

**AUDITOR'S REPORT
TO THE MEMBERS OF MARK STEELS LIMITED
Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of MARK STEELS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as Ind AS Financial Statements).

and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information,

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS 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), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

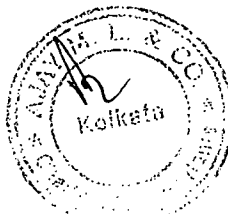
We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, ("The Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure-A a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in the Annexure B.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer to Note 33 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company;

Kolkata, the 15th May, 2018



For, Ajay M L & Co
Chartered Accountants

Ajay Agrawal
Proprietor
Memb No. 53384
FRN. 325464E

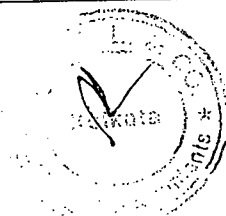
Annexure - A to the Independent Auditors' Report
Referred to in Paragraph 1 under the heading of "Report On Other Legal And Regulatory Requirements" of our report of even date

- i. In respect of its fixed assets:
- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - As explained to us the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings are held in the name of the Company as at the balance sheet date.
- ii. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013;
- iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148 of the Companies Act, 2013, and are of the opinion that prima-facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it, with the appropriate authorities during the year.

There are no undisputed statutory dues which were outstanding as at the year ended on 31st March, 2018 for a period of more than six months from the date they became payable.

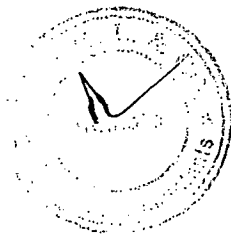
- According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty,, Value Added Tax, Cess, which have not been deposited on account of any dispute other than those disputed as indicated below.

Sl. No	Name of the Statute	Nature of dues	Forum where pending	Amount (Rs. In Lacs)
1	West Bengal Entry Tax Act	Entry Tax for 2012-2013	In the High Court at Calcutta	66.84
2	West Bengal Entry Tax Act	Entry Tax for 2013-2014	In the High Court at Calcutta	57.76



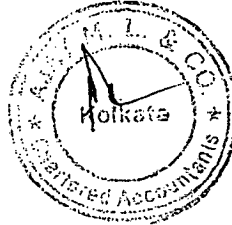
3	West Bengal Entry Tax Act	Entry Tax for 2014-2015	In the High Court at Calcutta	76.52
4	Central Excise Act 1944	Reversal of cenvat. For 2003 -04 & 2004-05	In the the High Court at Calcutta	33.92
5	Central Excise Act 1944	Reversal of cenvat. For 2009-10	In the Commissioner Appeals - III	2.04
6	Central Excise Act 1944	Reversal of cenvat. For 16.12.04 to 01.04.06	In the Commissioner Appeals - IV	6.62
7	Income Tax Act,1961	Income Tax for FY 11-12	D.C.I.T ,Circle -3(1)	10.61
8	Income Tax Act,1961	Income Tax for FY 13-14	ITO - TDS	0.42

- viii. According to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks or Government. There were no borrowings from debentures.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or Term Loans.
- x. According to the information and explanations 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. According to the information and explanations given to us, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- xiii. According to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.



- xv. According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

Kolkata, the 15th May, 2018



For, Ajay M L & Co
Chartered Accountants

A handwritten signature in black ink, appearing to read "Ajay Agrawal".

Ajay Agrawal
Proprietor
Memb No. 53384
FRN. 325464E

Annexure - B to the Independent Auditors' Report
Referred to in Paragraph 1(f) under the heading of "Report On Other Legal And Regulatory Requirements" of our report of even date

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

We have audited the internal financial controls over financial reporting of Mark Steels Limited ('the Company') as of 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

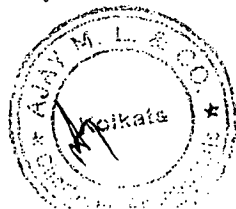
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial

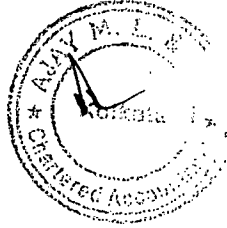


reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Kolkata, the 15th May, 2018



For, Ajay M L & Co
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Ajay Agrawal'.

Ajay Agrawal
Proprietor
Memb No. 53384
FRN. 325464E

MARK STEELS LIMITED
Balance Sheet as at March 31, 2018

Particulars	Notes	As at	As at	As at
		March 31, 2018	March 31, 2017	April 1, 2016
		Amount in Rs.	Amount in Rs.	Amount in Rs.
ASSETS				
1. Non-current assets				
(a) Property, plant and equipment	3	16,23,26,894	17,20,02,609	18,80,27,671
(c) Financial Assets				
(i) Investments	4	1,26,43,754	4,250	4,250
		<u>17,49,70,648</u>	<u>17,20,06,859</u>	<u>18,80,31,921</u>
2. Current assets				
(a) Inventories	5	20,52,96,079	13,88,97,558	18,87,67,945
(b) Financial Assets				
(i) Investment	6	1,49,72,147	4,66,31,390	3,15,98,100
(ii) Trade receivables	7	4,69,20,052	3,49,49,169	3,53,73,403
(iii) Cash and Cash equivalents	8	1,83,30,815	1,42,08,384	2,32,54,181
(iv) Loans	9	26,28,43,994	17,34,55,704	14,76,70,862
(c) Current Tax Assets	10			
(d) Other current assets	11	6,56,72,187	7,32,32,762	8,25,23,144
		<u>61,40,35,274</u>	<u>48,13,74,967</u>	<u>50,91,87,635</u>
Total Assets		<u>78,90,05,922</u>	<u>65,33,81,826</u>	<u>69,72,19,556</u>
EQUITY AND LIABILITIES				
EQUITY				
1. Shareholders' Funds				
(a) Share Capital	12	4,28,57,140	4,28,57,140	4,28,57,140
(b) Other Equity	13	37,61,64,158	33,55,59,464	31,68,06,176
Total Equity		<u>41,90,21,298</u>	<u>37,84,16,604</u>	<u>35,96,63,316</u>
LIABILITIES				
2. Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	14	17,83,000	-	-
(a) Provisions	15	50,90,965	41,35,929	33,14,669
(b) Deferred tax liabilities (Net)	16	2,98,94,724	3,20,37,898	3,41,97,955
		<u>3,67,68,689</u>	<u>3,61,73,827</u>	<u>3,75,12,624</u>
3. Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	3,61,98,482	2,48,57,899	7,00,92,740
(ii) Trade Payables	18	21,68,53,909	17,25,78,817	19,37,20,100
(iii) Other financial liabilities	19	3,87,01,097	2,57,00,734	2,24,62,561
(b) Other Current Liabilities	20	1,69,62,447	43,03,942	40,68,215
(c) Provisions	21	2,45,00,000	1,13,50,000	97,00,000
		<u>33,32,15,935</u>	<u>23,87,91,392</u>	<u>30,00,43,616</u>
Total Liabilities		<u>36,99,84,624</u>	<u>27,49,65,219</u>	<u>33,75,56,240</u>
Total equity and liabilities		<u>78,90,05,922</u>	<u>65,33,81,823</u>	<u>69,72,19,556</u>

Summary of Significant Accounting Policies

1 & 2

Notes on Financial Statements

3-42

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

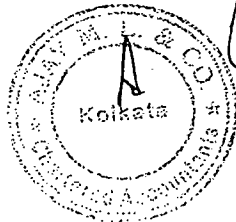
As per our Report attached of even date

For Ajay M L & Co.

Chartered Accountants
Firm Regn. No. 325464E

Ajay M

Ajay Agarwal
(Partner)
Membership No. 53384
Kolkata
15th day of May, 2018



For and on Behalf of the Board of Directors

Umesh Kumar Jhunjhunwala
Umesh Kumar Jhunjhunwala
DIN:00448079



Vineet Agarwal
Vineet Agarwal
DIN:00441223

MARK STEELS LIMITED

Statement of Profit and Loss for the year ended March 31, 2018

Particulars	Notes	For the year ended	For the year ended
		March 31, 2018	March 31, 2017
		Rs.in Lacs	Rs.in Lacs
I. Income			
Revenue from Operations	22	1,37,38,69,335	1,21,00,26,021
Other Income	23	2,09,39,066	1,59,58,064
Total Revenue		1,39,48,08,401	1,22,59,84,085
II. Expenses			
Cost of material consumed	24	1,00,42,62,116	83,35,41,966
Changes in inventories of finished goods and Stock-	25	2,28,78,851	1,07,57,646
Excise duty		3,96,47,607	12,91,90,678
Employee benefits expense	26	4,50,35,736	2,43,05,963
Finance costs	27	28,54,753	34,67,275
Depreciation and amortization expense	3	1,75,88,865	1,68,38,376
Other expenses	28	19,90,65,991	17,94,13,051
Total Expenses		1,33,13,33,919	1,19,75,14,955
III. Profit before tax		6,34,74,482	2,84,69,130
IV. Tax expenses			
Current tax		2,45,00,000	1,13,50,000
Tax adjustment for earlier years		2,70,332	4,39,959
Deferred tax		(20,68,201)	(21,33,502)
Total tax expenses		2,27,02,131	96,56,457
V. Profit for the year		4,07,72,351	1,88,12,673
VI. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		(2,42,630)	(85,940)
(ii) Income tax relating to items that will not be reclassified to profit or loss		74,973	26,555
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Other Comprehensive Income for the year		(1,67,657)	(59,385)
VII. Total Comprehensive Income for the year (V + VI)		4,06,04,694	1,87,53,288
VI. Basic and diluted Earnings per equity share of face value of Rs. 10/- each	32	9.51	4.39
Summary of Significant Accounting Policies	1 & 2		
Notes on Financial Statements	3-42		

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

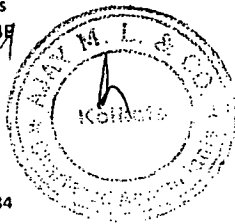
As per our Report attached of even date

For Ajay M L & Co.

