Women at work place (Prevention, Prohibition & Redressal) Act, 2013, the Company has constituted the Internal Complaints Committee. No complaints were received or disposed off during the year under the above Act.

**GENERAL**

The Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).


Further, as per the requirement under the Companies (Accounts) Amendment Rules, 2018, a disclosure regarding maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company.

**ACKNOWLEDGEMENT**

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

**By Order of the Board  
For Chitrakoot Steel and Power Private Limited**

Place: Chennai  
Date: 29<sup>th</sup> July, 2020

  
Sanjay Tulsyan  
Director  
(DIN: 00632802)

  
Sanjay Agarwalla  
Director  
(DIN: 00632864)



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Annexure-1

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2020

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

## I. REGISTRATION & OTHER DETAILS:

1.	CIN	U28999TN2003PTC051803
2.	Registration Date	21/10/2003
3.	Name of the Company	Chitrakoot Steel and Power Private Limited
4.	Category/Sub-category of the Company	Private Company Limited by Shares Non-govt Company
5.	Address of the Registered office & contact details	1st Floor, Apex Plaza, Old No.3, New No.77 Nungambakkam High Road, Chennai-600034 Phone: 044-61991060; Fax: 044-61991066 Email: investor@tulsyannecc.in
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NIL

## 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)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of Sponge Iron	2410	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1	Tulsyan NEC Limited 1st Floor, Apex Plaza, Old No.3, New No.77	L28920TN1947PLC007437	Holding Company	100	2(46)

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category-wise Share Holding

Works : Survey No.77, Thandalacherry Road, Next to TCP Ltd, New Gummidpoondi - 601 201.  
Tel. : 27921541 / 42 Fax : 27921543 CIN U28999TN2003 PTC 051803



ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	0	6489200	6489200	100	0	6489200	6489200	100	NIL

#### B) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Tulsyan NEC Limited	6489190	100	NIL	6489190	100	NIL	NIL
2	Sanjay Tulsyan (holding on behalf of Tulsyan NEC Limited)	10	0	NIL	10	0	NIL	NIL

#### C) Change in Promoters' Shareholding: Nil

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the	No. of shares	% of total shares of the company

		company			
	At the beginning of the year	6489200	100	6489200	100
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	6489200	100	6489200	100

**D) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs): Nil**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	0	0	0	0

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sanjay Tulsyan (holding on behalf of Tulsyan NEC Limited)				
	At the beginning of the year	10	0	10	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	10	0	10	0

**V. INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs. In lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	19,64,59,000	2,54,16,618	-	22,18,75,618
ii) Interest due but not paid	20,35,513	-	-	20,35,513

iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	19,84,94,513	2,54,16,618	-	22,39,11,131
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	(20,35,513)	-	-	(20,35,513)
<b>Net Change</b>	(20,35,513)	-	-	(20,35,513)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	19,64,59,000	2,54,16,618	-	22,18,75,618
ii) Interest due but not paid	20,37,154	-	-	20,37,154
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	19,84,96,154	2,54,16,618	-	22,39,12,772

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-


- A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **NIL**
- B. Remuneration to other Directors - **NIL**
- C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD - **NIL**

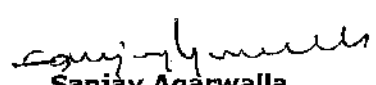
#### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment					
Compounding					

By Order of the Board  
For Chitrakoot Steel and Power Private Limited

Place: Chennai  
Date: 29<sup>th</sup> July, 2020

  
Sanjay Tulsyan  
Director  
(DIN: 00632802)

  
Sanjay Agarwalla  
Director  
(DIN: 00632864)



# CHITRAKOOT STEEL AND POWER PVT.LTD.

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Phone : 61991060 Fax : 61991066 e-mail : tulsyannecltd@vsnl.net. tulsyannecc@gmail.com

Annexure-2

## Form No. AOC-2

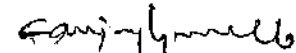
*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis given hereunder;
  - (a) Name(s) of the related party and nature of relationship: Tulsyan NEC Limited, Holding Company.
  - (b) Nature of contracts/arrangements/transactions: Purchase / Sale of Raw materials and providing of job work relating to manufacturing activity.
  - (c) Duration of the contracts / arrangements/transactions: From 08-08-2018 to conclusion of the 74<sup>th</sup> AGM of Tulsyan NEC Limited.
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Contract value not exceeding Rs. 250 Crores in aggregate.
  - (e) Date(s) of approval by the Board, if any: 15.06.2018.
  - (f) Amount paid as advances, if any: Nil.

By Order of the Board  
For Chitrakoot Steel and Power Private Limited

Place: Chennai  
Date: 29<sup>th</sup> July, 2020

  
Sanjay Tulsyan  
Director  
(DIN: 00632802)

  
Sanjay Agarwalla  
Director  
(DIN: 00632864)





# C.A. PATEL & PATEL

Chartered Accountants  
442 (Old No. 602), Anna Salai,  
"A" Wing Ground Floor, No. 4,  
Parsn Manere, Chennai – 600 006.

## INDEPENDENT AUDITOR'S REPORT

To  
The Members  
Chitrakoot Steel and Power Private Limited.

### Report on the Audit of the Standalone Ind AS Financial Statements

#### Opinion

1. We have audited the accompanying standalone Ind AS financial statements of Chitrakoot Steel and Power Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the

financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters.**

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. Reporting of key audit matters as per SA 701, key audit matters are not applicable to the company as it is an unlisted company.

**Information other than the financial statements and Auditor's Report thereon**

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the standalone financial statements**

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the financial statements**

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be

expected to influence the economic decisions of users taken on the basis of these financial statements.

11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the ss of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on other Legal and Regulatory Requirements**

16. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
17. Further to our comments in Annexure A, 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 purpose 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 standalone financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;

e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act;

f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report as per Annexure B expressed an unmodified opinion;

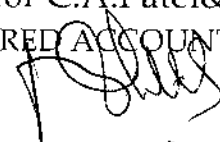
g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020

for C.A.Patel&Patel  
CHARTERED ACCOUNTANTS



Bhavesh N Patel.

