

METAL COATINGS (INDIA) LIMITED



**23rd
Annual Report
2016-2017**



CORPORATE INFORMATION

Board of Directors

Mr. Ramesh Chander Khandelwal
Chairman & Whole-time Director

Mr. Pramod Khandelwal
Managing Director

Mr. Ayodhya Prasad Khandelwal
Whole-time Director

Mr. Virendra Kumar Hajela
Independent Director

Mr. Satish Kumar Gupta
Independent Director

Ms. Neha Gupta
Independent Director

Chief Financial Officer

Mr. Ram Avtar Sharma

Company Secretary & Compliance Officer

Ms. Preeti Khatore

Statutory Auditors

M/s. Vinod Kumar & Associates
Chartered Accountants
909, Chiranjiv Tower, 43, Nehru Place,
New Delhi-110019

Cost Auditor

Mr. Ramawatar Sunar
Cost Accountant
F-18/37, Ground Floor
Sector – 8, Rohini
New Delhi - 110085

Registrar and Share Transfer Agent

M/s Link Intime India Private Ltd.,
44, Community Centre, 2nd Floor,
Naraina Industrial Area, Phase-I
Near PVR Cinema, New Delhi -110 028
Phone No: 011-41410592-93-94
Fax No. 011-41410591
E-mail:delhi@linkintime.co.in

Registered Office

912, Hemkunt Chambers,
89, Nehru Place,
New Delhi -110 019
Phone No.: 011-41808125
Email Id: info@mcilindia.net
Website: www.mcil.net
CIN: L74899DL1994PLC063387

Works

- (i) Sector – 45, Meola Maharajpur,
Faridabad – 121 003, Haryana
- (ii) Plot No. -113, HSIIDC Industrial Estate,
Sector – 59, Faridabad – 121 004, Haryana

Bankers

- (i) Canara Bank
- (ii) The Hongkong and Shanghai Banking
Corporation Ltd.,
- (iii) Yes Bank Limited

Website

www.mcil.net

E-mail Id for Investors

preeti@mcilindia.net

23rd ANNUAL GENERAL MEETING

Day	:	Friday
Date	:	22 nd September, 2017
Time	:	10:30 a.m. (IST)
Venue	:	Robotics Hall, ISKCON Complex Sant Nagar Main Road, East of Kailash, New Delhi - 110 065

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DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company are pleased to present the **Twenty Third Annual Report** together with the Audited Financial Statements of your Company, for the financial year ended 31st March, 2017.

FINANCIAL RESULTS

The Financial Performance of your Company for the financial year ended 31st March, 2017 is summarised as follows:

(Rs. in lacs)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<i>Total Turnover (Gross)</i>	10,911.37	10,241.81
<i>Operating Profit</i>	472.88	434.56
<i>Depreciation</i>	73.21	77.19
<i>Finance Cost</i>	140.27	122.76
<i>Provision for Tax and Adjustment</i>	88.45	83.26
<i>Net Profit</i>	170.95	151.35

PERFORMANCE REVIEW AND STATE OF AFFAIRS OF THE COMPANY

The total net revenue of the company for the year ended 31st March, 2017 increased to Rs. 10911.37 lacs as compared to Rs. 10241.81 lacs in the previous year. The Profit Before Tax stood at Rs. 259.40 lacs as against Rs. 234.61 lacs in the previous year. There was a satisfactory recovery in steel industry during the year under review however a number of geopolitical changes worldwide coupled with the demonetisation in India, had kept the bottom line under pressure. In spite of all these odds your Company has registered a growth of more than 10% in Profit before Tax.

DIVIDEND

The Board of Directors of your company at its meeting held on 30th May, 2017 has recommended a dividend of Re. 1 (Rupee One Only) per Equity share of Rs. 10/- (Rupees Ten) each for the year ended 31st March, 2017 to the Members of the Company. The Dividend payment is subject to the approval of the Members at the ensuing 23rd Annual General Meeting (hereinafter referred to as "AGM") of the Company scheduled to be held on 22nd September, 2017 and will be paid within a period of 30 (Thirty) days from the date of declaration of Dividend, to those Members whose name appears in the Register of Members of the Company as on close of the business hours on 15th September, 2017. The Dividend Payout will be Rs. 88.48 lacs including Dividend Distribution Tax of Rs. 15.21 lacs.

TRANSFER TO RESERVES

No amount has been proposed to be carried to any Reserves. Entire amount of Rs. 171 lacs is proposed to be retained in the Surplus.

MATERIAL CHANGES AND COMMITMENTS DURING THE YEAR

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year to which the financial statements relate and the date of the report during the year under review.

CHANGE IN THE NATURE OF BUSINESS

During the year, there was no change in the nature of business of the Company.

**DIRECTORS & KEY MANAGERIAL PERSONNEL*****Appointment and/or Re-Appointment***

In accordance with the provisions of Section 152 of the Companies Act, 2013 (hereinafter referred to as “the Act”) and the Articles of Association of the Company, Mr. Ayodhya Prasad Khandelwal, Whole-time Director of the Company being liable to retire by rotation, shall retire at the ensuing AGM and being eligible, offers himself for re-appointment.

Ms. Rupali Aggarwal resigned from the post of Company Secretary & Compliance Officer and was relieved from the services of the Company from the close of business hours of 15th April, 2017. The Board of Directors at its meeting held on 15th May, 2017, based on the recommendation of Nomination & Remuneration Committee, has appointed Ms. Preeti Khatore as the Company Secretary & Compliance Officer of the Company.

The brief resume and other details as required under the Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as “SEBI (LODR) Regulations, 2015”] of the Directors seeking re-appointment at the ensuing AGM are provided in the Notice of the AGM of the Company which forms a part of the Annual Report.

Key Managerial Personnel

The following persons have been designated as Key Managerial Personnel of the Company in accordance with the provisions of Section 2(51) and Section 203 of the Act, read with the Rules framed there under.

1. Mr. Ramesh Chander Khandelwal, Chairman & Whole-time Director;
2. Mr. Pramod Khandelwal, Managing Director;
3. Mr. Ayodhya Prasad Khandelwal, Whole-time Director;
4. Mr. Ram Avtar Sharma, Chief Financial Officer; and
5. Ms. Preeti Khatore, Company Secretary & Compliance Officer

Statement of Declaration given by Independent Directors

The Company has received necessary declaration from all Independent Directors of the Company, under Section 149(7) of the the Act, that he/she meets the criteria of independence as laid down in Section 149(6) of the Act and rules made thereunder and SEBI (LODR) Regulations, 2015.

BOARD EVALUATION

During the year under review, the evaluation process focussed on various aspects of Board and its Committees such as composition and structure, functioning, effectiveness of Board processes, information and functioning, etc.

The evaluation of all the Directors and the Board as a whole was conducted by the Board and found to be satisfactory. The flow of information between the Company management and the Board is adequate, qualitative and timely. As required under the provisions of the Act, a Meeting of all Independent Directors was convened and held during the year.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board Meeting including the performance of the Board, its Committees and individual directors.

DETAILS OF MEETINGS OF BOARD OF DIRECTORS HELD DURING THE YEAR

7 (Seven) Meetings of the Board were held during the financial year 2016-17, viz., 30th May, 2016, 28th July, 2016, 11th August, 2016, 29th September, 2016, 14th November, 2016, 11th February, 2017 and 10th March, 2017. The Company has held at least one meeting in every three months and the maximum time gap between two meetings was not more than four months and the necessary quorum were present at all the meetings.



The attendance of each Director at the meetings of Board of Directors held during the financial year 2016 - 17 are as follows:

Sl. No.	Name of Directors	Designation	No. of Meetings attended
1.	Mr. Ramesh Chander Khandelwal	Chairman & Whole-Time Director	7
2.	Mr. Pramod Khandelwal	Managing Director	7
3.	Mr. Ayodhya Prasad Khandelwal	Whole-time Director	5
4.	Mr. Virendra Kumar Hajela	Independent Director	2
5.	Mr. Satish Kumar Gupta	Independent Director	7
6.	Ms. Neha Gupta	Independent Director	6

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(3)(c) & 134(5) of the Act, your Directors' hereby confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) we have prepared the annual accounts on a going concern basis;
- (e) we have laid down internal financial controls for the Company and these internal financial controls were adequate and operating effectively;
- (f) we have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DEPOSITS

During the year under review, your Company has not accepted any deposits from the public and as such no amount of principal or interest remained unpaid or unclaimed at the end of the year i.e. as on 31st March, 2017.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan or guarantee and has not made any investment covered under the provisions of Section 186 of the Act in the securities of any other Bodies Corporate during the financial year ended 31st March, 2017.

NO DEFAULT

The Company has not defaulted in payment of interest and repayment of loan to any of the financial institutions and / or banks during the period under review.

RELATED PARTY TRANSACTIONS

As required under the SEBI (LODR) Regulations, 2015 and the Act, prior omnibus approval was obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and/or entered in the ordinary course of business and are at Arm's Length basis, in the meetings of Audit Committee.