Chartered Accountants

Firm Regn. No. 325464E

Ajay Agarwal
(Partner)
Membership No. 53384
Kolkata
15th day of May, 2018



For and on Behalf of the Board of Directors

Umesh Kumar Jhunjhuniwala
DIN:00448079

Vincent Agarwal
DIN:00441223

(Handwritten signatures of Umesh Kumar Jhunjhuniwala and Vincent Agarwal)

MARK STEELS LIMITED
Statement of Changes in Equity for the year ended 31st March 2018

(a) Equity Share Capital
Particulars

Particulars	Number of Shares	Amount (in Rs.)
Equity Shares of Rs. 10/- each issued, subscribed and fully paid up		
As at 1st April 2016	42,85,714	4,28,57,140
As at 31st March 2017	42,85,714	4,28,57,140
As at 31st March 2018	42,85,714	4,28,57,140

Note: There is no change in the equity share capital

Particulars	Reserves and Surplus							Other Comprehensive Income	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	Amalgamation Reserve	Investment Reserve	General Reserve	Retained Earnings		
Balance at 1st April 2016	2,50,00,000	-	12,21,42,830	-	-	-	16,96,03,229	60,117	31,68,06,176
Transfer/Adjustment during the year	-	-	-	-	-	-	-	-	-
Profit / (Loss) for the year	-	-	-	-	-	-	1,88,12,673	-	1,88,12,673
Other Comprehensive Income for the year	-	-	-	-	-	-	-	(59,385)	(59,385)
Total Comprehensive Income for the year	-	-	-	-	-	-	1,88,12,673	(59,385)	1,87,53,288
Balance at 31st March 2017	2,50,00,000	-	12,21,42,830	-	-	-	18,84,15,902	732	33,55,59,464
Transfer/Adjustment during the year	-	-	-	-	-	-	-	-	-
Profit / (Loss) for the year	-	-	-	-	-	-	4,07,72,351	-	4,07,72,351
Other Comprehensive Income for the year	-	-	-	-	-	-	-	(1,67,657)	(1,67,657)
Total Comprehensive Income for the year	-	-	-	-	-	-	4,07,72,351	(1,67,657)	4,06,04,694
Balance at 31st March 2018	2,50,00,000	-	12,21,42,830	-	-	-	22,91,88,253	(1,66,925)	37,61,64,158

Refer Note 13 for nature and purpose of reserves

Summary of Significant Accounting Policies 1 & 2

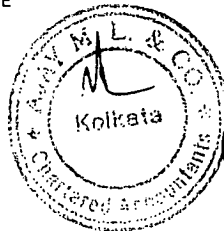
Notes on Financial Statements 3-42

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

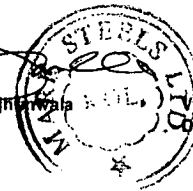
As per our Report attached of even date
For Ajay M L & Co.
Chartered Accountants
Firm Regn. No. 325464E

For and on Behalf of the Board of Directors

Ajay Agarwal
(Partner)
Memb No. 53384
Kolkata
15th day of May, 2018



Umesh Kumar Jhunjhunwala
DIN:00448079



Vineet Agarwal
DIN:00441223

Vineet Agarwal

Summary of Significant Accounting Policies

1. Corporate Information

Mark Steels Limited ('MSL' or 'the Company') having domicile presence in the State of West Bengal, India, has been incorporated under the Companies Act in the year 2001. The Company is primarily engaged in the manufacture and sale of Sponge Iron & M.S.Ingots

2. Statement of Compliance and Recent Pronouncements

2.1 Statement of Compliance

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2017 and therefore Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.

These are the Company's first Ind AS Standalone Financial Statements and the date of transition to Ind AS as required has been considered to be 1st April 2016.

The financial statement upto the year ended 31st March 2017, were prepared under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles and Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 then applicable (Previous GAAP) to the Company. Previous period figures in the Financial Statements have now been restated in compliance to Ind AS.

In accordance with Ind AS 101- "First Time adoption of Indian Accounting Standards" (Ind AS 101), the Company has presented Note 36 a reconciliation of Shareholders' equity as given earlier under Previous GAAP and those considered in these accounts as per Ind AS as at 31st March 2017, and 1st April 2016 and also the Net Profit as per Previous GAAP and that arrived including Other Comprehensive Income under Ind AS for the year ended 31st March 2017. The mandatory exceptions and optional exemptions availed by the Company on First-time adoption have been detailed in Note 36 of the financial statement.

2.2 Recent Pronouncements

In March 2018, Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying Ind AS 115 'Revenue from Contracts with Customers' which are applicable w.e.f. 1st April, 2018.

The new revenue standard Ind AS 115 'Revenue from Contracts with Customers' will replace the contents of Ind AS 18 'Revenue' and Ind AS 11 'Construction Contracts' and the corresponding interpretations. The new Standard does not distinguish between different types of orders and performance. It establishes uniform criteria as to when revenue is realised for a performance obligation at a point in time or over time. Accordingly, revenue is to be recognised when the customer obtains control of the agreed goods and services and can benefit from such. The Company is in the process of assessing the possible impact of this new Standard on the financial statements.

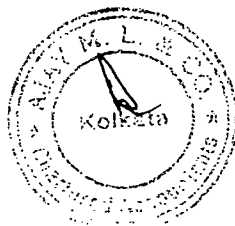
3. Significant Accounting Policies

A. Basis of Preparation

The Financial Statements have been prepared under the historical cost convention on the accrual basis, except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/amortized costs at the end of each reporting period.

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

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months.



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All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest rupee except otherwise stated.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.
- Level 3: inputs for the asset or liability which are not based on observable market data.

B. Property, Plant and Equipment

Property, plant and equipment (PPE) are stated at cost of acquisition or deemed cost on the date of transition less accumulated depreciation and impairment losses, if any. Cost of an asset comprises of cost of acquisition or construction and includes, where applicable, inward freight, duties and taxes, installation expenses, professional fees, borrowing costs, initial estimates of the cost of dismantling, cost of replacing parts of the property, plant and equipments and other costs directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner and purposes. Capital Spare parts which are integral part of the plant and equipment are capitalised.

When significant parts of plant and equipment are required to be replaced at intervals, the same are capitalised and old component is derecognised.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation on PPE commences when the assets are ready for their intended use.

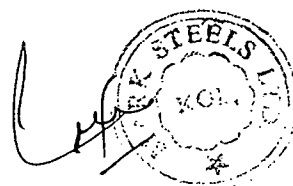
Depreciation on all Property, Plant and Equipments is provided as per Schedule II of Companies Act, 2013 under Straight Line Method over estimated useful lives for each category of assets as under:

Asset	Useful lives (estimated by the management) (Ycars)
Factory building	30
Plants and equipments	15,25
Electrical Installation	10
Electric Generator	15
Computers	3,6
Office equipment	5
Furniture and fixtures	10
Vehicles	8

-The residual value of assets has been considered as five percent of the original cost of the assets as per Schedule II of the Act.

- Depreciation is provided on pro-rata basis on additions and deletions of Property, Plant and Equipments during the year.

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- In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

- Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

C. Intangible Assets

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes, where applicable, less accumulated amount of amortization and impairment losses. Such assets, are amortized over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

The Company currently does not have any intangible asset.

D. Derecognition of Tangible and Intangible Assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

F. Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

G. Financial Assets and Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when 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 the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI)



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depends on the objective and contractual terms to which they relate. Classifications of financial instruments are determined on initial recognition.

(i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets and Financial Liabilities measured at amortized cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) Financial Assets or Liabilities at Fair value through profit or loss

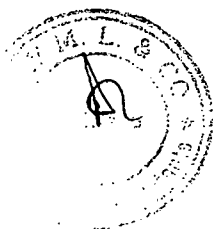
Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

Impairment of financial assets

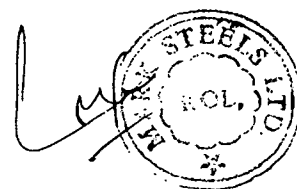
A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.



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De-recognition of financial instruments

The Company de-recognizes a financial asset or a group of financial assets 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.

On de-recognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On de-recognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

H. Inventories

(i) Inventories are valued at lower of the cost or estimated net realizable value. Cost of inventories is ascertained on 'First-in-First-out' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

(ii) Cost in respect of raw materials and stores and spares includes expenses incidental to procurement of the same.

Cost in respect of finished goods and those under progress represents prime cost, and includes appropriate portion of overheads and excise duty.

I. Foreign Currency Transactions

Presentation Currency:

These financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the company.

Transactions and Balances:

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the profit and loss account.

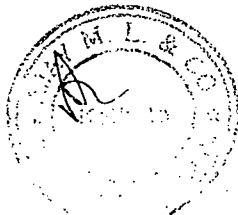
J. Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

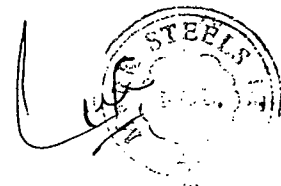
Costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

K. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses. 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.