Proprietor

Membership No: 026669

Chennai

Date : 29<sup>th</sup> July, 2020

### **Annexure A to the Independent Auditor's Report**

Referred to in paragraph 2 under 'Report On Other Legal and Regulatory Requirements' section of our report to the members of Caplin Point Laboratories Limited of even date:

- i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets were physically verified during the year and no material discrepancies were noticed on such verification.

The title deeds of immovable properties included in fixed assets are held in the name of the Company. In respect of immovable properties been taken on lease and disclosed as property, plant and equipment in the standalone Ind AS financial statements, the lease agreements are in the name of the Company.

- ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- v) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act,

any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

- vi) In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the companies (Cost Records and Audit ) Rules ,2014 specified by the Central Government of India under Section 148 of the Companies Act,2013 are not applicable to the company for the year under audit.
- vii) a) The Company is regular in depositing undisputed statutory dues with appropriate authorities like Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Goods and Services tax, duty of Customs, duty of Excise, Value added tax, Cess and other material statutory dues, as applicable , with the appropriate authorities. Further no undisputed amounts payable in respect thereof were outstanding at the year end for a period of more than six months from the date they became payable.
- b) There are no dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the Company on account of disputes, except for the following:

Serial No.	Particulars	Amount (Rs.in Lakhs)	Forum where the dispute is pending	Relevant Financial year
1	Penalty & Fine for Non maintenance of proper records under Central Excise – RG 23A.	8.61	SVLDR,Chennai	2019-20
2	Penalty for Non Payment of Excise Duty on Dolochar.	1.59	SVLDR,Chennai	2019-20

viii) In our opinion and according to the information and explanation given to us, the company has not defaulted in the repayment of loans and borrowings to financial institutions, banks and government and dues to debenture holders.



ix) Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order is not applicable to the Company

x) In our opinion and according to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi) The Company is a private limited company and hence provisions of Section 197 read with Schedule V to the Act are not applicable.

xii) The Company is not a Nidhi Company and hence, reporting under clause 3(xii) is not applicable.

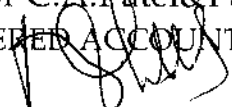
xiii) All the transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

xv) The Company has not entered into non-cash transactions with its directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

for C.A. Patel & Patel  
CHARTERED ACCOUNTANTS



Bhavesh N Patel  
Proprietor

Membership No: 026669

Place : Chennai

Date : 29<sup>th</sup> July, 2020

**Annexure B To The Independent Auditor's Report of even date To The Members of Chitrakoot Steel and Power Private Limited, on The standalone financial statements for The year ended 31 March 2020**

**Annexure B**

Independent Auditor's report on the Internal financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (the "Act")

1. In conjunction with our audit of the standalone financial statements of Chitrakoot Steel and Power Private Limited (the "Company") as at and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company as of that date.

**Management's Responsibility for Internal financial Controls**

2. The Company's Board of Directors 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 (the "Guidance Note") 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 the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility:**

3. 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 Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting and the Guidance Note issued by the ICAI. 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 were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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.
5. 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 over financial reporting.

#### **Meaning of Internal financial Controls over financial Reporting**

6. A Company's internal financial controls 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 controls 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal financial Controls over financial Reporting**

7. 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

internal financial controls 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**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, 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 issued by the ICAI.

for M/s C.A.Patel&Patel  
CHARTERED ACCOUNTANTS



Bhavesh N patel  
Proprietor

Membership No: 026669

Place : Chennai

Date : 29<sup>th</sup> July, 2020

Name of the Company : CHITRAKOOT STEEL AND POWER PRIVATE LIMITED  
 Balance Sheet as at : As At March 31, 2020  
 (In Rupees)

Particulars	Note No.	As At March 31, 2020	As At Mar 31, 2019
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, plant and equipment	3	7,11,17,129	7,33,10,970
(b) Intangible Assets	4	34,204	42,608
(c) Financial assets			
Investments	5	2,500	2,500
(c) Deferred tax assets (net)	6	11,53,66,526	10,35,83,630
(d) Other Non Current assets	7	54,96,038	52,58,177
		<b>19,20,16,397</b>	<b>18,21,97,883</b>
<b>Current assets</b>			
(a) Inventories	8	1,67,99,366	4,56,08,986
(b) Financial assets			
(i) Trade Receivables	9	70,87,605	70,87,605
(ii) Cash and Cash Equivalents	10	2,27,804	2,98,422
(iii) Short Term Loans and Advances	11	1,49,82,201	1,66,09,409
		<b>3,90,96,976</b>	<b>6,96,04,422</b>
<b>TOTAL</b>		<b>23,11,13,373</b>	<b>25,18,02,305</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	12	6,48,92,000	6,48,92,000
(b) Other Equity	13	(20,60,22,906)	(29,04,21,736)
		<b>(14,01,30,906)</b>	<b>(22,55,29,736)</b>
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	2,63,29,391	2,54,16,618
		<b>2,63,29,391</b>	<b>2,54,16,618</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	19,84,96,154	19,84,94,513
(i) Trade payables	16	3,66,73,159	15,29,42,808
(b) Other Current Liabilities	17	10,70,53,073	9,83,65,806
(c) Short Term Provisions	18	26,92,502	21,12,296
		<b>34,49,14,888</b>	<b>45,19,15,423</b>
Notes on Financial Statements	1 to 41		
		<b>23,11,13,373</b>	<b>25,18,02,305</b>

As per our Report of even date

For C A Patel & Patel

Chartered Accountants



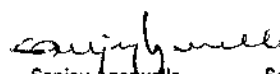
**BHAVESH N PATEL**

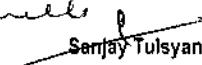
Proprietor

M No. 026669

Place : Chennai

Date : 29th July, 2020

  
 Sanjay Agarwalla  
 Director  
 Din : 00632864

  
 Sanjay Tulsyan  
 Director  
 Din : 00632802

**Parvati Soni**  
 Company Secretary

Name of the Company : CHITRAKOOT STEEL AND POWER PRIVATE LIMITED

Statement of Profit and Loss for the Year ended :