There are no material significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel which may have potential conflict with the interest of the Company at large. Transactions with related parties entered by the Company in the normal course of business are periodically



placed before the Audit Committee of the Company for its approval. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website i.e. www.mcil.net

No Material Related Party Transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

STATUTORY AUDITORS AND AUDITORS' REPORT

M/s Vinod Kumar & Associates, Chartered Accountants, were appointed as Statutory Auditors of your Company for a term of five years at the 22nd AGM held on 21st September, 2016 i.e. till the conclusion of 27th AGM subject to ratification of their appointment at every AGM. The resolution for ratification of their appointment is placed for approval of Members of the Company at the ensuing AGM. The Company has received the consent from the Auditors and confirmation to the effect that they are not disqualified to be appointed as the Auditors of the Company in terms of the provisions of the Act and rules made thereunder. There are no auditors' qualifications in the audit report for the financial year ended 31st March, 2017.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

The Board of Directors of the Company has appointed M/s. CPA & Co., Company Secretaries, to conduct the Secretarial Audit of the Company for the financial year 2016-17. The Secretarial Audit Report for the financial year 2016-17 forms integral part of this Report as '**Annexure – A**'. There is no secretarial audit qualification for the year under review.

The Board of Directors of the Company has as per the requirement under Section 204 of the Act and rules made there under, re-appointed M/s. CPA & Co., a firm of Company Secretaries in Practice to conduct the Secretarial Audit of the Company for the financial year 2017-18.

COST AUDITORS

The Board of Directors of the Company has appointed Mr. Ramawatar Sunar, Cost Accountant, to conduct the audit of cost records of the Company for the financial year 2016-17.

The Board of Directors of your Company has on the basis of provisions of Section 148 of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time and as per the recommendations provided by the Audit Committee, re-appointed Mr. Ramawatar Sunar, Cost Accountant as Cost Auditor of your Company for conducting the Audit of Cost records of the Company for the financial year 2017-18.

As per Section 148(3) of the Act, the remuneration payable to the Cost Auditors requires ratification by Shareholders. An appropriate Resolution, to this effect, is being proposed at the forthcoming Annual General Meeting.

SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company doesn't have any subsidiary, joint venture or associate Company.

BOARD COMMITTEES

As on 31st March, 2017, the Board has 3(Three) committees as per the provisions of the Act read with rules, made thereunder, with proper composition of its members. The Board periodically evaluates the performance of all the Committees as a whole. All observations, recommendations and decisions of the Committees are placed before the Board for consideration and approval.

(a) Audit Committee

The Audit Committee comprises of Mr. Satish Kumar Gupta (Non-Executive Independent Director), the Chairman of the Committee, Mr. Virendra Kumar Hajela (Non-Executive Independent Director) and Ms. Neha Gupta (Non-Executive Independent Director) as Members of the Committee.

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of SEBI (LODR), Regulations, 2015 and Section 177 of the Act and such other functions as may be specifically delegated to the Committee by the Board from time to time.

The Board has accepted all recommendations made by the Audit Committee during the year.



4 (Four) Audit Committee Meetings were held during the financial year 2016-17. The dates on which the meetings were held are 30th May, 2016; 11th August, 2016; 14th November, 2016 and 11th February, 2017. The attendance of each Member at the Audit Committee Meetings held during the financial year 2016-17 is as follows:

Sl. No.	Name	Designation	No. of Meetings attended
1.	Mr. Satish Kumar Gupta	Chairman	4
2.	Mr. Virendra Kumar Hajela	Member	2
3.	Ms. Neha Gupta	Member	3

(b) Nomination and Remuneration Committee

The Committee comprises of Mr. Satish Kumar Gupta (Non-Executive Independent Director), Chairman of the Committee, Mr. Virendra Kumar Hajela (Non-Executive Independent Director), and Ms. Neha Gupta (Non-Executive Independent Director), as members of the Committee.

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 of SEBI (LODR) Regulations, 2015 and Section 178 of the Act, besides other terms as may be referred by the Board of Directors. The Board has accepted all recommendations made by the Nomination and Remuneration Committee during the year.

1 (One) meeting of Nomination and Remuneration Committee was held during the year 2016-17 on 28th July, 2016.

The attendance of each Member at the Nomination and Remuneration Committee Meetings held during the financial year 2016-17 are as follows:

Sl. No.	Name	Designation	No. of Meetings attended
1.	Mr. Virendra Kumar Hajela	Chairman	-
2.	Mr. Satish Kumar Gupta	Member	1
3.	Ms. Neha Gupta	Member	1

(c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of Mr. Satish Kumar Gupta, Chairman; Mr. Pramod Khandelwal and Mr. Ramesh Chander Khandelwal as members of the Committee. The Committee, inter-alia, reviews issue of duplicate certificates and oversees and reviews all matters connected with the Company's transfers of securities. It looks into redressal of shareholders'/investors' complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends and such other functions as may be specifically delegated to the Committee by the Board from time to time. There being no investor grievances complaint pending, the committee reviewed the existing procedures for attending to complaints as and when they arise.

4 (Four) Stakeholders' Relationship Committee Meetings were held during the financial year 2016-17. The dates on which the meetings were held are 30th May, 2016; 11th August, 2016; 14th November, 2016 and 11th February, 2017.

The attendance of each Member at the Stakeholders' Relationship Committee Meetings held during the financial year 2016-17 is as follows:

Sl. No.	Name	Designation	No. of Meetings attended
1.	Mr. Satish Kumar Gupta	Chairman	4
2.	Mr. Pramod Khandelwal	Member	4
3.	Mr. Ramesh Chander Khandelwal	Member	4

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo is annexed as 'Annexure – B' and forms an integral part of this report.

CORPORATE SOCIAL RESPONSIBILITY

Provisions of Section 135 of the Act are not applicable to the Company.

EXTRACT OF ANNUAL RETURN

According to the provisions of Section 134 (3) and 92(3) of the Act, read with Rule 12 of Companies (Management and Administration) Rules 2014, the Extract of Annual Return of the Company as on the financial year ended 31st March, 2017 in Form MGT-9 is annexed as 'Annexure – C' and forms an integral part of this report.

BOARD POLICIES**(a) Policy of Appointment & Re-appointment**

The Company has in place a Nomination and Remuneration policy duly adopted and approved by the Board. The Nomination and Remuneration Policy of the Company includes the terms and conditions for appointment and payment of remuneration to the Directors and Key Managerial Personnel (KMP) and other senior management personnel including criteria for determining qualifications, positive attributes, independence of a director as per Section 178 and Schedule IV of the Act. The same is attached as 'Annexure – D' and forms integral part of this Report. The said policy has also been made available on the website of the Company viz., www.mcil.net

(b) Vigil Mechanism/Whistle Blower Policy

The Company has formulated a Whistle Blower Policy relating to Vigil Mechanism in terms of Section 177 of the Act and Regulation 22 of SEBI (LODR) Regulations, 2015, for Employees and Directors to keep high standards of ethical behaviour and provide safeguards to whistle blower. The policy provides a direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is available on the website of the Company viz., www.mcil.net

(c) Risk Management Policy

The Company has developed and implemented the Risk Management Policy and the Audit Committee of the Board reviews the same periodically. The Risk Management policy has also been made available on the website of the Company i.e. www.mcil.net.

MANAGERIAL REMUNERATION

The information required pursuant to Section 197(12) of the Act read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors are furnished hereunder:

Sl. No.	Name	Designation	Remuneration for 2016-17 (Rs. in lacs)	Remuneration for 2015-16 (Rs. in lacs)	% Increase/Decrease of remuneration in 2016-17 as compared to 2015-16 #	Excl. WTD Ratio of Remuneration to MRE#	Incl. WTD Ratio of Remuneration to MRE#
1	Mr. Pramod Khandelwal	Managing Director	87.81	72.00	21.96	72.81	71.74
2	Mr. Ramesh Chander Khandelwal	Chairman and Whole-time director	87.23	72.00	21.15	72.33	71.27
3	Mr. Ayodhya Prasad Khandelwal	Whole-time director	16.73	15.00	11.53	13.87	13.67
4	Mr. Ram Avtar Sharma	Chief Financial Officer	10.52	12.45	(15.50)	8.72	8.59
5	Ms. Rupali Aggarwal	Company Secretary	4.64	3.60	28.89	3.85	3.79

#MRE : Median Remuneration of Employees,



1. The median remuneration of employee (MRE) excluding Whole-time Director (WTDs) was Rs. 120600/- and Rs. 122400/- for the year 2016-17 and 2015-16 respectively. The decrease in MRE (excluding WTDs) for the year 2016-17, as compared to 2015-16 is 1.47%.
2. The median remuneration of employee (MRE) including Whole-time Director (WTDs) was Rs. 122400/- and Rs. 124200/- for the year 2016-17 and 2015-16 respectively. The decrease in MRE (including WTDs) for the year 2016-17, as compared to 2015-16 is 1.45%.
3. The number of permanent employee on the rolls of the Company as of 31st March, 2017 and 31st March, 2016 were 89 and 90 respectively.
4. There was no employee of the company who was in receipt of remuneration equivalent to or exceeding the amount prescribed under Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
5. It is affirmed that the remuneration is as per the remuneration policy of the company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

During the year under review, no significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's Internal Control System is commensurate with the nature of its business and the size and complexity of its operations and ensure that all assets are safeguarded and protected against unauthorized use and that all transactions are authorized, recorded and correctly reported. The internal risks are identified which in turn are allocated to respective designated owners to manage and control the risks. Assets are adequately insured to mitigate risks against unforeseen events.