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Contingent liabilities is not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent Assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

L. Employee Benefits

Short term Employee benefits are accrued in the year services are rendered by the employees.

Provident & Family Pension Fund: In accordance with the provisions of the Employee Provident Funds and Miscellaneous Provisions Act, 1952, eligible employees of the company are entitled to receive benefits with respect to provident fund, a defined contribution plan, in which both the company and employee contribute monthly to Provident Fund Scheme by the Central Government/Trust at a determined rate. The company contributes to the Employees' Pension Scheme, 1995 for certain categories of employees. The Company's contribution is charged off to the Statement of Profit and Loss.

Gratuity: Post Employment and Retirement benefits in the form of Gratuity are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions of the defined benefit obligation are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

M. Revenue

Sale of Goods

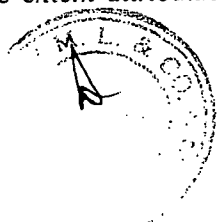
Revenue is recognized at the fair value of consideration received or receivable when the significant risk, rewards and ownership of goods have been transferred and the amount thereof can be measured reliably. This represents the net invoice value of goods supplied to third parties after deducting trade discounts, returns, volume rebates and outgoing sales tax and is inclusive of packing charges and excise duty there against.

Interest, Dividend and Claims

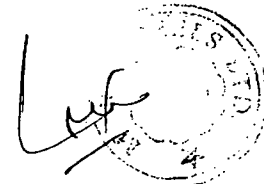
Dividend income is recognized when the right to receive payment is established. Interest has been accounted using effective interest rate method. Insurance claims/other claims are accounted as and when admitted / settled.

N. Borrowing Cost

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant and Equipment (PPE) which are



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capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale.

Q. Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Taxable Income 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.

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.

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

The carrying amount of deferred tax 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 deferred tax asset to be utilized.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realized.

R. Earnings Per Share

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

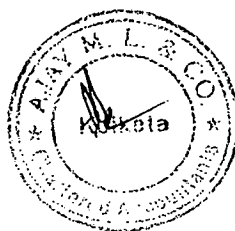
S. Non-current assets held for sale

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell.

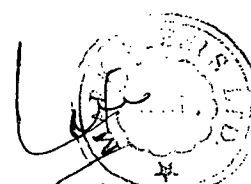
Assets and liabilities classified as held for sale are presented separately in the balance sheet.

The Company classifies non-current assets as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.



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T. Cash dividend and non-cash distribution to equity holders

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

U. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Estimated useful lives of property, plant and equipment and intangible assets - Notes XX

Estimation of defined benefit obligation - Note XX

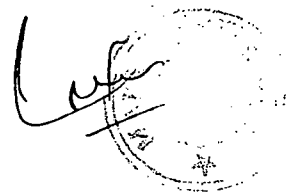
Estimation of fair values of contingent liabilities - Note XX

Impairment of trade receivables - Note XX

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



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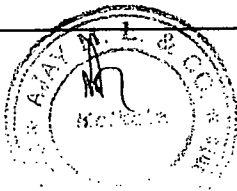


MARK STEELS LIMITED

Notes to financial statements as at and for the year ended March 31, 2018

As at March 31, 2018 (Amount in Rs.)

	No. of Shares	Face Value per Share Rs.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
4. Investments					
A Non- Current					
(i) Unquoted Equity Instruments					
Investments at fair value through profit or loss					
Other Body Corporate - Fully paid-up Equity Shares Bengal Sponge Manuf.Mining(P)Ltd.	42,500	10	4,250	4,250	4,250
(ii) Quoted Mutual Funds					
Birla Sun Life Equity Fund (31st March 2018 - 4,557,207 units, 31st March 2017 and 1st April 2016 - Nil)			31,36,589	-	-
DSP Black Rock Equity Fund (31st March 2018 - 118,943,086 units, 31st March 2017 and 1st April 2016 - Nil)			26,01,285	-	-
Kotak Emerging Equity Fund (31st March 2018 - 69,301,276 units, 31st March 2017 and 1st April 2016 - Nil)			27,01,848	-	-
HDFC Balanced Equity Oriented Fund (31st March 2018 - 28,804,299 units, 31st March 2017 and 1st April 2016 - Nil)			41,99,782	-	-
Total (i+ii)			1,26,43,754	4,250	4,250
Aggregate amount of investments :					
Quoted Investments and Market value thereof			1,26,39,504	-	-
Unquoted Investments			4,250	4,250	4,250
			As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
5. Inventories					
Valued at Lower of Cost or Net Realisable Value					
Raw Material			18,59,07,714	9,54,27,875	13,46,97,379
Finished Goods			1,47,39,935	3,76,18,786	4,83,76,431
Stores & Spares			46,48,430	58,50,897	56,94,135
Total			20,52,96,079	13,88,97,558	18,87,67,945
			As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
6. Current Investments at Fair value through profit or loss					
Quoted Instruments					
Investments in Mutual Fund					
IIFL Cash Opportunities Fund (31st March 2018 and 31st March 2017 - Nil, 1st April 2016 - 2,993,520 units)			-	-	3,15,98,100
HDFC High Interest Fund - Short Term Plan (G) (31st March 2018 - Nil, 31st March 2017 - 768,707,737 units, 1st April 2016 - Nil)			-	2,51,43,277	-
Franklin India Low Duration Fund (G) (31st March 2018 - Nil, 31st March 2017 - 1,163,853,616, 1st April 2016 - Nil)			-	2,14,88,113	-
Franklin Short Term Income Plan (31st March 2018 - 2,055,806 units, 31st March 2017 and 1st April 2016 - Nil)			75,45,341	-	-
Kotak - Income Opportunities Fund (31st March 2018 - 388,323,662 units, 31st March 2017 and 1st April 2016 - Nil)			74,26,806	-	-
Total			1,49,72,147	4,66,31,390	3,15,98,100
			As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
7. Trade receivables	Note No.				
Unsecured, Considered Good : Trade Receivables	7.1		4,69,20,052	3,49,49,169	3,53,73,403
Total			4,69,20,052	3,49,49,169	3,53,73,403
7.1 There are customers who represent more than 10% of the total balances of trade receivables as at the end of the reporting period					
7.1 Trade Receivables are non- interest bearing and are generally on terms of 30 To 90 Days. The ageing of receivables are as follows:					
			As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Particulars					
Within Credit Period			-	-	-
1 to 90 days past due			3,35,12,058	1,46,91,992	2,11,00,841
91 to 180 days past due			8,87,525	72,11,089	85,580
More than 180 days past due			1,25,20,472	1,30,46,088	1,41,86,982
Credit quality of a customer is assessed based on an appraisal of customer background and individual credit limits are defined in accordance with this assessment and performance of the customer. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for all the customers. The Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several geographical locations.					
8. Cash and Cash Equivalents.(As certified by the management)					
			As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with Banks			51,54,845	3,32,777	3,00,821
In Current Accounts			-	-	-
Other bank balances			3,02,554	82,785	1,62,48,777
Fixed Deposits with banks			1,24,35,316	1,32,66,843	64,38,256
Cash on Hand			4,38,100	5,25,979	2,66,327
Total			1,83,30,815	1,42,08,384	2,32,54,181
			As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
9. Loans - Current					
(Unsecured, considered good)					
Security deposits			5,49,120	5,49,120	4,40,100
Advances to suppliers and others			11,61,48,089	6,08,55,805	5,97,58,036
Other loans and advances			14,61,46,785	11,20,50,779	8,74,72,726
Total			26,28,43,994	17,34,55,704	14,76,70,862
			As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
10. Current Tax Assets (Net)					
Advance Income Tax (Net of Provision)			-	-	-
Total			-	-	-
			As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
11. Other Current Assets					
(Unsecured, considered good)					
Balances with Statutory Authorities			1,65,34,785	92,07,293	83,69,297
Advance income taxes			4,78,425	15,77,113	45,27,914
Excise duty, VAT, Service tax and GST			1,51,56,402	2,80,35,609	3,03,24,863
Commercial tax paid in advance			3,30,87,076	3,41,33,116	3,90,75,373
Sales tax incentive receivable from WBIDC			2,76,519	2,76,913	2,23,079,00
Prepaid Expenses			-	-	-
Advance to Employees			-	-	-
Advance to Suppliers			-	-	-
Others			1,38,980	2,718	2,598
Total			6,56,72,187	7,32,32,762	8,25,23,144