March 31, 2020

	Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
I	Revenue From Operations	19	35,91,42,713	18,87,26,874
II	Other income	20	10,14,495	38,300
III	<b>TOTAL REVENUE (I+II)</b>		<b>36,01,57,208</b>	<b>18,87,65,174</b>
IV	<b>Expenses</b>			
	Materials Consumed	21	16,10,45,723	1,280
	Changes in Inventory	22	3,47,93,086	35,80,721
	Purchase of Stock-in-trade		1,76,32,737	3,52,22,978
	Employees Benefits	23	36,17,839	36,39,181
	Finance Charges	24	2,56,38,441	2,53,23,256
	Depreciation & Amortisation expenses	3 & 4	41,92,502	48,19,311
	Other Expenses	25	5,63,66,681	5,45,18,087
V	<b>Total Expenses</b>		<b>30,32,87,009</b>	<b>12,71,04,815</b>
VI	<b>Profit before Tax ( V-VI )</b>		<b>5,68,70,198</b>	<b>6,16,60,359</b>
VII	<b>Tax expense</b>			
	(1) Current Tax		-	1,67,45,735
	(2) MAT Credit Entitlement		-	-
	(3) Deferred Tax		(1,17,82,896)	45,40,618
VIII	<b>Profit for the Year</b>		<b>6,86,53,095</b>	<b>4,03,74,006</b>
IX	<b>Other Comprehensive income</b>			
	(1) Items that will not be reclassified to profit or loss			-
	(2) Income tax relating to items that will not be reclassified to profit or loss			-
	(3) Items that will be reclassified to profit or loss			-
	(4) Income tax relating to items that will be reclassified to profit or loss			-
X	<b>Total comprehensive income for the period</b>		<b>6,86,53,095</b>	<b>4,03,74,006</b>
XI	<b>Earning per Equity Share</b>	26		
	- Basic & Diluted		10.58	6.22
	- Face Value per Share		10.00	10.00

As per our Report of even date

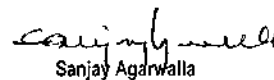
For C A Patel & Patel  
Chartered Accountants



**BHAVESH N PATEL**

Proprietor  
M No. 026669

Place : Chennai  
Date : 29th July, 2020



**Sanjay Agarwalla**

Director

Din : 00632864



**Sanjay Tulsyan**

Director

Din : 00632802

**Parvati Soni**  
Company Secretary

**CHITRAKOOT STEEL AND POWER PVT LTD**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2020**

Particulars	For the year ended	For the year ended
	31-Mar-20	31-Mar-19
<b>A. CASH FROM OPERATING ACTIVITIES</b>		(Rs.)
Net Profit Before Tax and Extraordinary Items	5,68,70,198	6,16,60,359
ADJUSTED FOR:		
Depreciation	41,92,502	48,19,311
Interest and Other Finance Charges	2,56,38,441	2,53,23,256
Interest / Dividend / Rent Income	(51,321)	(38,298)
<b>Operating Profit Before Working Capital Changes</b>	8,66,49,820	9,17,64,628
ADJUSTED FOR:		
Trade Receivables	16,27,207	70,01,090
Trade Payables	(10,69,55,082)	(5,95,40,832)
Inventories	2,88,09,620	33,11,542
<b>CASH GENERATED FROM OPERATIONS</b>	1,01,31,565	4,25,36,428
Income tax paid	(1,67,43,209)	1,67,45,735
<b>NET CASH FROM (USED IN) OPERATING ACTIVITIES (A)</b>	<b>2,68,74,774</b>	<b>2,57,90,693</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase Of Fixed Assets	(19,90,260)	(13,84,861)
Interest / Dividend / Rent Income	51,321	38,298
(Increase)/Decrease in Long Term Loans & Advances	(2,37,861)	(64,787)
Sale of Fixed Assets	-	-
<b>NET CASH FROM (USED IN) INVESTING ACTIVITIES (B)</b>	<b>(21,76,800)</b>	<b>(14,11,350)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds From Borrowings (Net)	8,69,849	(7,98,669)
Interest and Other Finance Charges	(2,56,38,441)	(2,53,23,256)
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES (C)</b>	<b>(2,47,68,593)</b>	<b>(2,61,21,926)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(70,618)</b>	<b>(17,42,583)</b>
Cash and Cash Equivalents at the beginning of the year	2,98,422	20,41,005
Cash and Cash Equivalents at the end of the year	2,27,804	2,98,422
<b>INCREASE / (DECREASE) IN CASH EQUIVALENTS</b>	<b>(70,618)</b>	<b>(17,42,583)</b>
( Previous figures have been regrouped wherever necessary to conform to the current year's presentation)		
Cash on hand	22,513.00	1,04,767.00
In Bank Accounts	2,05,291.00	1,93,655.00
<b>Total</b>	<b>2,27,804.00</b>	<b>2,98,422.00</b>

For C A Patel & Patel  
Chartered Accountants



**BHAVESH N PATEL**  
Proprietor  
M No. 026669

Place : Chennai

On behalf of the Board

Parvati Soni  
Company Secretary

Sanjay Agarwalla  
Director  
Din : 00632864

Sanjay Tulsyan  
Director  
Din : 00632802

**CHITRAKOOT STEEL AND POWER PVT LTD**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31.03.2020**

**Note - 1: CORPORATE INFORMATION:**

The Company was incorporated on October 21, 2003, and is in the business of Manufacturing of Sponge Iron.