CORPORATE GOVERNANCE

The compliance with the Corporate Governance provisions does not apply as the Company falls under criteria specified under Regulation 15(2) of SEBI (LODR) Regulations, 2015.

LISTING ON STOCK EXCHANGES

The equity shares of the Company are listed on Bombay Stock Exchange Limited. The Annual Listing fees for the financial year 2017-18 has been paid in advance to the said Stock Exchange.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 read with Schedule V to the SEBI (LODR) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

ACKNOWLEDGEMENT

The Board wishes to gratefully acknowledge the understanding and support received by the Company from its employees. Your Directors wish hereby to place on record their appreciation of the efficient and loyal services rendered by each and every employee, worker, staff and executive of the Company. Your Directors wish to thank their suppliers, investors, banks, all regulatory and government authorities and all other business associates for their continued support and co-operation extended by them to the Company during the year.

For and behalf of the Board of Directors

**Place: New Delhi
Date : 17th August, 2017**

**Ramesh Chander Khandelwal
Chairman
DIN: 00124085**

**FORM NO. MR - 3****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]**

To,
**The Members,
METAL COATINGS (INDIA) LIMITED**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **METAL COATINGS (INDIA) LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **METAL COATINGS (INDIA) LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 and has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **METAL COATINGS (INDIA) LIMITED** ("the Company") for the financial year ended on 31st March, 2017, to the extent applicable to the company according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the company during the audit period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the company during the audit period)**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the company during the audit period)**
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the company during the audit period) and**



- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the company during the audit period)**
- (vi) Other Laws as applicable to the Industry: **No specific Laws are applicable to the Company other than the general laws as per the information and explanations provided to us.**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate affairs.
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s);- [SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

No specific non compliances / observations / audit qualification, reservation or adverse remarks were observed.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There are no changes in the composition of the Board of Directors during the period under review under the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. During the Audit period, all decisions have been carried out unanimously.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

No specific non compliances / observations / audit qualification, reservation or adverse remarks were observed.

We further report that during the audit period:

1. During the period, the Company has created a charge of Rs. 100,000,000/- (Rupees Ten crore) and modified a charge of Rs. 22,50,00,000/- (Rupees Twenty two crores and Fifty Lakhs only).
2. The company has paid remuneration to its Managerial persons as per Schedule V of the Companies Act, 2013 duly approved by the Board of Directors and the Members of the company.
3. The company has liquidated its investment in M/s. Khandelwal Busar Industries Private Limited as per the Buy Back scheme offered by the M/s Khandelwal Busar Industries Private Limited.
4. The Audit Committee and the Board of Directors have approved all the Related Party Transaction. In view of the Board all the transactions with Related Parties are at Arm's Length Price.

**For CPA & Co.
Company Secretary in Practice**

**Yugesh Verma
Partner
ACS - A41767
C.P.No.:15591**

**Date: 30th May, 2017
Place: New Delhi**



The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A. POWER AND FUEL CONSUMPTION

	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
(i) Electricity		
(a) Purchased ('000 Units)	2278.84	2872.12
Total Amount (Rs. in lakhs)	203.32	265.66
Rate per unit (Rs.)	8.92	9.25
(a) Own generation		
(D. G. Set) ('000 Units)	243.28	383.12
Total Amount (Rs. in lakhs)	41.40	58.75
Cost per unit (Rs.)	17.02	15.33
(ii) Diesel Oil		
Quantity (Kilo Litres '000)	114.54	191.00
Total Amount (Rs. in lakhs)	61.03	92.30
Average Rate (Rs./Litre)	53.28	48.32
(iii) PNG		
Quantity (SCM'000)	540.39	520.77
Total Amount (Rs. in lakhs)	161.56	184.14
Average Rate (Rs./Litre)	29.90	35.36

B. CONSUMPTION PER UNIT OF PRODUCTION

	Production Unit	Current Year	Current Year
Electricity (KWH)	MT	113.87	145.36

C. CONSERVATION OF ENERGY

The Company has installed transparent overhead sheets at its factory shed for natural light and to encourage green initiative. This will lead to reduction in power cost as well as increase the efficiency of workmen.

D. TECHNOLOGY ABSORPTION

Improvement in quality of the product is a never ending process. Your company has always strived to keep its customers satisfied and in its quest the Company has carried out automation in Cut-to-Length Machine to get more accurate size and to serve the quality requirements of the customers.

E. FOREIGN EXCHANGE EARNINGS AND OUTGO:

There are no foreign exchange earnings. The foreign exchange outflow is Rs. 0.94 Lakhs.

For and behalf of the Board of Directors

Ramesh Chander Khandelwal
Chairman
DIN: 00124085

Place: New Delhi
Date : 17th August, 2017

**FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN**For the financial year ended on 31st March, 2017**[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management & Administration) Rules, 2014]****I. REGISTRATION & OTHER DETAILS**

1.	Corporate Identification Number (CIN)	L74899DL1994PLC063387
2.	Registration Date	12th December, 1994
3.	Name of the Company	METAL COATINGS (INDIA) LIMITED
4.	Category/Sub-category of the Company	Public Company, Limited by Shares
5.	Address of the Registered Office & contact details	912,Hemkunt Chambers, 89, Nehru Place, New Delhi - 110019 Ph. No.: 011-41808125
6.	Whether listed company	Yes, with BSE Limited
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd, 44, Community Centre, Phase-I, Near PVR, Naraina Ind. Area, New Delhi-110 028. Ph. No.: 011-41410592/93/94

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Manufacture of cold-rolled & HRPO products of steel	24105	97%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
.....Not applicable.....					

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Sl. No.	Category of Shareholders	Shareholding at the beginning of the year - 1 st April, 2016				Shareholding at the end of the year - 31 st March, 2017				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	2960998	0	2960998	40.41	2960998	0	2960998	40.41	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
	Bodies Corporate	1414200	0	1414200	19.30	1414200	0	1414200	19.30	0.00
	Sub Total (A)(1)	4375198	0	4375198	59.71	4375198	0	4375198	59.71	0.00



[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	70000	70000	0.96	70000	0	70000	0.96	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(2)	0	70000	70000	0.96	70000	0	70000	0.96	0.00
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	4375198	70000	4445198	60.67	4445198	0	4445198	60.67	0.00
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (Specify)									
	Sub Total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	205530	203902	409432	5.59	183815	203357	387172	5.28	(0.31)
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	221440	126400	347840	4.75	248304	126400	374704	5.11	0.36
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Employee Trusts	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Hindu Undivided Family	35858	0	35858	0.49	38620	0	38620	0.53	0.04
	Non Resident Indians (Non Repat)	10400	0	10400	0.14	7700	0	7700	0.11	0.03
	Non Resident Indians (Repat)	19085	177100	196185	2.68	19085	177100	196185	2.68	0.00
	Clearing Member	275	0	275	0.00	3	0	3	0.00	0.00
	Bodies Corporate	736712	1144900	1881612	25.68	732318	1144900	1877218	25.62	(0.06)
	Sub Total (B)(3)	1229300	1652302	2881602	39.33	1229845	1651757	2881602	39.33	0.00
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	1229300	1652302	2881602	39.33	1229845	1651757	2881602	39.33	0.00
	Total (A)+(B)	5604498	1722302	7326800	100.00	5675043	1651757	7326800	100.00	0.00
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A)+(B)+(C)	5604498	1722302	7326800	100.00	5675043	1651757	7326800	100.00	0.00


ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year – 1 st April, 2016			Shareholding at the end of the year – 31 st March, 2017			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Khandelwal Galva Strips (P) Ltd.	1414200	19.30	0	1414200	19.30	0	0
2.	Pramod Khandelwal	1213390	16.56	0	1213390	16.56	0	0
3.	Ramesh Chander Khandelwal	1043858	14.25	0	1043858	14.25	0	0
4.	Anupama Khandelwal	159450	2.18	0	159450	2.18	0	0
5.	Priya Khandelwal	156500	2.13	0	156500	2.13	0	0
6.	Anjana Khandelwal	155500	2.12	0	155500	2.12	0	0
7.	Neeta Khandelwal	110900	1.51	0	110900	1.51	0	0
8.	Krishna Khandelwal	106200	1.45	0	106200	1.45	0	0
9.	Jyoti Rawat	70000	0.96	0	70000	0.96	0	0
10.	Ayodhya Prasad Khandelwal	15200	0.21	0	15200	0.21	0	0
	Total	4445198	60.67	0	4445198	60.67	0	0

iii) Change in Promoters Shareholding

Sl. No.	Name & Type of Transaction	Shareholding at the beginning of the year – 1 st April, 2016		Cumulative Shareholding at the end of the year – 31 st March, 2017	
		No. of Shares held	% of Total Shares of the Company	No. of Shares held	% of Total Shares of the Company
1.	At the beginning of the year	4445198	60.67	4445198	60.67
2.	Purchase of Shares	0	0	4445198	60.67
3.	At the end of Year	4445198	60.67	4445198	60.67

iv) Shareholding Pattern of top ten Shareholders (Other than Directors and Promoters and Holders of GDRs and ADRs)