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MARK STEELS LIMITED

Notes to financial statements as at and for the year ended March 31, 2018

3. Property, Plant and Equipment and Intangible Assets
a) As at March 31, 2018

Particulars	Gross Carrying Value / Deemed Cost				Accumulated Depreciation / Amortisation				Net Block	
	As at 1st April 2017	Additions	Disposal/ Adjustments	As at 31st Mar 2018	As at 1st April 2017	Deductions/ Adjustments	Charge for the year	Up to 31st Mar 2018	As at 31st Mar 2018	As at 31st March 2017
Property, Plant and Equipment:										
a) Land	1,02,61,236.00	-	-	1,02,61,236	-	-	-	-	1,02,61,236	1,02,61,236
b) Factory Building	2,77,82,454.00	-	-	2,77,82,454	13,03,483.00	-	13,03,483	26,06,966	2,51,75,488	2,64,78,971
c) Plant & Equipment	12,66,66,862.00	45,99,040	-	13,12,65,902	1,08,89,359.00	-	1,09,21,543	2,18,10,902	10,94,55,000	11,57,77,503
d) Electrical Installation	1,31,87,236.00	-	-	1,31,87,236	25,37,921.00	-	32,12,624	57,50,545	74,36,691	1,06,49,315
e) Electric Generator	43,14,978.00	-	-	43,14,978	7,52,403.00	-	7,52,403	15,04,806	28,10,172	35,62,575
f) Computers	1,67,579.00	61,062	-	2,28,641	28,432.00	-	31,193	59,625	1,69,016	1,39,147
g) Office Equipment	2,21,746.00	1,48,154	-	3,69,900	23,825.00	-	1,12,038	1,35,863	2,34,037	1,97,921
h) Furniture & Fixtures	1,54,906.00	2,400	-	1,57,306	14,358.00	-	14,910	29,768	1,27,538	1,40,048
i) Vehicles	60,83,987.00	31,02,497	-	91,86,484	12,88,095.00	-	12,40,671	25,28,766	66,57,718	47,95,892
Total	18,88,40,984	79,13,153	-	19,67,54,137	1,68,38,376.00	-	1,75,88,865	3,44,27,241	16,23,26,894	17,20,02,608

b) As at March 31, 2017

Particulars	Gross Carrying Value / Deemed Cost				Accumulated Depreciation / Amortisation				Net Block (Deemed Cost)	
	As at 1st April 2016	Additions	Disposal/ Adjustments	As at 31st Mar 2017	As at 1st April 2016	Deductions/ Adjustments	Charge for the year	Up to 31st Mar 2017	As at 31st Mar 2017	As at 31st March 2016
Property, Plant and Equipment:										
a) Land	1,02,61,236	-	-	1,02,61,236	-	-	-	-	1,02,61,236	1,02,61,236
b) Factory Building	2,77,82,454	-	-	2,77,82,454	-	-	13,03,483.00	13,03,483.00	2,64,78,971	2,77,82,454
c) Plant & Equipment	12,59,02,371	7,64,491	-	12,66,66,862	-	-	1,08,89,359.00	1,08,89,359.00	11,57,77,503	12,59,02,371
d) Electrical Installation	1,31,87,236	-	-	1,31,87,236	-	-	25,37,921.00	25,37,921.00	1,06,49,315	1,31,87,236
e) Electric Generator	43,14,978	-	-	43,14,978	-	-	7,52,403.00	7,52,403.00	35,62,575	43,14,978
f) Computers	1,67,579	-	-	1,67,579	-	-	28,432.00	28,432.00	1,39,147	1,67,579
g) Office Equipment	1,72,924	48,822	-	2,21,746	-	-	23,825.00	23,825.00	1,97,921	1,72,924
h) Furniture & Fixtures	1,54,906	-	-	1,54,906	-	-	14,858.00	14,858.00	1,40,048	1,54,906
i) Vehicles	60,83,987	-	-	60,83,987	-	-	12,88,095.00	12,88,095.00	47,95,892	60,83,987
Total	18,80,27,671	8,13,313	-	18,88,40,984	-	-	1,68,38,376.00	1,68,38,376.00	17,20,02,609	18,80,27,671

The company has considered the net carrying value of Property, Plant and Equipment and Intangible Assets as on the date of transition as deemed cost under Ind AS 101 "First-Time Adoption of Indian Accounting Standards".

MARK STEELS LIMITED

Notes to financial statements as at and for the year ended March 31, 2018

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
12. Share Capital			
a) Authorised: 4,500,000 Equity Shares of Rs. 10/- each	4,50,00,000	4,50,00,000	4,50,00,000
	<u>4,50,00,000</u>	<u>4,50,00,000</u>	<u>4,50,00,000</u>
b) Issued, Subscribed and fully paid-up Shares: 4,285,714 Equity Shares of Rs. 10/- each fully paid up	4,28,57,140	4,28,57,140	4,28,57,140
	<u>4,28,57,140</u>	<u>4,28,57,140</u>	<u>4,28,57,140</u>

c) Details of shareholders holding more than 5% shares along with number of shares held:

Name of Shareholders	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Manaksia Ferro Industries Limited	29,99,994	70%	29,99,994	70%	29,99,994	70%
AGR Capital Markets Limited	12,85,713	30%	12,85,713	30%	12,85,713	30%

d) Reconciliation of the shares outstanding is set out below:

	2017-18 No. of shares	2016-17 No. of shares
Equity Shares		
At the beginning of the period	42,85,714	42,85,714
Outstanding at the end of the period	<u>42,85,714</u>	<u>42,85,714</u>

e) The Company is a Subsidiary Company of Manaksia Ferro Industries Limited.

f) No Shares has been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment

g) Terms/rights attached to each class of shares
Equity Shares:

The Company has only one class of equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
13. Other equity			
A. Capital Reserve	2,50,00,000	2,50,00,000	2,50,00,000
B. Securities Premium Reserve	12,21,42,830	12,21,42,830	12,21,42,830
C. Retained Earnings	22,91,88,253	18,84,15,902	16,96,03,229
	(1,66,925)	732	60,117
D. Other Comprehensive Income			
Total	<u>37,61,64,158</u>	<u>33,55,59,464</u>	<u>31,68,06,176</u>

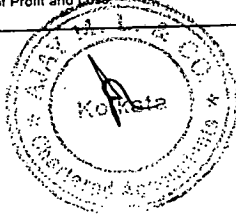
Refer Statement of Changes in Equity for movement in balances of Reserves.

Capital Reserve represents the amount of capital investment subsidy. The project of the Company was approved as Mega Project under the West Bengal Incentive Scheme, 2000. The Company thus became eligible to the Mega Project status on reaching the threshold investment level of Rs. 25 Crores stipulated in this regard. The package included 25% of the capital investments, subject to a cap of Rs.2.50 crores made as capital investment subsidy.

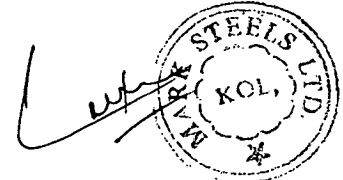
Securities Premium Reserve represents the amount received in excess of par value of securities. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.

Retained Earnings generally represent the undistributed profits/amount of accumulated earnings of the Company.

Other Comprehensive Income (OCI) represent the balance in equity relating to remeasurement gains/(losses) on defined benefit obligations. This will not be reclassified to Statement of Profit and Loss.



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MARK STEELS LIMITED

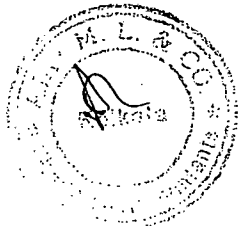
Notes to financial statements as at and for the year ended March 31, 2018

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016		
14. Borrowings					
At Amortised cost					
Secured	17,83,000	-	-		
From Bank for Equipments	17,83,000	-	-		
Total					
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016		
15. Provisions					
Provision for Employee Benefit - Gratuity (Refer Note No. 29)	50,90,965	41,35,929	33,14,669		
Total	50,90,965	41,35,929	33,14,669		
16. Deferred Tax Assets (net)					
	As at 31st March, 2018	Current year charge/ (Credit to P&L / OCI)	As at 31st March, 2017	Current year charge/ (Credit to P&L / OCI)	As at 1st April, 2016
a) Deferred Tax Assets					
Expenses allowable against taxable income in future years	3,35,000	81,231	2,53,769	77,635	1,76,134
	3,35,000	81,231	2,53,769	77,635	1,76,134
b) Deferred Tax Liabilities					
Timing difference in depreciable assets	(2,99,05,000)	21,34,769	(3,20,39,769)	22,17,365	(3,42,57,134)
Timing difference on fair valuation of quoted Investment	(3,24,724)	(72,826)	(2,51,898)	(1,34,943)	(1,16,955)
Net Deferred Tax Asset / (Liability)	(2,98,94,724)	21,43,174	(3,20,37,898)	21,60,057	(3,41,97,955)
Deferred tax charge / (Credit)		(20,68,201)		21,33,502	
Deferred tax credit to P&L		(74,973)		(26,555)	
Deferred tax charge to OCI					
Net Deferred Tax income / (Expense)		(21,43,174)		21,06,947	
17. Borrowings		Refer Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
At Amortised cost					
Secured	17.1		1,91,09,364	25,90,261	1,96,45,131
Rupee denominated Cash Credit/ WCD/Short Term Loans					
Unsecured			1,70,89,118	2,22,67,638	5,04,47,609
From Body Corporates					
			3,61,98,482	2,48,57,899	7,00,92,740
17.1 Short term loan from bank is secured by first charge on current assets, both present and future, and a second charge on fixed assets, both present and future, of the Company, personal guarantee of Director.					
			As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
18. Trade Payables					
Micro, Small and Medium Enterprises*					
Related Party			21,68,53,909	17,25,78,817	19,37,20,100
Other			21,68,53,909	17,25,78,817	19,37,20,100
Total					
*Disclosure of payables to MSME vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.					
Trade payables are non-interest bearing and are normally settled on 30 to 90 day terms.					
			As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
19. Other Financial liabilities					
Payable to Related Party			-	-	-
Interest accrued but not due on borrowings			-	-	-
Employee Benefits			3,84,25,072	2,55,70,146	2,23,31,973
Advance from customers			2,76,025	1,30,588	1,30,588
Other Payables			3,67,01,097	2,57,00,734	2,24,62,561
Total					
20. Other Current Liabilities			As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Other Payables *			1,69,62,447	43,03,942	40,68,215
Total			1,69,62,447	43,03,942	40,68,215
* Other payables includes statutory liabilities which includes liabilities toward Excise Duty, Provident Fund, Tax Deducted at Source etc.					
			As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
21. Provisions					
Provision for taxation			2,45,00,000	1,13,50,000	97,00,000
Total			2,45,00,000	1,13,50,000	97,00,000