**Note - 2: SIGNIFICANT ACCOUNTING POLICIES:**

a. **Statement of compliance:**

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Up to the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of Generally Accepted Accounting Principles in India (previous GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016.

b. **Basis of Preparation:-**

The financial statements of the Company have been prepared on the historical cost basis at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Upto the year ended March 31, 2017, the Company has prepared its financial statements in accordance with the requirement of Indian General Accepted Accounting Policies, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

These financial statements are the Company's first Ind AS standalone financial statements.

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

c. **Revenue Recognition**

**Sale of Goods**

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



Sales are accounted net of trade discount and include Sales Tax Excise Duties and Goods and Service Tax. Revenue from Direct sales is accounted for on the basis of dispatches. In respect of Consignment sales, revenue is recognized after the confirmation of sale from the Consignment Agent.

**Conversion Charges**

Conversion charges are recognized on monthly basis i.e 3500/- metric tonne on despatch of goods to the principal.

**Interest**

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**d. Foreign Currency Transactions**

The financial statements of the Company are presented in Indian Rupees (INR), which is the Company's functional currency. In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

**e. Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

**f. Employee Benefits**

**Provident Fund:**

The Company contributes to the Statutory Provident fund in accordance with the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contributions plan and the contribution paid or payable is recognized as an expense in the period in which the employee renders service.

**Gratuity:**

In respect of Gratuity, no provision has been made in the accounts for the actuarial liability for future payment of Gratuity. Gratuity payments are charged to Profit and Loss account in the year in which payments are made.

**g. Taxes on Income**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax:**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's Provision for current tax is made based on the liability computed in accordance with the relevant tax rates and tax laws. current tax is calculated using tax rates that have been enacted by the end of the reporting period.

**Deferred tax:**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred taxes are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on the tax rates and the tax laws enacted or substantively enacted as at the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

**h. Property, plant and equipment:**

Land and buildings held for use in the supply or production of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

PPE in the course of construction for supply, production or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the

appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

<u>Category of Asset</u>	<u>Estimated useful lives</u>
Factory Buildings	30 Years
Bore well & Road	10 Years
Plant & equipment	8 Years
Electrical & Work Equipments	10 Years
Weigh Bridge	15 Years
Furniture and Fixtures	10 Years
Mopeds	8 Years
Motor vehicles/other assets	10 Years
Office equipment	5 Years
Lab Equipments	10 Years

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

i. **Intangible assets:**

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

<u>Category of Asset</u>	<u>Estimated useful lives</u>
Software and website development costs	5 Years

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

j. **Impairment of tangible and intangible assets:**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

k. **Inventories:**

Inventories are carried at the lower of cost and net realizable value. Costs of inventories are determined on a first-in-first-out basis. Cost includes the purchase price, non-refundable taxes and delivery handling cost. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

l. **Provisions:**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**m. Financial instruments:**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

**Effective interest method:**

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

**n. Financial assets:**

A financial asset is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual right:
  - (i) to receive cash or another financial asset from another entity; or
  - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the Company; or
- (d) a contract that will or may be settled in the Company's own equity instruments and is:
  - (i) a non-derivative for which the Company is or may be obliged to receive a variable number of the entity's own equity instruments; or
  - (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments.

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

**Classification of financial assets**

**Debt**

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at "fair value through profit or loss (FVTPL)" on initial recognition):

the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments (except for debt instruments that are designated as at FVTPL on initial recognition) that meet the following conditions are subsequently measured at "fair value through other comprehensive income (FVTOCI)":

the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Interest income is recognized in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

A debt instrument that meets the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Debt instruments classified as FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The Company has not designated any debt instrument as at FVTPL.

#### **Equity**

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Equity instruments at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend earned on the financial asset and is included under 'Other income'. Dividend on financial assets at FVTPL is recognized when the Company's right to receive the dividends is established and the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

#### **Impairment of financial assets**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, and other contractual rights to receive cash or other financial asset not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls). The Company estimates cash flows by considering all contractual terms of the financial

instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses considering the nature of industry and the deferred payment schemes operated.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognized in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

#### **Derecognition of financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

**Foreign exchange gains and losses on financial assets**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognized in profit or loss.

Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognized in other comprehensive income.

For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income.

**o. Financial liabilities and equity instruments:**

**Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

**Financial liabilities**

A financial liability is any liability that is:

(a) a contractual obligation :

- (i) to deliver cash or another financial asset to another entity; or
- (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or

(b) a contract that will or may be settled in the Company's own equity instruments and is:

- (i) a non-derivative for which the Company is or may be obliged to deliver a variable number of the Company's own equity instruments; or
- (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the Company offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. Apart from the aforesaid, the equity conversion option embedded in a convertible bond



denominated in foreign currency to acquire a fixed number of the Company's own equity instruments is an equity instrument if the exercise price is fixed in any currency.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

#### **Financial liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- a) it has been incurred principally for the purpose of repurchasing it in the near term; or
- b) on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- c) it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- a) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- b) the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or
- c) it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' / 'Other expenses' line item as appropriate.

However, for financial liabilities not held-for-trading that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an

accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognized in profit or loss. The remaining amount of change in the fair value of liability is always recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognized in profit or loss.

#### **Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included under 'Finance costs'.

#### **Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18.

#### **Foreign exchange gains and losses on financial liabilities**

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognized in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognized in profit or loss.

#### **Derecognition of financial liabilities**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

#### **p. Cash flow statements:**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows from operating activities are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company are segregated based on the available information.

q. **Earnings per share:**

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

r. **Insurance Claims:**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

s. **Goods and Service Tax input credit:**

Goods and Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilizing the credits.

t. **Operating cycle:**

Based on the nature of services / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

u. **First-time adoption – mandatory exceptions and optional exemptions:**

**Overall principle**

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognized assets and liabilities. However, this principle is subject to the certain mandatory exception and certain optional exemptions availed by the Company as detailed below.

**Deemed cost for property, plant and equipment and intangible assets**

The Company has elected the exemption of previous GAAP carrying value for its Property, Plant and Equipment and Intangible Assets recognized as of April 1, 2016 (transition date) as deemed cost.