Sl. No.	Name & Type of Transaction	Shareholding at the beginning of the year – 1 st April, 2016		No. of Shares	Cumulative Shareholding at the end of the year – 31 st March, 2017	
		No. of Shares Held	% of Total Shares of the Company		No. of Shares Held	% of Total Shares of the Company
1	Lehartechologies.Com Private Limited	501752	6.85		501752	6.85
	At the end of the year				501752	6.85
2	Bondwell Financial Services Pvt. Ltd.	441100	6.02		441100	6.02
	At the end of the year				441100	6.02



Sl. No.	Name & Type of Transaction	Shareholding at the beginning of the year – 1 st April, 2016		No. of Shares	Cumulative Shareholding at the end of the year – 31 st March, 2017	
		No. of Shares Held	% of Total Shares of the Company		No of Shares Held	% of Total Shares of the Company
3	Microne Tex Fab Private Limited	340000	4.64		340000	4.64
	At the end of the year				340000	4.64
4	A K Softech Private Limited	202000	2.76		202000	2.76
	At the end of the year				202000	2.76
5	Geometal Resources Pvt Ltd	167300	2.28		167300	2.28
	At the end of the year				167300	2.28
6	Skytone Leasing & Finance Ltd	147400	2.01		147400	2.01
	At the end of the year				147400	2.01
7	Snehalatha Singhi	98765	1.35		98765	1.35
	At the end of the year				98765	1.35
8	Subramanian P	13021	0.18		13021	0.18
	Bought during the year			62659	75680	1.03
	Sold during the year			-	75680	1.03
	At the end of the year				75680	1.03
9.	Rajendra Prasad Gupta	51300	0.70		51300	0.70
	At the end of the year				51300	0.70
10.	Vinay Khandelwal	46700	0.64		46700	0.64
	At the end of the year				46700	0.64

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of Directors & KMP	Shareholding at the beginning of the year – 1 st April, 2016		Cumulative Shareholding at the end of the year – 31 st March, 2017	
		No. of Shares Held	% of Total Shares of the Company	No. of Shares Held	% of Total Shares of the Company
1	Mr. Pramod Khandelwal Managing Director				
	At the beginning of the year	1213390	16.56	1213390	16.56
	Increase / Decrease in Shareholding	0	0.00	0	0.00
	At the end of the year	1213390	16.56	1213390	16.56
2	Mr. Ramesh Chander Khandelwal Whole time Director				
	At the beginning of the year	1043858	14.25	1043858	14.25
	Increase / Decrease in Shareholding	0	0.00	0	0.00
	At the end of the year	1043858	14.25	1043858	14.25



Sl. No.	Name of Directors & KMP	Shareholding at the beginning of the year – 1 st April, 2016		Cumulative Shareholding at the end of the year – 31 st March, 2017	
		No. of Shares Held	% of Total Shares of the Company	No. of Shares Held	% of Total Shares of the Company
3	Mr. Ayodhya Prasad Khandelwal Whole-time Director				
	At the beginning of the year	15200	0.21	15200	0.21
	Increase / Decrease in Shareholding	0	0.00	0	0.00
	At the end of the year	15200	0.21	15200	0.21
4	Mr. Ram Avtar Sharma Chief Financial Officer				
	At the beginning of the year	100	0.00	100	0.00
	Increase / Decrease in Shareholding	0	0.00	0	0.00
	At the end of the year	100	0.00	100	0.00
5	Ms. Rupali Agarwal Company Secretary				
	At the beginning of the year	0	0.00	0	0.00
	Increase / Decrease in Shareholding	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

V. INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment
(Rs. in lacs)

Particulars		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	1626.22	120.00	-	1746.22
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)					
Change in Indebtedness during the financial year					
•	Addition	-	-	-	-
•	Reduction	561.59	120.00	-	681.59
Net Change					
Indebtedness at the end of the financial year					
i)	Principal Amount	1064.63	-	-	1064.63
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		1064.63	-	-	1064.63


VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Rs. in lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Pramod Khandelwal	Mr. Ramesh Chander Khandelwal	Mr. Ayodhya Prasad Khandelwal	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	87.81	87.23	16.73	191.77
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify.	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	87.81	87.23	16.73	191.77
	Ceiling as per the Act (including perquisites)	87.81	87.23	85.73	260.77

B. Remuneration to other directors

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs.)
		Mr. Virendra Kumar Hajela	Mr. Satish Kumar Gupta	Ms. Neha Gupta	
1.	Independent Directors				
	• Fee for attending Board committee meetings	10,000	34,000	22,000	66,000
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (1)	10,000	34,000	22,000	66,000
2.	Other Non-Executive Directors	-	-	-	-
	• Fee for attending board committee meetings	-	-	-	-
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total = (1 + 2)	10,000	34,000	22,000	66,000

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD****(Rs. in lacs)**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Ram Avtar Sharma (CFO)	Rupali Aggarwal (Company Secretary)
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10.52	4.64
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- as % of profit	-	-
	- others, specify.	-	-
5.	Others, please specify	-	-
	Total	10.52	4.64

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for breach of any section of Companies Act, 2013 against the Company or its Directors or other officers in default, if any, during the year.

For and behalf of the Board of Directors**Ramesh Chander Khandelwal**
Chairman
DIN: 00124085**Place: New Delhi**
Date : 17th August, 2017

**NOMINATION & REMUNERATION POLICY**

The Nomination & Remuneration policy for members of the Board and KMPs is drafted in a manner which aims to improve the performance of the Board of Directors and KMPs of Metal Coatings (India) Limited (the 'Company') and subsequently enhance the value of the Company, to motivate and retain them, and to be able to attract other highly qualified executives.

In determining the Nomination & Remuneration policy, the Nomination & Remuneration Committee ensures that a competitive remuneration package for Board-level executives and KMPs commensurate to their talent is maintained and benchmarked with other similar companies operating in domestic market.

The terms of reference, objectives and key elements of the policy produced below is in line with the provisions of Section 178(4) of the Companies Act, 2013 which requires that the policy be formulated in a manner such that it ensures that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully and also that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Objectives of Nomination & Remuneration Policy

The objective of Nomination & Remuneration policy of METAL COATINGS (INDIA) LIMITED is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of stakeholders of METAL COATINGS (INDIA) LIMITED.

Basis of Formulation

The Company while deciding the remuneration package of the senior management members takes into consideration the employment scenario, remuneration package of the industry, remuneration package of the managerial talent of other industries, among others.

Key Elements of the Policy

The following elements are taken into consideration:

- a) Metal Coatings (India) Limited strives for a high performance in the field of sustainability and aims to maintain a good balance between economic gains, respect for people and concern for the environment in line with METAL COATINGS (INDIA) LIMITED values and business principles as reflected in the Company's Code of Business Conduct. The Nomination & Remuneration policy reflects a balance between the interests of the Company's main stakeholders as well as a balance between its short-term and long-term strategy. As a result, the structure of the remuneration package for the Managing Board and KMPs is designed to balance short-term operational performance with the medium and long-term objective of creating sustainable value within the Company, while taking into account the interests of its stakeholders.
- b) To ensure that highly skilled and qualified senior executives can be attracted and retained. Metal Coatings (India) Limited aims for a total remuneration level that is comparable to levels provided by other companies that are similar to the Company in terms of size, line of production and complexity.
- c) The remuneration policies for the members of the Managing Board and for other senior executives of Metal Coatings (India) Limited are aligned.
- d) The relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- e) The remuneration to directors and KMPs and other senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Terms of Reference

The terms of reference of the Nomination & Remuneration Committee, inter alia, consists of reviewing the overall compensation policy, service agreements, performance incentive and other employment conditions of Board Members and KMPs. The recommendations of the Nomination & Remuneration Committee are considered and approved by the Board of Directors, subject to the approval of the shareholders, wherever necessary.

The remuneration of the Executive Directors and KMPs are recommended by the Nomination & Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-a-vis the industry, responsibilities shouldered, performance/track record, review on remuneration packages of heads of other organizations and is decided by the Board of Directors, subject to the approval of the shareholders at the General Meeting of the Company wherever required. The Company pays remuneration by way of salary, perquisites, allowances etc.

Besides the above Criteria, the Remuneration/ compensation/ commission etc to be paid to Director/ Managing Director/ KMPs shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDUSTRY STRUCTURE**

The Company is engaged in the manufacture and sale of Cold Rolled Steel Strips and HRPO steel strips/coils. The company is thus operating in the steel sector. Products of the Company are used by a wide range of user industries such as Auto Components, Consumer Durables, Electrical Equipment amongst others.