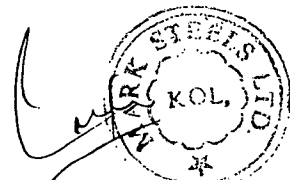
MARK STEELS LIMITED

Notes to financial statements as at and for the year ended March 31, 2018

	For the year ended March 31, 2018	For the year ended March 31, 2017
22. Revenue from Operations		
Sale of products (including excise duty)	1,37,38,69,335	1,21,00,26,021
Sale of trading goods	-	-
Other Operating Revenue	-	-
Export Incentive	-	-
Services	-	-
Others	-	-
Total	<u>1,37,38,69,335</u>	<u>1,21,00,26,021</u>
Sale of goods includes excise duty collected from customers of Rs. 39,647,607 (31st March 2017: Rs. 129,190,678).		
22.1 Particulars of Sale of Products	For the year ended March 31, 2018	For the year ended March 31, 2017
Metal Products	1,37,38,69,335	1,21,00,26,021
Others	<u>1,37,38,69,335</u>	<u>1,21,00,26,021</u>
23. Other Income	For the year ended March 31, 2018	For the year ended March 31, 2017
Income from Non-current Investment :		
Dividend From Subsidiary Company	-	-
Income from Current Investment :	14,71,636	12,35,953
Net Gain on Fair Valuation of Mutual Fund Units	39,81,289	50,09,565
Net Gain on Sale/Redemption of Mutual Fund Units	-	79,31,081
Interest Income	1,53,47,455	-
From fixed deposit with banks and others	-	-
Profit on sale of Fixed Assets (Net)	1,38,686	17,81,465
Exchange Fluctuation	<u>2,09,39,066</u>	<u>1,59,36,064</u>
Total	<u>2,09,39,066</u>	<u>1,59,36,064</u>
24. Cost of material consumed	ended March 31, 2018	ended March 31, 2017
Inventory at the beginning of the year	10,37,42,481	13,46,97,379
Add: Purchases during the year	1,08,64,27,339	79,42,72,462
Less: Inventory at the end of the year	<u>(18,59,07,714)</u>	<u>(9,54,27,875)</u>
Cost of Raw Material Consumed	<u>1,00,42,62,116</u>	<u>83,35,41,966</u>
25. Changes in inventories of finished goods and Stock-in-Trade	For the year ended March 31, 2018	For the year ended March 31, 2017
Closing Stock of Finished Goods	1,47,39,935	3,76,18,786
Less: Opening Stock of Finished Goods	3,76,18,786	4,83,76,432
(Increase) / Decrease	<u>(2,28,78,851)</u>	<u>(1,07,57,646)</u>
26. Employee benefits expense	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, Wages and Bonus	4,24,69,250	2,19,56,334
Contribution to Provident and other funds	16,01,089	12,92,780
Gratuity	7,12,406	7,35,320
Staff Welfare Expenses	2,52,991	3,21,529
Total	<u>4,50,35,736</u>	<u>2,43,05,963</u>
27. Finance costs	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Expenses	28,54,753	34,67,274.71
Other Borrowing Cost	-	-
Total	<u>28,54,753</u>	<u>34,67,274.71</u>
28. Other expenses	For the year ended March 31, 2018	For the year ended March 31, 2017
Stores & Consumables	3,16,39,644	2,46,24,394
Power & Fuel	10,46,26,822	10,61,65,043
Repairs to Machinery	21,12,147	15,13,271
Other Manufacturing Exp.	1,72,85,197	1,46,76,179
Rates & Taxes	15,47,704	14,15,935
Telephone & Telex	2,89,941	3,34,425
Postage & Courier	96,117	47,580
Travelling & Conv	6,78,967	1,61,220
Rent	8,51,200	4,40,600
Insurance	3,11,359	2,84,870
Bank Charges	19,80,966	10,90,085
Auditors' Remuneration	50,000	50,000
- As Auditors	35,000	35,000
- For Tax Audit	14,200	81,500
- For Other Services	40,68,369	34,78,331
Miscellaneous Exp	33,58,162	29,89,214
Security Service Charges	2,00,98,181	1,98,04,629
Freight, Forwarding & Handling Exp.	7,10,464	2,00,302
Donation	1,52,376	2,02,431
Printing & Stationery	3,82,297	3,17,850
Professional & Consultancy ch.	3,64,358	6,31,308
Commercial taxes for Earlier Year	84,12,520	8,48,884
Bad debts	<u>19,90,65,991</u>	<u>17,94,13,051</u>



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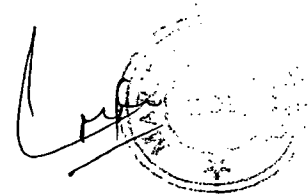
MARK STEELS LIMITED

Notes to financial statements as at and for the year ended March 31, 2018

	For the year ended March 31, 2018	For the year ended March 31, 2017
29. Other Comprehensive Income		
(A) Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	74,973	26,555
	<u>74,973</u>	<u>26,555</u>
	For the year ended March 31, 2018	For the year ended March 31, 2017
30. Tax expense		
Current Tax for the year	2,45,00,000	1,13,50,000
Less: MAT Credit Entitlement	<u>2,45,00,000</u>	<u>1,13,50,000</u>
Current tax	2,45,00,000	1,13,50,000
Deferred tax	<u>(20,68,201)</u>	<u>(21,33,502)</u>
	<u>2,24,31,799</u>	<u>92,16,498</u>
Income tax for earlier years	<u>2,70,332</u>	<u>4,39,959</u>
30.1 Reconciliation of estimated tax expense at Indian statutory income tax rate to income tax expense reported in statement of comprehensive income		
	For the year ended March 31, 2018	For the year ended March 31, 2017
Income before Income taxes	6,34,74,482	2,84,69,130
Indian Statutory Income Tax Rate	<u>33.063%</u>	<u>33.063%</u>
Estimated income tax expense	<u>2,09,86,568</u>	<u>94,12,748</u>
Tax effect of adjustments to reconcile expected Income Tax expense to reported Income Tax expense		
Income exempt		(7,53,540)
Tax payable at different rate	31,87,534	27,82,487
Effect of tax allowance	(20,68,201)	(21,33,502)
Deferred tax / MAT credit entitlement	<u>3,25,898</u>	<u>(91,695)</u>
Other	<u>14,45,231</u>	<u>(1,96,250)</u>
Income tax expense in the Statement of Profit and Loss	<u>2,24,31,789</u>	<u>92,16,498</u>



Haraul



31 Employee benefit obligations / expenses

(I) Post Employment Defined Contribution Plan

The Company contributes to the Provident Fund (PF) maintained by the Regional Provident Fund Commissioner. Under the PF scheme contributions are made by both the Company and its eligible employees to the Fund, based on the current salaries. An amount of Rs. 1,601,089 (31 March 2017 : Rs 1,292,780) has been charged to the Statement of Profit and Loss towards Company's contribution to the aforesaid PF scheme. Apart from making monthly contribution to the scheme, the Company has no other obligation.

(II) Post Employment Defined Benefit Plan-Gratuity (Unfunded)

Gratuity is paid to employees under the Payment of Gratuity Act, 1972 through unfunded scheme. The present value of obligation is determined based on actuarial valuation using projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

The following Table sets forth the particulars in respect of the aforesaid Gratuity fund of the Company.

	For the year ended March 31, 2018	For the year ended March 31, 2017
Balance sheet amount:		
Present value of defined benefit obligation at beginning of period	41,35,929	33,14,669
Current Service cost	5,38,596	4,75,781
Interest cost/income	3,02,750	2,59,539
Total amount recognised in profit or loss	49,77,275	40,49,989
Remeasurements (gains)/losses		
- Change in Demographic assumptions	-	-
- Change in Financial assumptions	(1,96,055)	2,00,035
- Experience Variance (i.e Actual Experience vs assumptions)	4,38,685	(1,14,095)
Total amount recognised in Other Comprehensive Income	2,42,630	85,940
Benefits paid	(1,28,940)	-
Present value of defined benefit obligation at end of period	50,90,965	41,35,929

	As at March 31, 2018	As at March 31, 2017
Principal Actuarial Assumption Used:		
Discount Rates	7.32%	7.70%
Expected Salary increase rates	5.00%	5.00%
Attrition rate	2.00%	2.00%
Mortality	IALM(06-08) Ultimate	IALM(06-08) Ultimate

Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflow) is 11 Years

The expected maturity analysis of undiscounted gratuity benefit is as follows:

	1 Year	2 to 5 Year	6 to 10 Year	> 10 Year	Total
As at 31 March 2018					
Defined benefit obligation	4,56,010	12,81,551	23,52,621	90,03,541	1,30,93,723
As at 31 March 2017					
Defined benefit obligation	4,50,521	7,58,087	15,72,779	74,34,369	1,02,15,756
As at 1 April 2016					
Defined benefit obligation	2,78,900	5,55,204	13,22,354	70,27,144	91,83,602

Sensitivity Analysis

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	As at March 31, 2018		As at March 31, 2017	
	Decrease	Increase	Decrease	Increase
Discount Rate (+/-1%)	56,33,116	46,26,386	45,79,023	37,58,198
Salary Growth Rate (+/-1%)	46,00,834	56,55,196	37,54,104	45,76,081
Attrition Rate (+/-50%)	49,61,265	52,06,606	40,36,406	42,24,371
Mortality Rate (+/-10%)	50,68,460	51,12,997	41,18,924	41,52,547

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Risk Exposure:

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit, the most significant of which are as follows:

Interest Rate risk:

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk:

This is the risk that the company is not able to meet the short term gratuity pay-outs. This may arise due to non availability of enough cash/cash equivalents to meet the liabilities.