## NOTES ON FINANCIAL STATEMENTS

### 27. Contingent Liabilities

- (i) In respect of an alleged discrepancy in the records of 1,850MT of Sponge Iron fines & lumps , Rs.5.16 Lakhs of penalty and Rs.3.45 lakhs of fine had been imposed by the concerned authority. The Company's appeal against these levies is pending for disposal before CESTAT, CHENNAI.
- (ii) During the Financial Year 2017-18, an Order in Letter No: 61/2017 passed by the Assistant Commissioner of Central Excise in the matter of non-payment of duty on clearance of by-product Dolochar, stating that an amount of Rs. 15,99,419/- is payable for the period from June 2015 to February 2017 and also imposed a penalty of Rs.1,59,942/- as per Rule 25 of the Central Excise Rules,2002.

For which the company filed an appeal before the Commissioner of Central Tax (Appeals – II) on 23.03.2018 Which was rejected by the Assistant Commissioner on the ground that sale of Dolochar will attract Excise Duty. The company is in the process of filing an appeal before the CESTAT (Customs, Excise & Service Tax Appellate Tribunal)

S.NO	Particulars	Amount (Rs.in Lakhs)	Forum where the dispute is Pending	Relevant financial year / Period.
(i)	Penalty & Fine for Non maintenance of proper records under Central Excise – RG 23A.	8.61	SVLDR,Chennai	2019-20
(ii)	Penalty for Non Payment of Excise Duty on Dolochar.	1.59	SVLDR,Chennai	2019-20

(In Rupees)

Details	2019-20	2018-19
Claims against the Company not acknowledged as Debt	68,55,065	68,55,065

### 28. Income Tax:

Income tax assessments for and up to the Assessment year 2016-17 have been completed. There are no tax arrears and no proceedings are pending against the company in respect of these years.

**29. Auditor's Remuneration:**

(In Rupees)

Details	2019-20	2018-19
For Statutory Audit	75,000	75,000
For Tax & Other matters	98,500	98,500

**30. Due to Micro, Small and Medium Enterprises:**

The Company has not received any information from the Suppliers as regards their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and hence disclosure requirements in this regard as per schedule III of the Companies Act, 2013, could not be provided. However, no interest has been accrued / paid during the year to any of the suppliers.

**31. CONSUMPTION OF MATERIALS, SALE OF FINISHED GOODS, OPENING STOCK AND CLOSING STOCK:****A) MATERIALS CONSUMPTION:**

(In Rupees)

PARTICULARS	2019-20	2018-19
<b>RAW MATERIALS:</b>		
IRON ORE	10,85,53,991	-
COAL	5,19,60,000	-
DOLOMITE	5,31,731	

**B) FINISHED GOODS:**

PARTICULARS	2019-20	2018-19
<b>Sales</b>		
Sponge iron - Fines & Lumps	25,08,35,692	-
Raw materials	4,07,787	-
Scrap	24,46,949	3,99,96,851
Conversion Charges	10,54,52,285	15,46,05,105
<b>Total</b>	<b>35,91,42,713</b>	<b>31,01,88,182</b>

**C) CLOSING STOCK:**

<b>Raw Materials</b>		
Iron Ore	-	-
Coal	52,40,231	12,262
Dolomite	1,20,806	98,953
<b>Finished Goods</b>		
Sponge Iron	41,06,520	3,88,51,890
Scrap	88,271	1,35,987
Stock-in-trade	-	1,36,549

**32. Value of raw materials consumed**

(Rs. In lakhs)

Details	2019-20		2018-19	
	Value	Percentage	Value	Percentage
a) Indigenous	1610.44L	100%-		
b) Imported*	-	-		
<b>TOTAL</b>	-	-		

Note:

a. The consumption value includes freight and other charges incurred in connection with the purchase of raw material.

**33. Disclosure in respect of Related parties pursuant to Accounting Standard 18:**

a) Holding Company : M/s. Tulsyan NEC Ltd (Extent of Holding: 100%)

**Transaction with related parties:**

During the year the following transactions were carried out with the aforesaid parties in the ordinary course of business:

(Amount in lakhs)

Transaction	Related Party	2019-20	2018-19
Sales	Tulsyan NEC Ltd	985.85	401.74
Purchases (Raw Materials, Stores, Freight & Power)	Tulsyan NEC Ltd	120.89	511.51
Services Rendered	Tulsyan NEC Ltd	1054.52	1546.05
<u>Balance as at year end :</u>			
Unsecured Loan	Tulsyan NEC Ltd	200.39	200.39
Balance Payable	Tulsyan NEC Ltd	1029.51	764.57

34. **Foreign Exchange Earnings:** Export Sales : Rs. NIL (Previous year: Rs. NIL)

**35. CIF Value of Imports:**

Raw Materials : Rs.Nil(Previous Year: Rs.Nil)  
Components & Spares : Nil (Previous Year: Nil)

36. Sponge Iron manufacture is the only reportable primary business segment. The Company caters only domestic market and hence there are no reportable geographic segments. Therefore, segment information as required by the AS-17 of ICAI is not applicable.

37. The Company has initiated legal action for recovery of the amount of Rs. 21,66,385/- paid to M/s. Yeses Infrastructure Pvt. Ltd., Hyderabad, to whom a fabrication work contract had been awarded and the said contractor failed to complete the work. At the same time, this Contractor has made a counter claim against the Company for a sum of Rs. 68,55,065/- and the same is rejected by the Company.

The management reasonably expects that, there will not be any Liability, with respect to the claim made against the company, and hence no provision is considered necessary.

38. Previous year's figures have been regrouped or reclassified, wherever necessary to Conform to the Current year's presentation.

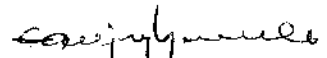
39. Figures shown in the account have been rounded off to the nearest rupee.