OPPORTUNITIES AND OUTLOOK

Steel demand recovery in 2016 was stronger than expected. It is expected that in 2017 and 2018 there will be a cyclical upturn in steel demand with a continuing recovery in the developed economies and an accelerating growth momentum in the emerging and developing economies. The pickup in oil prices in 2016 helped the fiscal position of oil producing countries. In 2017-18, oil prices are expected to show a moderate gain and this mildly rising oil price may stimulate investment in economies worldwide. The infrastructure sector, which accounts for almost 50% of global steel use is expected to pick up and expected to be a major driver for steel demand in the developing countries driven by urbanization.

On the domestic front, the coming years present an opportunity to capitalize on demand growth due to urbanization and needs of a young demography in India. The Government's initiatives such as "Make in India" also provide an opportunity in terms of growth in demand for steel which can be leveraged in the coming times. After the demonetisation shock, the Indian economy has resumed growth, although on a slightly weakened basis. The recently implemented Goods and Services Tax Act has rendered the unorganised sector unviable. This is likely to open a new market of customers to the Company, which was so far being catered by the unorganised sector.

RISKS, THREATS AND CONCERNS

With the risk of global recession receding and economic performance improving across most regions, a number of geopolitical changes still create some concern and escalate uncertainties. US policy uncertainties, Brexit, the rising populist wave in current European elections and the potential retreat from globalisation and free trade under the pressure of rising nationalism adds a new dimension of uncertainty in the business environment. The currency volatilities associated with US interest rate hikes and appreciation of the US dollar may provoke capital outflows from the emerging economies and place a risk on corporate debt in the developing countries, which has climbed significantly over the last few years.

Steel Industry in India had been riding the growth story of the automotive sector which has been the top performer among key steel using sectors. This is now approaching a peak and may even decelerate and may result in reduced demand of steel. There is a likelihood of over capacity and over supply in the steel industry which is likely to get aggravated by steel imports with the strengthening of the rupee. On the other hand, with the steel sector having lost favour with the financial system, it could trigger reduced funding by the banks. The overall industry status of being cyclical as also competition from alternative materials shall always remain a risk factor for the steel industry.

FINANCIAL PERFORMANCE

Particulars	For the year ended on 31.03.2017	For the year ended on 31.03.2016
Revenue from Operation (Net)	9792	9153
Other Income	62	41
Profit before Finance Cost	400	358
Finance Cost	140	123
Profit before Tax	260	234
Tax	89	83
Profit after Tax	171	151

**HUMAN RESOURCES**

People management is the backbone of your Company and it is regarded as one of the important resources for the success of Company. It strongly believes that the employees' welfare, development and their performance are important contributors to the Company. The Whistle Blower Policy plays an important role as a watchdog. The Company's total permanent employee strength as on 31st March, 2017 stood at 89.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has adequate internal control system which is commensurate with the nature of its business and the size and complexity of its operations. This internal control system, its adequacy and its effectiveness is periodically reviewed by the Audit Committee. These systems have been designed to ensure optimal utilization of resources, accurate and timely reporting of financial transactions, complying with applicable statute and safeguarding the assets from unauthorised use. The Audit Committee also monitors the implementation of audit recommendations including those relating to strengthening of the company's risk management policies and systems.

CAUTIONARY STATEMENT

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, natural calamities over which the Company does not have any direct control.

**INDEPENDENT AUDITOR'S REPORT**

To the Members of

METAL COATINGS (INDIA) LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **METAL COATINGS (INDIA) LIMITED** ("the **Company**"), which comprise the balance sheet as at 31st March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017 and its profit and its cash flows 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 of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
 - (g) 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 financials statement refer to Note 29 to the financials statement;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and
 - iv. The company has provided the requisite disclosures in the financial statements as to holdings as well as dealing in Specified Bank Notes during the period from 9th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer to note no. 30 to the Notes on Financial Statements

**For Vinod Kumar & Associates
Chartered Accountants
FRN - 002304N**

**Date: 30th May, 2017
Place: New Delhi, India**

**Aastha Jain
Partner
M. No. 519915**

**Annexure A to the Independent Auditors' Report**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on physical verification as confirmed by the management. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

- (ii) The Company has been regular in following the procedures of physical verification of inventories which is reasonable and adequate in relation to the size of the company and the nature of its business.

In our opinion and on the basis of our examination of inventory records, we are of the opinion that the company is maintaining proper records of inventory and no material discrepancies were observed on physical verification done by the management.

- (iii) (a) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships and other parties, mentioned in the register maintained under section 189 of the Companies Act, 2013.

- (b) Since, the company has not granted any loans as referred to in Para (a) above, provisions of clause (iii) (a) to (iii) (c) of the Order are not applicable to the Company.

- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made, securities and guarantees given.

- (v) The Company has not accepted any deposit from the public. Thus, paragraph 3(v) of the Order is not applicable.

- (vi) On the basis of records produced we are of the opinion that prima facie cost records and accounts prescribed by the central government under section 148 of the act in respect of the products of "the company" covered under the rules under said section have been maintained. However we are neither required to carry out nor have carried out any detailed examination of such accounts and records.

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, duty of excise, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations and records of the company, the dues outstanding of income-tax, sales- tax, wealth-tax, service tax, custom duty, excise duty, value added tax and cess which have not been deposited by the company on account of any dispute are as follow:



Nature of statute	Nature of the dues	Period to which the amount relates	Forum where dispute is pending	Amount (In lacs)
Income Tax Act, 1961	Income Tax	AY 2005-06	Assessing Officer	1.41
Income Tax Act, 1961	Income Tax	AY 2008-09	Assessing Officer	1.64
Income Tax Act, 1961	Income Tax	AY 2012-13	Income Tax Appellate Tribunal (ITAT)	2.43
Income Tax Act, 1961	Income Tax	AY 2013-14	Commissioner of Income Tax Appeals	0.48
Income Tax Act, 1961	Income Tax	AY 2014-15	Commissioner of Income Tax Appeals	1.06

- (viii) The Company has not defaulted in repayment of loans or borrowings from any financial institution, banks, government or debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loans have been applied for the purpose for which they are raised.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Vinod Kumar & Associates
Chartered Accountants
FRN - 002304N

Date: 30th May, 2017
Place: New Delhi, India

Aastha Jain
Partner
M. No. 519915

**Annexure - B to Independent Auditors' Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **METAL COATINGS (INDIA) LIMITED** ("the Company") as on 31st March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, 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.

**For Vinod Kumar & Associates
Chartered Accountants
FRN - 002304N**

**Date: 30th May, 2017
Place: New Delhi, India**

**Aastha Jain
Partner
M. No. 519915**

**BALANCE SHEET AS AT 31ST MARCH, 2017**

(Rs. in lacs)

PARTICULARS	Note No.	As at 31.03.2017		As at 31.03.2016	
EQUITY AND LIABILITIES					
Shareholders' Funds					
(a) Share Capital	1	732.68		732.68	
(b) Reserves and Surplus	2	1582.30	2314.98	1499.83	2232.51
Non-current liabilities					
Long-term Borrowings	3	0.63		6.02	
Deferred Tax Liabilities (net)	4	40.17		55.71	
Long-term Provisions	5	119.96	160.76	91.81	153.54
Current Liabilities					
Short-term Borrowings	6	1058.61		1727.35	
Trade Payables	7	52.28		54.72	
Other Current Liabilities	8	181.23		218.44	
Short-term Provisions	9	183.80	1475.92	82.03	2082.54
TOTAL			<u>3951.66</u>		<u>4468.59</u>
ASSETS					
Non-Current Assets					
Fixed Assets	10	712.97		777.94	
Non-current Investments	11	-		300.00	
Long Term Loans & Advances	12	10.86	723.83	10.91	1088.85
Current Assets					
Inventories	13	820.35		925.41	
Trade Receivables	14	2262.31		1984.72	
Cash and Bank Balances	15	46.53		333.28	
Short-term Loans and Advances	16	98.64	3227.83	136.33	3379.74
TOTAL			<u>3951.66</u>		<u>4468.59</u>
Significant Accounting Policies and Notes on Financial Accounts	1 to 32				

In terms of our annexed report of even date

For **Vinod Kumar & Associates**

Chartered Accountants

FRN No. 002304N

For and on behalf of the Board

(AASTHA JAIN)

Partner

Membership No. 519915

R. C. Khandelwal

Chairman

DIN : 00124085

Pramod Khandelwal

Managing Director

DIN : 00124082

Date : 30.05.2017

Place : New Delhi

Preeti Khatore
Company Secretary
PAN : ARSPV4953A**R. A. Sharma**
CFO
PAN : AMTPS3388J

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

(Rs. in lacs)