Salary Escalation Risk:

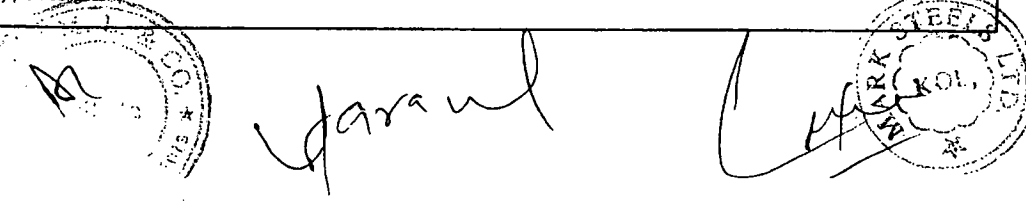
The present value of the defined benefit plans calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk:

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972(as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 10,00,000). An upward revision of maximum gratuity limit will result in gratuity plan obligation.



MARK STEELS LIMITED

Notes to financial statements as at and for the year ended March 31, 2018

32 Earnings / (loss) per equity share

	For the year ended March 31, 2018	For the year ended March 31, 2017
(I) Basic		
a. Profit after tax	4,07,72,351	1,88,12,673
b. (i) Number of Equity Shares at the beginning of the year	42,85,714	42,85,714
(ii) Number of Equity Shares at the end of the year	42,85,714	42,85,714
(iii) Weighted average number of Equity Shares outstanding during the year	42,85,714	42,85,714
(iv) Face Value of each Equity Share (Rs.)	10	10
c. Basic Earning per Share [a / (b)(iii)] (Rs.)	9.51	4.39
(II) Diluted		
a. Dilutive potential Equity Shares		
b. Weighted Average number of Equity Shares for computing Dilutive earning per Share	42,85,714	42,85,714
c. Diluted Earning / (Loss) per Share [same as (I)(c) above] (Rs.)	9.51	4.39

33 Contingent liabilities and Commitments

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs.in Lac	Rs.in Lac	Rs.in Lac
A. Contingent liabilities			
(a) Claims against the Company not acknowledged as debts :			
(b) Other money for which the Company is contingently liable			
(i) Entry tax demand under appeal / contest	201.12	124.60	66.84
(ii) Central excise demand under appeal	42.58	46.61	37.95
(iii) Income tax under rectification	10.61	10.61	10.61
(iv) Income tax demand for TDS under rectification	0.42	0.42	0.42
(c) Guarantees			
(i) Counter guarantee given in favour of Company's Bankers for Bank Guarantee issued	187.99	136.52	136.52
B. Commitments			
(a) Capital Commitments			
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for [Net of advance of Rs. 39318, (31 March 2017 : Rs. 39318 lacs, 1 April 2016 : Rs. 39318 lacs)]			

34 Operating leases

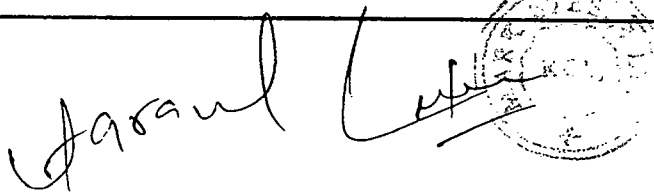
The Company has lease agreement for few premises which are in the nature of operating lease. The tenure of lease are less than 1 year and are cancellable lease. There is no obligation for renewal of these lease agreements and are renewable by mutual consent.

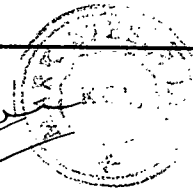
	As at 31st March, 2018	As at 31st March, 2017
Lease payments recognised in the statement of Profit and Loss during the year	8,51,200	4,40,600

35 Segment information

The board of directors of the Company has been identified as Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators. The Company has only one business segment, viz manufacture and sale of steel, hence segment information have not been presented separately. Revenue of Rs. 158042262 (March 31, 2017 Rs. 203727022) is derived from single external customer. The Company deals with various customers, and there was 1 single customer to whom sales of 10% or more of the Company's Revenue were made.







36 First time adoption of Ind AS

These are the Company's first standalone financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 and 2 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemption and exceptions availed:

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS Optional exemptions**A.1.1 Deemed cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities if any. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

A.2 Ind AS Mandatory exceptions**A.2.1 Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

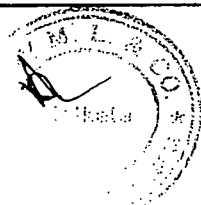
A.2.2 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

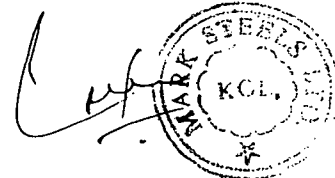
The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

First-Time Adoption of Ind AS reconciliation**Effect of Ind AS adoption on the Balance Sheet as on 1st April 2016 and 31st March 2017**

Particulars	Note No.	Previous GAAP Balance Sheet as at 1st April 2016	Effect of transition to Ind AS	Ind AS Balance Sheet as at 1st April 2016	Previous GAAP Balance Sheet as at 31st March 2017	Effect of transition to Ind AS	Ind AS Balance Sheet as at 31st March 2017
ASSETS							
Non current assets							
(a) Property, plant and equipment		18,80,27,671		18,80,27,671	17,20,02,608	-	17,20,02,608
(b) Other Intangible assets				-			-
(c) Financial Assets				-			-
(i) Investments	1	4,25,000	(4,20,750)	4,250	4,25,000	(4,20,750)	4,250
(ii) Loans				-			-
(d) Deferred Tax Assets (net)				-			-
		18,84,52,671	(4,20,750)	18,80,31,921	17,24,27,608	(4,20,750)	17,20,06,858
Current assets							
(a) Inventories		18,87,67,945		18,87,67,945	13,88,97,558	-	13,88,97,558
(b) Financial Assets							
(i) Investment	2	3,07,98,855	7,99,245	3,15,98,100	4,53,95,437	12,35,953	4,66,31,390
(ii) Trade receivables		3,53,73,403		3,53,73,403	3,49,49,169	-	3,49,49,169
(iii) Cash and Cash equivalents		2,32,54,182		2,32,54,182	1,42,08,384	-	1,42,08,384
(iv) Loans		14,76,70,862		14,76,70,862	17,34,55,704	-	17,34,55,704
(v) Other Financial Assets				-			-
(c) Other current assets		8,25,23,144		8,25,23,144	7,32,32,762	-	7,32,32,762
(d) Current Tax Assets				-			-
		50,83,88,392	7,99,245	50,91,87,636	48,01,39,014	12,35,953	48,13,74,967
Total Assets		69,68,41,063	3,78,495	69,72,19,557	65,25,66,622	8,15,203	65,33,81,825



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MARK STEELS LIMITED

Notes to financial statements as at and for the year ended March 31, 2018

EQUITY AND LIABILITIES

Equity						
(a) Equity Share Capital	4,28,57,140		4,28,57,140	4,28,57,140		4,28,57,140
(b) Other Equity	31,65,44,636	2,61,540	31,68,06,176	33,49,96,160	2,51,898	33,52,48,058
Total Equity	35,94,01,776	2,61,540	35,96,63,316	37,78,53,300	2,51,898	37,81,05,198
Liabilities						
Non-current liabilities						
(a) Provisions	33,14,669		33,14,669	41,35,929		41,35,929
(b) Deferred tax liabilities (Net)	3,40,81,000	1,16,955	3,41,97,955	3,17,86,000	5,63,305	3,23,49,305
	3,73,95,669	1,16,955	3,75,12,624	3,59,21,929	5,63,305	3,64,85,234
Current liabilities						
(a) Financial Liabilities						
(i) Borrowings	7,00,92,740		7,00,92,740	2,48,57,899	-	2,48,57,899
(ii) Trade Payables	19,37,20,100		19,37,20,100	17,25,78,817	-	17,25,78,817
(iii) Other financial liabilities	2,24,62,562		2,24,62,562	2,57,00,734	-	2,57,00,734
(b) Other current liabilities	40,68,215		40,68,215	43,03,942	-	43,03,942
(c) Provisions	97,00,000		97,00,000	1,13,50,000	-	1,13,50,000
	30,00,43,617		30,00,43,617	23,87,91,392		23,87,91,392
Total Liabilities	33,74,39,286	1,16,955	33,75,56,241	27,47,13,321	5,63,305	27,52,76,626
Total Equity and Liabilities	69,68,41,062	3,78,495	69,72,19,557	65,25,66,621	8,16,203	65,33,81,824

Previous GAAP figures have been reclassified to conform with Ind AS presentation requirement for the purpose of these notes.