**For C A Patel & Patel**  
Chartered Accountants



**BHAVESH N PATEL**  
Proprietor  
M No. 026669

**Pavati Soni**  
Company Secretary



**Sanjay Agarwalla**  
Director  
Din: 00632864



**Sanjay Tulsyan**  
Director  
Din: 00632802

Place: Chennai  
Date: 29<sup>th</sup> July, 2020

Name of the Company : CHITRAKOOT STEEL AND POWER PRIVATE LIMITED

Statement of Changes in Equity for the period ended : MARCH 31, 2020

Particulars	(In Rupees)		
	EQUITY SHARE CAPITAL	Reserves and Surplus	Other Comprehensive Income
Balance at the beginning of the reporting period - April 1, 2019	6,48,92,000	(27,36,76,001)	-
Profit for the year	-	6,86,53,095	-
Additions during the year	-	-	-
OCI component of actuarial gains/losses	-	-	-
Dividends	-	-	-
Transfer to General reserve	-	-	-
Balance at the end of the reporting period - March 31, 2020	6,48,92,000	(20,50,22,906)	-
			(14,01,30,906)
			(20,87,84,001)
			6,86,53,095



**CHITRAKOOT STEEL AND POWER PRIVATE LIMITED**

**Note - 3 : Property Plant and Equipment:**

Description	(Amount in Rs.)											
	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As At 01.04.2019	Additions	Deletions	As At 31.03.2020	Upto 01.04.2019	For the Period	Deletions	As At 31.03.2020	As At 31.03.2020	As At 31.03.2019		
<b>TANGIBLE ASSETS</b>												
Land	1,06,14,545			1,06,14,545	-			-	1,06,14,545	1,06,14,545		
Factory Buildings	8,12,27,119			8,12,27,119	3,19,87,839	22,97,003		3,42,84,842	4,69,42,277	4,92,39,280		
Borewell & Road	17,55,119			17,55,119	14,50,533	46,784		14,97,317	2,57,802	3,04,586		
Plant & Machineries	11,70,93,654			11,70,93,654	10,89,29,462	11,60,435		11,00,89,897	70,03,757	81,64,192		
Electrical & Work Equipments	1,45,73,376	3,50,000		1,49,23,376	1,30,53,528	1,89,647		1,32,43,175	16,80,201	15,19,848		
Pay Loader (JOB)	38,96,683			38,96,683	33,22,174	67,447		33,89,620	5,07,063	5,74,509		
Vehicles	33,25,985	15,59,600		48,85,585	10,52,410	2,84,481		13,36,891	35,48,694	22,73,575		
Weigh Bridge	9,56,144			9,56,144	7,41,478	47,508		7,88,986	1,67,158	2,14,666		
Computers	16,28,796	80,660		17,09,456	16,11,416	15,982		16,27,397	82,058	17,380		
Furnitures & Fixtures	3,90,964			3,90,964	3,31,448	11,679		3,43,127	47,837	59,516		
Office Equipments	3,18,670			3,18,670	3,01,030	1,758		3,02,788	15,882	17,640		
Lab Equipments	10,48,448			10,48,448	7,37,216	61,377		7,98,593	2,49,855	3,11,232		
<b>Total</b>	<b>23,68,29,503</b>	<b>19,90,260</b>	<b>-</b>	<b>23,88,19,763</b>	<b>16,35,18,534</b>	<b>41,84,100</b>	<b>-</b>	<b>16,77,02,634</b>	<b>7,11,17,129</b>	<b>7,33,10,969</b>		

**CHITRAKOOT STEEL AND POWER PRIVATE LIMITED**

**Note - 4 : Intangible Assets:**

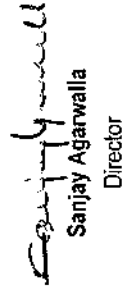
Description	(Amount in Rs.)											
	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As At 01.04.2019	Additions	Deletions	As At 31.03.2020	Upto 01.04.2019	For the Period	Deletions	As At 31.03.2020	As At 31.03.2020	As At 31.03.2020	As At 31.03.2019	
Computer Software	2,45,393	-	-	2,45,393	2,02,787	8,402	-	2,11,189	34,204	34,204	42,606	
Total	2,45,393	-	-	2,45,393	2,02,787	8,402	-	2,11,189	34,204	34,204	42,606	
Grand Total	23,70,74,896	19,90,260	-	23,90,65,156	16,37,21,321	41,92,502	-	16,79,13,823	7,11,51,333	7,11,51,333	7,33,53,575	
Previous Year	23,56,90,035	13,84,861	-	23,70,74,896	15,89,02,010	48,19,311	-	16,37,21,321	7,33,53,575	7,33,53,575	7,67,88,024	

**For C A Patel & Patel**  
Chartered Accountants

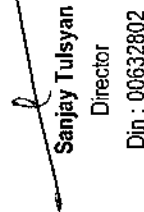
  
**BHAVESH N PATEL**  
Proprietor

M No. 026669  
Place : Chennai  
Date : 29th July, 2020

for and on behalf of the Board

  
**Sanjay Agarwalla**  
Director

**Parvati Soni**  
Company Secretary

  
**Sanjay Tulsyan**  
Director

Din : 00632802

Din : 00632864

**CHITRAKOOT STEEL AND POWER PVT LTD**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

Particulars	As At March 31, 2020	As At March 31, 2019
<b>5 : NON-CURRENT INVESTMENTS</b>		
<u>Long term, Unquoted, at cost</u>		
Shamrao Vittal Co-operative Bank 25 (25) Equity Shares of Rs.100	2,500	2,500
	<b>2,500</b>	<b>2,500</b>
<b>6 : DEFERRED TAX ASSETS (NET)</b>		
Deferred Tax Liability		
- On Account of Depreciation	50,41,440	45,40,618
Deferred Tax Asset		
- On Account of Disallowances and Losses carried forward under Income Tax Act	12,04,07,966	10,81,24,248
	<b>11,53,66,526</b>	<b>10,35,83,630</b>
<b>7 : OTHER NON CURRENT ASSETS</b>		
Deposit with Government Authorities	16,92,386	14,54,525
MAT credit entitlement	38,03,652	38,03,652
Advance for capital Assets	-	-
	<b>54,96,038</b>	<b>52,58,177</b>
<b>8 : INVENTORIES</b>		
(As valued and certified by the Management)		
<b>Raw Materials</b>		
Iron Ore	-	-
Coal	52,40,231	12,256
Dolomite	-	98,953
Stock of Stores & Spares	72,43,538	63,73,350
<b>Finished Goods</b>		
Sponge Iron Lumps	41,06,520	3,88,51,890
Dolochar - Scrap	-	-
Iron Ore Fines - Scrap	2,09,077	1,35,987
Stock-in-trade		1,36,549
	<b>1,67,99,366</b>	<b>4,56,08,986</b>