PARTICULARS	Note No.	For the year ended 31.03.2017	For the year ended 31.03.2016
INCOME			
Revenue from Operations (Gross)	17	10911.37	10241.81
Less : Excise Duty		1119.65	1088.52
Revenue from Operations (Net)		9791.72	9153.29
Other Income	18	62.06	40.82
Total Revenue		9853.78	9194.11
EXPENDITURE			
Cost of Materials Consumed	19	7964.94	7040.04
Changes in Inventories of Finished Goods & Work-in-Progress	20	(102.02)	98.69
Employee Benefits Expense	21	503.53	471.83
Finance Costs	22	140.27	122.76
Depreciation and Amortisation Expense	23	73.21	77.19
Other Expenses	24	1014.45	1148.99
Total Expenses		9594.38	8959.50
Profit Before Tax		259.40	234.61
Tax Expenses			
Current Tax		100.40	93.75
Tax adjustments relating to previous years		3.58	4.09
Deferred Tax		(15.53)	(14.58)
Profit for the year		170.95	151.35
Earnings per equity share of face value of Rs. 10 each			
Basic and Diluted (in Rs.)	25	2.33	2.07
Significant Accounting Policies and Notes on Financial Accounts	1 to 32		

In terms of our annexed report of even date

For **Vinod Kumar & Associates**Chartered Accountants
FRN No. 002304N

For and on behalf of the Board

(AASTHA JAIN)Partner
Membership No. 519915**R. C. Khandelwal**Chairman
DIN : 00124085**Pramod Khandelwal**Managing Director
DIN : 00124082**Preeti Khatore**Company Secretary
PAN : ARSPV4953A**R. A. Sharma**CFO
PAN : AMTPS3388JDate : 30.05.2017
Place : New Delhi

**CASH FLOW STATEMENT FOR THE ACCOUNTING YEAR ENDED 31ST MARCH, 2017**

(Rs. in lacs)

Particulars	For the period ended 31.03.2017	For the period ended 31.03.2016
A. Cash flow from Operating Activities :		
Net Profit before taxes and Extraordinary Items	259.40	234.61
Adjustment for		
(Profit)/Loss on sale of Fixed Assets-Net	(0.75)	(0.11)
Depreciation	73.21	77.19
Interest paid	128.14	115.54
Operating profit before working capital changes	460.00	427.23
(Increase)/Decrease in Sundry Debtors	(277.59)	(32.20)
(Increase)/Decrease in Inventories	105.06	(254.97)
(Increase)/Decrease in Loans & Advances	37.74	(58.77)
Increase/(Decrease) in Current Liabilities	(32.18)	70.28
Increase/(Decrease) in Short & Long term provisions	129.92	(19.56)
Cash generated from operations	422.95	132.01
Interest paid	(127.00)	(112.99)
Tax and Interest on tax paid for earlier year	(3.58)	(4.09)
Tax Paid	(100.40)	(93.75)
Net cash from operating activities	191.97	(78.82)
B. Cash flow from investing activities		
Additions to fixed assets (including capital work in progress and advances on capital account)	(11.87)	(49.75)
Proceeds from sales of Fixed Assets	4.37	10.63
Proceeds from sales of Investment	300.00	-
Net cash from Investing Activities	292.50	(39.12)
C. Cash flow from Financing Activities		
Proceeds from new borrowings	-	120.00
Dividend Paid (Including Dividend Distribution Tax)	(88.48)	(88.19)
Repayment of interest on car Loan	(1.14)	(2.55)
Proceeds from preferential issue of shares	-	-
Repayment of borrowing	(681.60)	284.95
Net cash from Financing Activities	(771.22)	314.21
Net cash flows during the year (A+B+C)	(286.75)	196.27
Cash and cash equivalents (Opening balance)	333.28	137.01
Cash and cash equivalents (Closing balance)	46.53	333.28

Notes to cash flow statement:

- Figures in brackets indicate cash out flows.
- Interest paid relates to the charge of the year and is considered part of operating activities.
- Bank borrowings have been grouped as part of financing activities.
- Figures have been rounded off to the nearest of Rupee Lacs.

In terms of our annexed report of even date

For **Vinod Kumar & Associates**Chartered Accountants
FRN No. 002304N

For and on behalf of the Board

(AASTHA JAIN)
Partner
Membership No. 519915**R. C. Khandelwal**
Chairman
DIN : 00124085**Pramod Khandelwal**
Managing Director
DIN : 00124082Date : 30.05.2017
Place : New Delhi**Preeti Khatore**
Company Secretary
PAN : ARSPV4953A**R. A. Sharma**
CFO
PAN : AMTPS3388J

**Significant Accounting Policies and Notes to Accounts****Corporate Information**

Metal Coatings (India) Limited (the 'Company') was incorporated in India as a limited company under the Companies Act, 1956 on 12th December, 1994. The company is listed on Bombay Stock Exchange. The Company commenced its operations on 9th February, 1995 and is engaged in the manufacture and sale of Cold Rolled Steel Strips, H. R. Pickled Oiled coils/strips.

Significant Accounting Policies**a. Basis of accounting**

The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles ('GAAP') in India and comply with the accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006 to the extent applicable and in accordance with the provisions of the Companies Act, 2013, as adopted consistently by the Company.

All assets and liabilities have been classified as current or non-current as per the criteria set out in Revised Schedule III to the Companies Act, 2013.

b. Use of Estimates

The preparation of financial statements are in conformity with the India GAAP, which requires the management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of reporting period. Although these estimates are based upon management's knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring any adjustments to the carrying amount of assets or liabilities in future period.

c. Fixed Assets

Fixed Assets (Gross Block) are stated at Historical Cost less accumulated depreciation. Cost includes purchase price and all other attributable costs of bringing the assets to working condition for intended use.

Subsequent expenditure related to an item of Fixed Assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to Profit and Loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of Fixed Assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

d. Depreciation/amortisation

Depreciation on fixed assets is provided on the straight line method at the rates which are based on economic useful lives of these assets and as are prescribed under Schedule II of the Companies Act, 2013. Assets costing less than Rs. 5,000 individually are fully depreciated in the year of purchase.

e. Inventories

Inventories are valued at the lower of cost and net realizable value. In respect of Raw Material, the cost is determined using the First-in, First-out Method. In respect of Finished Goods and Stock in Progress, the cost includes manufacturing expense and appropriate portion of overheads. Scrap is valued at net realisable value.

**f. Revenue recognition**

Revenue is recognized when the significant risk and rewards of ownership of the goods have been passed to the buyers for a consideration. Sale of goods is exclusive of Value Added Tax and inclusive of Excise duty. All other income has been accounted for on accrual basis except for those income stipulated for recognition on realization basis on the ground of uncertainty under AS-9.

g. Income taxes

Income tax comprises current tax and deferred tax. Current tax is determined in accordance with the provisions of Income Tax Act, 1961.

Deferred tax charge or credit is recognised on timing differences being the difference between taxable income and accounting income that originate in one year and are capable of reversal, subject to consideration of prudence, in one or more subsequent years. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets on unabsorbed depreciation and carry forward of losses are not recognized unless there is a virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are reviewed for the appropriateness of their carrying values at each balance sheet date.

h. Employee Benefits**a. Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences and performance incentives.

b. Long term employee benefits**• Provident fund and other state plans**

Company's contributions towards recognised Provident Fund, Employee State Insurance Fund and Employees Pension Scheme under defined contribution plans are recognised in the profit and loss account during the year in which the employee renders the related service.

• Gratuity

The Company provides for gratuity, a defined benefit retirement plan. In accordance with 'The Payment of Gratuity Act, 1972', the plan provides for a lump sum payment to vested employees, at retirement, death, incapacitation, or termination of employment, of an amount based on the respective employee's last drawn salary and tenure of employment with the Company.

• Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of unutilized accrued compensated absence and utilize it in future periods or receive cash compensation for the unutilized accrued compensated absence. The Company records an obligation for compensated absences in the period in which the employee renders the service that increase this entitlement. The Company measures the expected cost of compensated absence as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

Liability with regard to compensated absences and gratuity is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. Actuarial valuation is carried out using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated



future cash flows. The discount rate used for determining the present value of the obligation is based on the market yields on government securities as at the balance sheet date. Actuarial gains/ losses are recognised immediately in the profit and loss account as income or expense.

i. Earnings per share

The Company reports basic earnings per equity share in accordance with AS-20-Earnings per Share. Basic earnings per equity share have been computed by dividing net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding for the year.

j. Contingencies/ Provisions

Provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

k. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is recognized if it is other than temporary.

l. Foreign Exchange Transaction

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary items denominated in foreign currency and outstanding at the Balance Sheet date are translated at the exchange rate ruling on that date. Exchange differences on foreign exchange transactions other than those relating to fixed assets are recognized in the Profit and Loss account. Any gain/loss on exchange fluctuation on the date of payment of expenditure incurred for acquisition of fixed assets is treated as an adjustment to the carrying cost of such fixed assets.

m. Lease hold improvements

The company has taken a piece of land on lease at Meola Maharajpur. The company had constructed a building on the said land as a factory . The amount spent by the company on the construction has been appropriately included under the head "Lease hold improvement" in Fixed Assets schedule.