Explanatory Notes to Balance Sheet Reconciliation as at April 1, 2016 and at March 31, 2017

1 Non-current Investments

The fair valuation of unquoted equity investment carried at fair value through Profit & Loss under Ind AS.

2 Current Investments

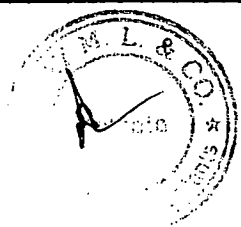
The fair valuation of quoted investment in mutual funds carried at fair value through Profit & Loss under Ind AS.

3 Deferred Tax Assets

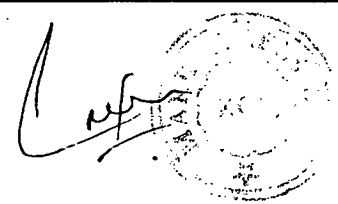
Corresponding Deferred tax recognised on fair valuation of unquoted equity investment and quoted mutual funds carried at fair value through Profit & Loss under Ind AS.

Reconciliation of Total Equity as given above:

Particulars	As at 31st	As at 31st March
	March 2017	2016
Total Other Equity under previous GAAP	37,70,53,300	35,94,01,776
Adjustments:		
Effect on Fair Valuation of unquoted investments in equity instruments	(4,20,750)	(4,20,750)
Effect on Fair Valuation of quoted investments in mutual funds	12,35,953	7,99,245
Effect of Deferred Taxes on above	(5,63,305)	(1,16,955)
Total Other Equity as per Ind AS	37,81,05,198	35,96,63,316



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Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March 2017

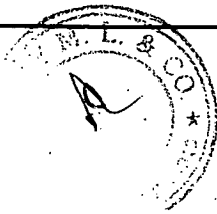
Particulars	Note No.	Previous GAAP Statement of PL for the year ended 31st March 2017	Effect of transition to Ind AS	Ind AS Statement of PL for the year ended 31st March 2017
I. Income	A	1,08,08,35,343	12,91,90,678.	1,21,00,26,021
Revenue from Operations	B	1,55,21,357	4,36,707	1,59,58,064
Other Income		<u>1,09,63,56,700</u>	<u>12,96,27,385</u>	<u>1,22,59,84,085</u>
Total				
II. Expenses				
Cost of material consumed	A	83,35,41,966	12,91,90,678	96,27,32,644
Changes in inventories of finished goods and Stock-in-Trade		1,07,57,646		
Employee benefits expense	C	2,43,91,903	(85,940)	2,43,05,963
Finance costs		34,67,275		34,67,275
Depreciation and amortization expense		1,68,38,376		1,68,38,376
Other expenses		<u>17,94,13,052</u>		<u>17,94,13,052</u>
Total Expenses		<u>1,06,84,10,218</u>	<u>12,91,04,738</u>	<u>1,18,67,57,310</u>
III. Profit before tax		2,79,46,482	5,22,647	3,92,26,775
IV. Tax expenses				
Current tax		1,13,50,000	-	1,13,50,000
Tax adjustment for earlier years		4,39,959		
Deferred tax	D	<u>(22,95,000)</u>	<u>1,61,498</u>	<u>(21,33,502)</u>
Total tax expenses		<u>94,94,959</u>	<u>1,61,498</u>	<u>92,16,498</u>
V. Profit for the year		1,84,51,523	3,61,149	3,00,10,277
VI. Other Comprehensive Income				
Items that will not be reclassified to profit or loss	A (i)	-	(85,940)	(85,940)
Income tax relating to items that will not be reclassified to profit or loss	(ii)	-	26,555	26,555
Items that will be reclassified to profit or loss	B (i)	-	-	-
Income tax relating to items that will be reclassified to profit or loss	(ii)	-	-	-
Total Other Comprehensive Income		<u>-</u>	<u>(59,385)</u>	<u>(59,385)</u>
VII. Total Comprehensive Income for the year (V + VI)		<u>1,84,51,523</u>	<u>3,01,764</u>	<u>1,87,53,287</u>

Explanatory Notes to Statement of Profit and Loss Reconciliation for the year 2016-17

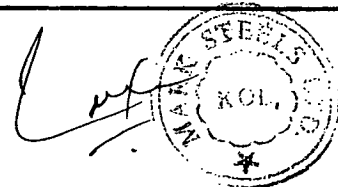
- A Excise duty on sales was earlier netted off with Sales, has now been presented separately.
- B Gain on fair valuation of quoted investment in mutual funds carried at fair value through Profit & Loss under
- C Gain or Loss on Actuarial assumption under Ind AS 19 "Employee Benefits" is separately shown under Other Comprehensive Income (OCI), whereas under previous GAAP it was net off with Employee Benefit
- D Corresponding deferred tax on
- Gain / Loss on Actuarial assumption under Ind AS 19 "Employee Benefits" shown under Other Comprehensive Income (OCI)
- Gain or Loss on fair valuation of quoted equity Investment carried at fair value through Other Comprehensive Income under Ind AS.

Reconciliation of Total Comprehensive Income for the year ended 31st March 2017

Particulars	Amount in Rs. For the year ended 31st March 2017
Net Profit (+)/loss (-) under previous GAAP	1,84,51,523
Adjustment for amount recognised in other comprehensive income	(59,385)
Effect on Fair Valuation of quoted investments in mutual funds	4,36,707
Effect of Deferred Taxes on above	<u>(1,34,943)</u>
Net Profit (+)/loss (-) for the period under Ind-AS	1,86,93,902
Other Comprehensive Income (net of taxes)	59,385
Actuarial gain/(Loss) on Employee defined benefit (net of taxes)	<u>59,385</u>
Total Comprehensive Income under Ind-AS	<u>1,87,53,287</u>



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MARK STEELS LIMITED

Notes to financial statements as at and for the year ended March 31, 2018

37 Financial Instruments disclosure

(A) CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	Ref Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Financial Assets				
Measured at Amortised Cost				
Trade receivables	7	4,69,20,052	3,49,49,169	3,53,73,403
Cash and Cash Equivalents	8	1,83,30,815	1,42,08,384	2,32,54,181
Current Loans	9	26,28,43,994	17,34,55,704	14,76,70,862
Total financial assets measured at amortised cost		32,80,94,861	22,26,13,257	20,62,98,446
Measured at Fair Value through Profit or Loss				
Current Investments	6	1,49,72,147	4,66,31,390	3,15,98,100
Non Current Investments	4	1,26,43,754	4,250	4,250
Total Financial Assets measured at Fair Value through Profit or Loss		2,76,15,901	4,66,35,640	3,16,02,350
Measured at Fair Value through Other Comprehensive Income				
Current Investments		-	-	-
Non Current Investments		-	-	-
Total Financial Assets measured at Fair Value through Other Comprehensive Income		-	-	-
Financial Liabilities				
Measured at Amortised Cost				
Non Current borrowings	14	17,83,000	-	-
Current borrowings	17	3,61,98,482	2,48,57,899	7,00,92,740
Trade Payables	18	21,68,53,909	17,25,78,817	19,37,20,100
Other financial liabilities	19	3,87,01,097	2,57,00,734	2,24,82,561
Total financial liabilities measured at amortised cost		29,35,36,488	22,31,37,450	28,62,75,401
Measured at Fair Value through Profit or Loss				
Total financial liabilities measured at Fair Value through Profit or Loss		-	-	-

(B) Fair Values

Class wise fair value of the Company's financial instruments:

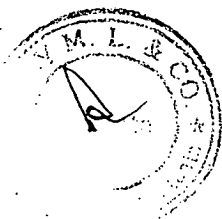
Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Investments (unquoted) in mutual funds	2,76,11,651	4,66,31,390	3,15,98,100
Non Current Investments, other than investment in subsidiary and joint venture	4,250	4,250	4,250

(C) Fair value hierarchy

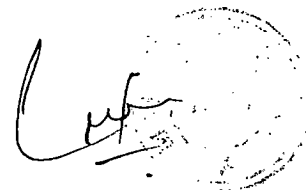
The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Particulars	Date of valuation	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)
Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March 2018:				
A. Financial assets:				
Assets measured at fair value:				
Investments (unquoted) in mutual funds	31st March 2018	2,76,11,651	-	-
Non Current Investments, other than investment in subsidiary and joint venture	31st March 2018	-	-	4,250
B. Financial liabilities:				
		-	-	-



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MARK STEELS LIMITED

Notes to financial statements as at and for the year ended March 31, 2018

Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March 2017:

A. Financial assets:

Assets measured at fair value:

Investments (unquoted) in mutual funds	31st March 2017	4,66,31,390	-	-
Non Current Investments, other than investment in subsidiary and joint venture	31st March 2017	-	-	4,250

B. Financial liabilities:

Quantitative disclosures of fair value measurement hierarchy for assets as at 01st April 2016:

A. Financial assets:

Assets measured at fair value:

Investments (unquoted) in mutual funds	01st April 2016	3,15,98,100	-	-
Non Current Investments, other than investment in subsidiary and joint venture	01st April 2016	-	-	4,250

B. Financial liabilities:

Fair Value Technique

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants at the measurement date. The following methods and assumptions were used to

(a) The fair value of cash and cash equivalents, trade receivables, trade payables, current financial liabilities and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The board considers that the carrying amounts of financial assets and financial liabilities recognised at cost/amortised costs in the financial statements approximates their fair values.