**CHITRAKOOT STEEL AND POWER PVT LTD**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

Particulars	As At March 31, 2020	As At March 31, 2019
<b>9 : TRADE RECEIVABLES</b>		
(Unsecured)		
- Debts outstanding for more than six months		
Considered Good	1,10,55,735	1,10,55,735
Considered Doubtful	17,04,996	17,04,996
- Other debts		
Considered Good	-	-
	1,27,60,731	1,27,60,731
Less: Provision for Doubtful Debts	56,73,126	56,73,126
	<b>70,87,605</b>	<b>70,87,605</b>
<b>10 : CASH AND BANK BALANCES</b>		
<b><u>i) Cash &amp; Cash Equivalents</u></b>		
Cash in hand	22,513	1,04,767
Balances with scheduled banks		
- in Current Accounts	2,180	2,180
<b><u>ii) Other Bank Balances</u></b>		
- in Deposit Accounts	2,03,111	1,91,475
	<b>2,27,804</b>	<b>2,98,422</b>
<b>11 : SHORT-TERM LOANS AND ADVANCES</b>		
(recoverable in cash or in kind or for value to be received)		
<u>-Unsecured considered good:</u>		
Deposits	2,30,000	2,30,000
Advance for supplies and expenses	53,60,828	60,25,148
Prepaid expenses	7,31,441	4,83,439
Balance with Government Authorities	4,80,987	27,62,270
Advance Tax (net of Provisions)	81,73,946	70,99,553
Staff Advance	5,000	9,000
<u>-Unsecured considered doubtful:</u>		
vi) Advance Recoverable in Cash or in Kind	22,26,878	22,26,878
	1,72,09,080	1,88,36,287
Less: Provision for Dobutbful Advances	22,26,878	22,26,878
	<b>1,49,82,202</b>	<b>1,66,09,409</b>

**CHITRAKOOT STEEL AND POWER PVT LTD**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

Particulars	As At March 31, 2020	As At March 31, 2019
<b>12 : SHARE CAPITAL</b>		
<b>Authorised Share Capital</b> 70,00,000 (70,00,000) Equity Shares of Rs. 10/- each	7,00,00,000	7,00,00,000
<b>Issued, Subscribed and Paid up</b> 64,89,200 (64,89,200) Equity Shares of Rs. 10/- each	6,48,92,000	6,48,92,000
	<b>6,48,92,000</b>	<b>6,48,92,000</b>

(a) All the Equity Shares carry equal rights and obligations including for Dividend and with respect to Voting rights.

(b) Details of Shareholders holding more than 5% shares :

<u>Name of Share holder</u>	<u>No. of Shares - % held</u>	<u>No. of Shares - % held</u>
Tulaysan NEC Ltd	64,89,200 - 100%	64,89,200 - 100%

**13 : OTHER EQUITY**

**Surplus in Statement of Profit & Loss**

Balance at the beginning of the year	(29,04,21,736)	(33,07,95,742)
Previous year Provision for Taxation Reversed	1,67,45,735	
Add: Profit for the Year after tax	6,86,53,095	4,03,74,006
Less: Adjustment relating to Fixed Assets	-	-
Balance as at the end of the year	<b>(20,50,22,906)</b>	<b>(29,04,21,736)</b>

**14 : LONG TERM BORROWINGS**

<b>Secured Loans</b>		
<b>From Banks</b>		
HDFC Car Loan	-	-
Kotak Mahindra Ltd - Car Loan	12,50,280	-
<b>Unsecured Loans</b>		
From Related Parties	2,00,39,025	2,00,39,025
From Others	53,77,593	53,77,593
	<b>2,66,66,898</b>	<b>2,54,16,618</b>

**A. Nature of Security:**

**Term Loan** : Secured by First charge on land situated in New Gummidipundi Village, Thiruvallur Dist, factory building with other constructions there on and Hypothecation of P&M situated therein. Personal guarantee of the promoters & the corporate guarantee of M/s Tulysan NEC Ltd.

**B. Terms of Repayment:**

At the end of the year, term loan outstanding of Rs. 1,214 lakhs has been converted into over draft by the bankers. Hence the entire outstanding has been treated as Current Component under 'Other Current Liabilities'.