**For and on behalf of
METAL COATINGS (INDIA) LIMITED**

**Place : New Delhi
Date : 30.05.2017**

**PRAMOD KHANDELWAL
Managing Director
DIN : 00124082**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

		(Rs. in lacs)			
1	SHARE CAPITAL	<u>As at 31.03.2017</u>		<u>As at 31.03.2016</u>	
	Authorised Capital				
	80,00,000 (Previous Year 80,00,000) Equity Shares of Rs. 10/- each.	800.00		800.00	
	Issued , Subscribed & Paid up Capital				
	73,26,800 (Previous Year 73,26,800) Equity Shares of Rs. 10/- each.	732.68		732.68	
1.1	The details of Shareholders holding more than 5% shares :				
		<u>As at 31.03.2017</u>		<u>As at 31.03.2016</u>	
		<u>No. of Shares</u>	<u>% of holding</u>	<u>No. of Shares</u>	<u>% of holding</u>
a	Khandelwal Galva Strips Pvt. Ltd.	1414200	19.30	1414200	19.30
b	Pramod Khandelwal	1213390	16.56	1213390	16.56
c	Ramesh Chander Khandelwal	1043858	14.25	1043858	14.25
d	Lehartechnologies.Com Pvt. Limited	501752	6.85	501752	6.85
e	Bondwell Financial Services (P) Ltd.	441100	6.02	441100	6.02
		4614300	62.98	4614300	62.98
1.2	The reconciliation of the number of shares outstanding is set out below	<u>No. of Shares</u>		<u>No. of Shares</u>	
	Equity Shares at the beginning of the year	7326800		7326800	
	Add : Shares issued	--		--	
	Less : Shares bought back	--		--	
	Equity Shares at the end of the year	7326800		7326800	
1.3	Rights, preference and restrictions attached to shares				
	The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors are subject to shareholders approval in ensuing AGM except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all the preferential amount in proportion to their shareholding.				
2	RESERVES & SURPLUS	<u>As at 31.03.2017</u>		<u>As at 31.03.2016</u>	
	Surplus in Statement of Profit & Loss				
	Balance at the beginning of the year	1331.94		1268.78	
	Add: Profit for the year	170.95		151.35	
	Less : Appropriations				
	Less : Final Dividend (PY : Interim Dividend)	73.27		73.27	
	Less : Dividend distribution tax	15.21		14.92	
		1414.41		1331.94	
	General Reserve				
	As per last Balance Sheet	26.16		26.16	
	Add: Addition during the year	--		26.16	
	Security Premium				
	As per last Balance Sheet	135.59		135.59	
	Add: Addition during the year	--		135.59	
	Capital Reserve				
	As per last Balance Sheet	6.14		6.14	
	Add: Addition during the year	--		6.14	
	Total	1582.30		1499.83	
3	LONG TERM BORROWINGS				
	Secured				
	Car Loan from Bank	0.63	0.63	6.02	6.02
	(Secured against hypothecation of Motor Vehicles purchased out of such loan) Loan of Rs. 20.50 lacs (HDFC Bank-14.00 lacs, HDFC Bank - 6.50 lacs) repayable all in 36 installments. Current outstanding balance amounting to Rs. 6.02 lacs out of which installments payable with in next one year is Rs. 5.39 lacs classified as current liability carrying interest rate of 10.50% p.a. and 10.05% p.a. in case of HDFC Bank				



4	DEFERRED TAX	<u>As at 31.03.2017</u>		<u>As at 31.03.2016</u>	
	Deferred Tax Assets				
	Provision for Leave Encashment and Gratuity	61.73		49.12	
	Deferred Tax Liabilities				
	Timing difference on depreciation and amortization of tangible, intangible assets	101.90		104.83	
	Deferred taxes Liabilities, net		40.17		55.71
5	LONG TERM PROVISIONS				
	Gratuity	106.96		77.12	
	Earned Leave	13.00	119.96	14.69	91.81
6	SHORT TERM BORROWINGS				
6.1	Secured				
	Working Capital Limit from Bank		1058.61		1607.35
	(Secured against hypothecation of book debts, inventories and by way of mortgage of land, buildings and Plant & Machinery. Current rate of Interest 9.30% p.a. (i.e., 3 months MCLR plus 0.90% p.a.) in case of YES Bank and 9.10% (i.e., over night MCLR plus 1.40% p.a.) in case of HSBC Bank). This is also secured by personal guarantee of Whole-time Directors and Managing Director.				
6.2	Unsecured				
	Ramesh Chander Khandelwal	-	-	120.00	120.00
	Total		<u>1058.61</u>		<u>1727.35</u>
7	TRADE PAYABLES				
	Micro, Small and Medium Enterprises (Refer Note No. 27)	--		--	
	Payable with in operating Cycle	52.28	52.28	54.72	54.72
8	OTHER CURRENT LIABILITIES				
	Current maturity of long term debts*	5.39		12.86	
	Unpaid Dividend	31.74		45.45	
	Payable in respect of statutory dues	35.95		27.47	
	Advance received from customers	47.90		56.12	
	Employee Benefits Payable	23.37		39.31	
	Other Payables	36.88	181.23	37.23	218.44
	*This amount relates to instalment of secured term loan payable with in next twelve months. This is secured against hypothecation of Motor Vehicles purchased out of such loan.				
9	SHORT TERM PROVISIONS				
	Gratuity	60.13		47.50	
	Earned Leave	6.61		9.24	
	Proposed Dividend on Equity Shares	73.27		--	
	Dividend Distribution Tax	14.92		--	
	Provision for Income Tax (Net)	28.87	183.80	25.29	82.03

10 FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Total as on 01.04.2016	Additions	Sold / Discarded	Total as on 31.03.2017	Total as on 01.04.2016	For the period ended 31.03.2017	Dep. On discarded assets	Total as on 31.03.2017	As on 31.03.2017	As on 31.03.2016
Land	85.17	-	-	85.17	---	---	---	---	85.17	85.17
Buildings	432.65	3.09	-	435.74	151.58	11.30	-	162.88	272.86	281.07
Leasehold Improvements	15.50	-	-	15.50	7.36	0.44	-	7.80	7.70	8.14
Plant & Machinery	1093.38	6.49	50.65	1049.22	782.69	40.22	47.37	775.54	273.68	310.69
Motor Vehicles	172.77	-	7.20	165.57	83.82	19.83	6.84	96.81	68.76	88.95
Furniture, Fixtures	2.98	-	-	2.98	1.73	0.14	-	1.87	1.11	1.25
Office Equipment	6.17	2.05	-	8.22	5.38	0.45	-	5.83	2.39	0.79
Computers	4.84	0.25	-	5.09	4.02	0.31	-	4.33	0.76	0.82
Intangible Assets	1.65	-	-	1.65	0.59	0.52	-	1.11	0.54	1.06
Total	1815.11	11.88	57.85	1769.14	1037.17	73.21	54.21	1056.17	712.97	777.94
Previous year	1797.72	49.76	32.37	1815.11	981.83	77.19	21.85	1037.17	777.94	815.89



	<u>As at 31.03.2017</u>		<u>As at 31.03.2016</u>	
11 NON-CURRENT INVESTMENT				
In Equity Shares of Company (Unquoted, fully paid up) 1,50,000 Share of Khandelwal Busar Industries Private Ltd. (Formerly known as Kochar Agro Industries (Pvt.) Ltd.) of Rs.10 each at a premium of Rs. 190/Share		-		300.00
12 LONG TERM LOANS & ADVANCES				
Security Deposits	10.86		10.91	
Capital Advances	-	10.86	--	10.91
13 INVENTORIES				
Raw Materials	389.21		599.75	
Stores & Spares	4.32		0.86	
Work in Process	263.89		240.34	
Scrap Material	2.74		5.15	
Finished Goods	160.19	820.35	79.31	925.41
14 TRADE RECEIVABLES (Unsecured and considered good)				
Over six months from the due date	76.54		37.38	
Others	2185.77	2262.31	1947.34	1984.72
15 CASH AND BANK BALANCES				
a Cash and Cash equivalents				
Cash in hand	4.32		8.88	
Balance with Banks	10.47		1.62	
b Other Bank Balances				
-Unpaid Dividend (current account)*	31.74		45.45	
-Fixed Deposits**	-	46.53	277.33	333.28
* An amount of Rs. Nil (PY : 2.15 lacs) has been transferred to Investor Education and protection funds pertaining to financial year 2007-08, not included above				
** : Fixed Deposits balance as at 31.03.2016 represent amount pledged with bank against CC limits which includes margin money amounting to Rs. 37.40 lacs.				
16 SHORT TERM LOANS AND ADVANCES (Unsecured and considered good)				
Balance with Government Authorities	19.18		77.30	
Advance to Employees	5.43		6.78	
Prepaid Expenses	4.13		6.65	
Others	69.90	98.64	45.60	136.33
16.1 Others include advance to suppliers of Rs. 34.32 lacs. (Previous Year - 11.32 lacs)				
		For the year ended 31.03.2017		For the year ended 31.03.2016
17 REVENUE FROM OPERATIONS				
Sale of Products	10690.95		10060.40	
Other operating revenues	220.42	10911.37	181.41	10241.81
18 OTHER INCOME				
Rent	24.00		24.00	
Interest Income	18.11		16.37	
Dividend Received	15.00		-	
Other non-operating income	4.95	62.06	0.45	40.82
19 COST OF MATERIALS CONSUMED				
H. R. Coils	7964.94		7030.58	
Wire Rods/G. P. Coils	-	7964.94	9.46	7040.04
20 CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS				
Inventories (Closing)				
Finished Goods	160.19		79.31	
Scrap Material	2.74		5.15	
Work in Progress	263.89	426.82	240.34	324.80
Inventories (Opening)				
Finished Goods	79.31		-	
Scrap Material	5.15		10.03	
Work in Progress	240.34	324.80	413.46	423.49
(Increase) / Decrease in Inventory		(102.02)		98.69