(b) Investments in liquid and short-term mutual funds are measured using quoted market prices at the reporting date multiplied by the

(c) Fair Value for valuation of unquoted equity instruments is arrived based on management estimate.

(d) During the year ended 31st March 2018 and 31st March 2017, there were no transfer between different levels of fair value measurement.

38 Financial Risk Management objectives and policies

The Company's principal financial liabilities comprise borrowings in domestic currency, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents, investments at cost/fair value and deposits, that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A Market risk

Market risk means that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The goal of market risk management is optimization of profit and controlling the exposure to market risk within acceptable limits. Market risk comprises two types of risk: 'Foreign currency risk', 'Interest rate risk', and 'Price risk on traded goods'.

(a) Foreign currency risk

The company undertakes transactions denominated primarily in USD and consequently exposed to exchange rate fluctuations. Exchange Rate exposures are managed within approved policy parameters.

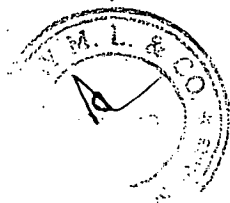
The Company has exposure to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates. The exposure to currency risk as of 31 March 2018, 31 March 2017 and 1 April 2016 are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	USD	USD	USD
Financial Assets:	-	-	-
Financial Liabilities:			
Trade payables	742496	235527	564552
Net Forex exposure	-742496	-235527	-564552

Foreign currency sensitivity

The company is principally exposed to foreign currency risks against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables:

As per management assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:



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Particulars	Changes in USD	Foreign currency	Effect on profit/
	rate	Payable (net)(INR)	(loss) before tax
	%		
As at 31st March 2018			
Weakening of INR	5%	16034833	-763563
Strengthening of INR	-5%	14507706	763563
As at 31st March 2017			
Weakening of INR	5%	50709655	-2414745
Strengthening of INR	-5%	45880164	2414745

(b) Interest rate risk

The Company manages the exposure to interest rate risk by adjusting of borrowing structure ratio between borrowings at fixed interest rates and variable interest rate. The company monitors interest rate risks regularly in order to avoid exposure to interest rate risk on borrowings at variable interest rate.

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

(i) Interest rate risk exposure

The carrying amount of interest-bearing financial instruments as of 31 March 2017, 31 March 2016 and 1 April 2015 are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Variable rate financial liabilities	-	-	-
Variable rate financial assets	-	-	-

(ii) Sensitivity analysis on the fair value of financial instruments with fixed interest rate

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

(iii) Sensitivity analysis on the cash flows of financial instruments with variable interest rate

As of 31 March 2018 and 31 March 2017, provided that other factors remain the same and the interest rate of borrowings with floating rates increases or decreases by 0.5%, the changes in interest expense for the years ended 31 March 2018 and 31 March 2017 were as follows:

Particulars	Impact on profit before tax	
	Year ended 31st March, 2018	Year ended 31st March, 2017
Interest rates - increase by 50 basis points	-	-
Interest rates - decrease by 50 basis points	-	-

Price Risk on Traded Goods

The company is impacted by the price volatility of goods in which the Company trades. To minimize the risk related to price of traded goods, the Company obtain order for sales from buyers prior to purchase of goods with immediate despatch to buyer.

B Credit risks

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and others. In addition, credit risk arises from financial The Company implements a credit risk management policy under which the Company only transacts business with counterparties that have a certain level of credit worthiness based on internal assessment of the parties, financial condition, historical experience, and other factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component that are expected to occur. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. Debt securities are analyzed individually, and an expected loss shall be directly deducted from debt

(i) Credit risk exposure

The aging of trade accounts and notes receivable as of 31 March 2018, 31 March 2017 and 1 April 2016 are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Within Credit Period			
1 to 90 days past due	3,35,12,058	1,46,91,992	2,11,00,841
91 to 180 days past due	8,87,525	72,11,089	85,580
More than 180 days past due	1,25,20,472	1,30,46,088	1,41,86,982

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



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MARK STEELS LIMITED

Notes to financial statements as at and for the year ended March 31, 2018

C - Liquidity Risk

The Company's objective is to at all times maintain optimum level of liquidity to meet its cash and collateral requirement at all times. The need of the funds of the company are being met by internal accrual and borrowings. The short and medium term requirements are met through the committed lines of credit.

The table provides undiscounted cash flow towards non-derivative financial liability and net settled derivative financial liabilities into relevant maturities based on the remaining period at balance sheet date to contractual maturity date.

Particulars	0 - 180 days	181 - 365 days	Payable in more than 1 year	Total
As at 31st March 2018				
Non Current borrowings	-	-	17,83,000	17,83,000
Current borrowings	1,91,09,364	1,70,89,118	-	3,61,98,482
Trade Payables	21,68,53,909	-	-	21,68,53,909
Other financial liabilities	3,87,01,097	-	-	3,87,01,097
	27,46,64,370	1,70,89,118	17,83,000	29,35,36,488
As at 31st March 2017				
Non Current borrowings	-	-	-	-
Current borrowings	25,90,261	2,22,67,638	-	2,48,57,899
Trade Payables	17,25,78,817	-	-	17,25,78,817
Other financial liabilities	2,57,00,734	-	-	2,57,00,734
	20,08,69,812	2,22,67,638	-	22,31,37,450
As at 1st April 2016				
Non Current borrowings	-	-	-	-
Current borrowings	1,96,45,131	5,04,47,609	-	7,00,92,740
Trade Payables	19,37,20,100	-	-	19,37,20,100
Other financial liabilities	2,24,62,561	-	-	2,24,62,561
	23,58,27,792	5,04,47,609	-	28,62,75,401

39 CAPITAL MANAGEMENT
A. Risk management

The fundamental goal of capital management are to: - safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and - maintain an optimal capital structure to reduce the cost of capital. The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

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

The Company manages its capital on the basis of net debt to equity ratio which is net debt divided by total equity. Net debt are long-term and short-term debts as reduced by cash and cash equivalents. The Company is not subject to any externally imposed capital requirements.

The following table summarises the capital of the Company:

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Total borrowings	3,79,81,482	2,48,57,899	7,00,92,740
Less: Cash and cash equivalents	(1,83,30,815)	(1,42,08,384)	(2,32,54,181)
Net Debt	1,96,50,667	1,06,49,515	4,68,38,559
Equity	41,90,21,298	37,84,16,604	35,96,63,316
Total Capital (Equity + Net Debt)	43,86,71,965	38,90,66,119	40,65,01,875
Net Debt to Equity ratio	5%	3%	13%



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MARK STEELS LIMITED

Notes to financial statements as at and for the year ended March 31, 2018

40 Related Party Disclosure pursuant to Ind AS 24

(a) Related Parties	Name of the Related Parties
(i) Where Control Exist	
Holding Company	Manaksia Ferro Industries Ltd
Ultimate Holding Company	Manaksia Ltd
(j) Others	
Enterprise having significant influence	AGR Capital Markets Ltd.
Peer-ow Subsidiary	Manaksia Overseas Ltd MINL Ltd. Dynatech Industries Ghana Ltd. Jebba Paper Mills Ltd.
Key Managerial Personnel	Umesh Kumar Jhunjhunwala Ashish Jhunjhunwala
Relatives of Key Managerial Personnel	Rohit Jhunjhunwala Ayush Jhunjhunwala Nilesh Jhunjhunwala Sajjan Jhunjhunwala
Enterprise having significant influence is also a member	Murarial Co. Anuradha Trexim Pvt. Ltd

(b) Details of Transactions with Related Parties

Nature of Transactions	Name of related parties	31 March 2018	31 March 2017
Remuneration	Umesh Kumar Jhunjhunwala	60,00,000	12,00,000
	Ashish Jhunjhunwala	42,00,000	6,00,000
	Rohit Jhunjhunwala	30,00,000	7,20,000
	Ayush Jhunjhunwala	-	4,80,000
	Nilesh Jhunjhunwala	15,00,000	-
	Sajjan Jhunjhunwala	15,00,000	-

(c) Details of balances with Related Parties

	Key Managerial Personnel			Relatives of Key Managerial Personnel		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Receivable	NIL	NIL	NIL	NIL	NIL	NIL
Payable	NIL	NIL	NIL	NIL	NIL	NIL

(c) Details of compensation paid to KMP

	Umesh Kumar Jhunjhunwala		Ashish Jhunjhunwala	
	ended March 31, 2018	ended March 31, 2017	ended March 31, 2018	ended March 31, 2017
Short-Term Employee Benefits	60,00,000	12,00,000	42,00,000	6,00,000
Post-Employment Benefits	NIL	NIL	NIL	NIL
Long-Term Employee Benefits	NIL	NIL	NIL	NIL
Termination Benefits	NIL	NIL	NIL	NIL
Employee Share Based Payments	NIL	NIL	NIL	NIL
Total Compensation	60,00,000	12,00,000	42,00,000	6,00,000

41 These financial statements have been approved by the Board of Directors of the Company on 15th May 2018 for issue to the shareholders for their adoption.

42 Previous year figures.
The previous year figures are reclassified where considered necessary to conform to this year's classification

As per our Report attached of even date
For Ajay M L & Co.
Chartered Accountants
Firm Regn. No. 324364E

Ajay Agarwal
(Partner)
Membership No. 53384
Kolkata
15th day of May, 2018

For and on Behalf of the Board of Directors

Umesh Kumar Jhunjhunwala
DIN:00448079

Vineet Agarwal
DIN:00441223

Vineet Agarwal