**CHITRAKOOT STEEL AND POWER PVT LTD**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

Particulars	As At March 31, 2020	As At March 31, 2019
<b>B. Non Current and Current Components of Long Term Borrowings:</b>		
<u>Non Current Components</u>		
Term Loans from Banks	-	-
Vehicle Loans from Banks	9,12,773	44,890
Loans from Related Parties	2,00,39,025	2,00,39,025
Loans from Others	53,77,593	53,77,593
<b>A</b>	<b>2,63,29,391</b>	<b>2,54,61,508</b>
<u>Current Components</u>		
Term Loans from Banks	-	-
Vehicle Loan from Banks	3,37,507	44,565
Loans from Related Parties	-	-
<b>B</b>	<b>3,37,507</b>	<b>44,565</b>
<b>Total</b>	<b>2,66,66,898</b>	<b>2,55,06,073</b>
<b>A+B</b>		
<b>15 : SHORT TERM BORROWINGS</b>		
<b>Secured Working Capital Loans from Banks:</b>		
Shamro Vital Co-operative Bank	19,84,96,154	19,84,94,513
	<b>19,84,96,154</b>	<b>19,84,94,513</b>
<u>A. Nature of Security:</u>		
Secured against hypothecation of paid Stocks and book debts not exceeding 90 Days and linkage on the factory land & building.		
<b>16 : TRADE PAYABLES</b>		
Sundry Creditors :		
- For Supplies and Services	2,77,49,659	14,72,05,821
- For Expenses and Others	89,23,500	57,36,987
	<b>3,66,73,159</b>	<b>15,29,42,808</b>
<b>17 : OTHER CURRENT LIABILITIES</b>		
Current Component of Long Term Borrowings	3,37,507	44,565
Duties & Taxes Payable	36,96,740	50,79,439
Interest Accrued and Due on Term Loans	-	-
Advances from Customers	10,30,18,825	7,64,96,066
Provision for Current Tax	-	1,67,45,735
	<b>10,70,53,073</b>	<b>9,83,65,806</b>
<b>18 : SHORT TERM PROVISIONS</b>		
Provision for Expenses	26,92,502	21,12,296
	<b>26,92,502</b>	<b>21,12,296</b>

**CHITRAKOOT STEEL AND POWER PVT LTD**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b><u>19 : REVENUE FROM OPERATIONS</u></b>		
<b><u>Gross Sales</u></b>		
Finished Products	25,08,35,692	-
Raw Materials	4,07,787	97,120
Conversion Charges Received	10,54,52,285	15,46,05,105
Others	24,46,949	3,40,24,649
	35,91,42,713	18,87,26,874
Less: Excise Duty	-	-
Goods and Service Tax	-	-
	<b>35,91,42,713</b>	<b>18,87,26,874</b>
<b><u>20 : OTHER INCOME</u></b>		
Interest Income	51,021	37,998
Insurance Claims	-	-
Dividend	300	300
Discount Received	9,63,130	-
Rates & Rebates	-	-
Miscellaneous Income	44	2
	<b>10,14,495</b>	<b>38,300</b>
<b><u>21 : MATERIALS CONSUMED</u></b>		
Opening Stock	1,11,215	1,11,209
Add: Purchases	16,62,95,544	1,280
	16,64,06,759	1,12,489
<b><u>Less</u></b> : Closing Stock	53,61,036	1,11,209
	<b>16,10,45,723</b>	<b>1,280</b>
<b><u>22 : CHANGES IN INVENTORY</u></b>		
<b><u>Finished Goods</u></b>		
Opening Stock	3,89,87,877	4,25,68,599
Closing Stock	41,94,791	3,89,87,877
Variance in Excise Duty on Closing Stock of Finished Goods	-	-
	<b>3,47,93,086</b>	<b>35,80,721</b>
<b><u>Purchase of Stock-in-trade</u></b>	<b>1,76,32,737</b>	<b>3,52,22,978</b>
<b><u>23 : EMPLOYEE BENEFIT EXPENSES</u></b>		
Salaries, Wages & Allowances	33,65,468	33,97,528
Bonus	38,228	40,780
Company's contribution PF & ESI	1,22,258	1,04,917
Staff Welfare	91,885	95,956
	<b>36,17,839</b>	<b>36,39,181</b>
<b><u>24 : FINANCE CHARGES</u></b>		
Bank Charges	-	-
Interest on Bank Loans	2,56,38,441	2,53,23,256
Interest others	-	-
	<b>2,56,38,441</b>	<b>2,53,23,256</b>

**CHITRAKOOT STEEL AND POWER PVT LTD**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>25 : OTHER EXPENSES</b>		
<b>A. Factory overheads</b>		
AMC Charges	1,08,100	1,25,217
Electricity Charges	1,49,40,560	1,33,45,117
Stores & Spares Consumed	1,14,17,064	1,09,32,840
Weighment Charges	150	1,320
Labour Charges	1,63,54,430	1,48,19,892
Local Conveyance	36,365	44,353
Postage & Courier	3,815	3,477
Printing & Stationery	66,488	49,103
Repairs & Maintenance:		
Plant & Machinery	9,55,415	7,44,122
Electrical	1,62,868	1,15,212
Building	67,610	28,800
Others	2,45,628	1,63,640
Security Charges	15,75,482	14,53,800
Telephone Charges	42,302	49,218
Testing Charges	1,83,460	1,57,780
Water Charges	-	14,400
Office Maintenance	1,34,430	1,29,473
Vehicle Maintenance	1,52,403	1,71,092
<b>Sub total (A)</b>	<b>4,64,46,570</b>	<b>4,23,48,855</b>
<b>B. Administration &amp; Selling expenses</b>		
Rent, Rates & Taxes	48,25,621	40,09,235
Provision of Bad and Doubtful Debt	-	55,02,626
Taxes Relating to earlier years	81,500	3,22,309
Audit Remuneration:		
For Statutory Audit	75,000	75,000
For Tax Audit & Others	98,500	98,500
Internal Audit Fees	2,04,000	2,04,000
Travelling & Conveyance	2,01,207	2,42,609
Pooja Expenses	18,910	13,750
Computers Maintenance	4,962	5,219
Legal & Professional Charges	2,11,850	1,06,000
Books and periodicals	-	11,800
Bad debts/advances written off	27,81,639	-
Transportation Sales	2,96,910	-
General Expenses, Donations	3,81,267	4,22,000
Bank Charges	5,14,370	10,04,281
Insurance	2,24,375	1,51,904
<b>Sub total (B)</b>	<b>99,20,111</b>	<b>1,21,69,232</b>
<b>Total (A+B)</b>	<b>5,63,66,681</b>	<b>5,45,18,087</b>
<b>26 : EARNINGS PER SHARE:</b>		
Profit After Tax attributable to Equity Shareholders (₹)	6,86,53,095	4,03,74,006
Weighted Average No. of Equity Shares Outstanding as at the end of the year	64,89,200	64,89,200
Basic and Diluted Earnings per Share (₹)	<b>10.58</b>	<b>6.22</b>