	<u>For the year ended</u> <u>31.03.2017</u>		<u>For the year ended</u> <u>31.03.2016</u>	
21 EMPLOYEE BENEFITS EXPENSE				
Salaries and Wages	469.38		444.08	
Contribution to Provident and other funds	27.50		20.65	
Staff welfare expenses	6.65	503.53	7.10	471.83
a) Reconciliation of opening and closing balance of defined benefit obligation	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Obligation at beginning of year	124.62	23.93	80.64	12.75
Current service cost	10.00	1.60	6.95	1.88
Interest cost	9.35	1.80	6.45	1.02
Actuarial (gain) / loss	29.22	6.94	31.94	8.55
Benefits paid	(6.10)	(14.66)	(1.36)	(0.27)
Obligation at year end	167.09	19.61	124.62	23.93
b) Experience Adjustment				
Experience Adjustment (Gain) / loss for Plan liabilities	37.79	9.45	31.95	8.55
Experience Adjustment (Gain) / loss for Plan assets	-	-	-	-
c) Actuarial assumptions				
Discount rate (per annum)	7.50%	7.50%	8.00%	8.00%
Salary growth rate (per annum)	7.50%	7.50%	7.50%	7.50%
Withdrawal rate (per annum)	2.00%	2.00%	2.00%	2.00%
Mortality	IALM-2006-08 Ultimate	IALM-2006-08 Ultimate	IALM-2006-08 Ultimate	IALM-2006-08 Ultimate
22 FINANCE COST				
Interest	128.14		115.54	
Bank Charges	12.13	140.27	7.22	122.76
23 DEPRECIATION AND AMORTISATION EXPENSE				
Depreciation	73.21	73.21	77.19	77.19
24 OTHER EXPENSES				
Manufacturing expenses				
Stores & Spares	173.76		221.50	
Power & Fuel	425.91		542.11	
Job Work Charges	113.07		96.67	
Repair to Machinery	136.46		148.52	
Repair to Building	4.19	853.39	1.57	1010.37
Selling and Distribution Expenses				
Distribution Expenses	64.69	64.69	62.64	62.64
Administrative & Miscellaneous Expenses				
Bad Debts written off	0.59		-	
Insurance	3.10		2.67	
Payment to Auditors	5.71		5.94	
Professional Fee	5.44		6.58	
Rates & Taxes	6.88		6.77	
Rent	0.36		0.36	
Travelling, Vehicle Running & Maintenance Expenses	13.48		13.79	
Cash Discount	-		0.33	
Excise Duty Expenses	18.22		0.31	
Miscellaneous Expenses	42.59	96.37	39.23	75.98
TOTAL		1014.45		1148.99
24.1 PAYMENT TO AUDITORS (EXCLUSIVE OF SERVICE TAX) AS :				
Audit Fees (Includes audit fees of quarterly review)	4.55		4.55	
Tax Audit Fees	0.95		0.95	
Fees for Certification Work & others	0.21		0.44	
TOTAL		5.71		5.94
25 EARNING PER SHARE (EPS)				
i) Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in lacs)		170.95		151.35
ii) No. of Shares used as denominator for calculating EPS		7326800		7326800
iii) Basic and Diluted Earning per share (Rs.)		2.33		2.07
iv) Face Value per equity share (Rs.)		10.00		10.00
26 Foreign Exchange Earning and Expenditure				
Export of goods manufactured		-		-
Travelling expenditure		0.94		-



27 As per information available with the company, none of its creditors are covered under micro, small and medium enterprises as defined under MSMED Act, 2006 which comprise amounts outstanding for more than 45 days as at Balance Sheet date. Based on the information available with the company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 in the current year is Rs. NIL (Previous year Rs. NIL) and no interest during the year has been paid or is payable under the terms of the MSMED Act, 2006.

28 Related Party Disclosure

The Company has identified all related parties and details of transactions are given below. No provision for doubtful debts or advances is required to be made. No amounts have been written off or written back during the year in respect of debts due from or to related parties. There are no other related parties where control exist that needs to be disclosed.

(Rs. in Lacs)

Name of Related Party	Description of relationship with the party	Nature of transactions	Value of transaction for the period ended 31.03.2017	Outstanding as on 31.03.2017	Payable - P Receivable - R	Written off During Year ended 31.03.2017
Mr. Vinay Khandelwal	Son of Mr. A. P. Khandelwal, Whole-time Director and Brother of Mr. Pramod Khandelwal, Managing Director	Rent paid/ payable	0.36 (0.36)	- (-)	- (-)	Nil (Nil)
M/s Khandelwal Busar Industries Private Limited (Formerly known as Kochar Agro Industries Pvt. Ltd.)	Enterprise in which Mr. R. C. Khandelwal (Whole-time Director) and Mr. Pramod Khandelwal (Managing Director), of the Company have substantial interest	Sales	33.77 (13.43)	- (-)	- (-)	Nil (Nil)
		Advance	- (110.00)	- (-)	- (-)	Nil (Nil)
		Job Work Income	67.39 (63.93)	- (-)	(-) (-)	Nil (Nil)
		Rent received / receivable	24.00 (24.00)	- (-)	- (-)	Nil (Nil)
		Investment	- (-)	- (300.00)	- (-)	Nil (Nil)
M/s SWD Industries	Firm in which Mr. A. P. Khandelwal and Mr. R.C. Khandelwal Whole-time Directors of the Company are partners	Sales	0.30 (-)	- (0.61)	- (R)	Nil (Nil)
		Purchases	1.15 (-)	- (-)	- (-)	Nil (Nil)
Mr. R. C. Khandelwal	Chairman	Remuneration and Perquisites	87.23 (72.00)	3.65 (4.25)	P (P)	Nil (Nil)
		Unsecured Loan taken	- (120.00)	- (120.00)	- (P)	Nil (Nil)
Mr. Pramod Khandelwal	Managing Director	Remuneration and Perquisites	87.81 (72.00)	3.62 (4.29)	P (P)	Nil (Nil)
Mr. A. P. Khandelwal	Whole-time Director	Remuneration and Perquisites	16.73 (15.00)	1.01 (1.05)	P (P)	Nil (Nil)
Mr. V. K. Hajela	Independent Director	Sitting Fee	0.10 (0.06)	0.09 (0.23)	P (P)	Nil (Nil)
Mr. S. K. Gupta	Independent Director	Sitting Fee	0.34 (0.32)	0.31 (0.29)	P (P)	Nil (Nil)
Ms. Neha Gupta	Independent Director	Sitting Fee	0.22 (0.24)	0.20 (0.22)	P (P)	Nil (Nil)

**29 CONTINGENT LIABILITIES AND COMMITMENTS :**

Income Tax demand outstanding

Nature of statute	Nature of The dues	Amount (In lacs)*	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1.41	AY 2005-06	AO
Income Tax Act, 1961	Income Tax	1.64	AY 2008-09	AO
Income Tax Act, 1961	Income Tax	2.43	AY 2012-13	ITAT
Income Tax Act, 1961	Income Tax penalty u/s 271(1)(c)	0.48	AY 2013-14	CIT
Income Tax Act, 1961	Income Tax and penalty u/s 271(1)(c)	1.06	AY 2014-15	CIT

*Excluding interest under Income Tax Act.

30 DISCLOSURE OF SPECIFIED BANK NOTES

During the year the company had specified bank notes (SBN's) and other denomination notes as defined in MCA notification, G.S.R. 308(E), dated 30th March, 2017. The details of SBN's held and transacted during the period from November 9, 2016 to December 30, 2016, and other notes as per the notification are as follows :

(Amount in Rs.)

Particulars	SBN's	Other denomination	Total
Closing cash in hand as on November 8, 2016	509,500	129,397	638,897
Add : permitted receipt	-	863,693	863,693
Less : permitted payments	-	478,773	478,773
Less : amount deposited in banks	509,500	-	509,500
Closing cash in hand as on December 30, 2016	-	514,317	514,317

- 31 The previous year figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.
- 32 The Company is predominantly engaged in the single business segment of Metal sector. As such, there are no reportable segments as defined by Accounting Standard-17 (Segment Reporting) notified by Central Government under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule 2014.

In terms of our annexed report of even date

For Vinod Kumar & AssociatesChartered Accountants
FRN No. 002304N**For and on behalf of the Board****(AASTHA JAIN)**
Partner
Membership No. 519915**R. C. Khandelwal**
Chairman
DIN : 00124085**Pramod Khandelwal**
Managing Director
DIN : 00124082Date : 30.05.2017
Place : New Delhi**Preeti Khatore**
Company Secretary
PAN : ARSPV4953A**R. A. Sharma**
CFO
PAN : AMTPS3388J

