



Progressing  
Innovating  
Transforming



**BMW INDUSTRIES LIMITED**

Annual Report 2014-2015

**BMW Industries Limited** successfully pioneered value creation in the steel industry through a simple stated objective.

*“To enhance the efficiency of its customers.”*

It alone contributes significantly to the GDP of the country and provides large-scale employment to millions.

Emerging stronger by expanding, consolidating new capacities and leveraging on its core competencies to gain the steel edge.

Over the years BMW Industries has established an enviable reputation for the delivery of consistently high quality products and services.

## Corporate Information

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### **BOARD OF DIRECTORS**

#### **Chairman & Whole-time Director**

Mr Ram Gopal Bansal

#### **Managing Directors**

Mr Harsh Kumar Bansal

Mr Vivek Kumar Bansal

#### **Non-Executive Independent Directors**

Mr Debasish Basu

Mr Ram Priya Sharan

Mr Sunil Kumar Parik

Mr Prahlad Kumar

Mrs Gayatri Singh

#### **Company Secretary**

Ms Sweta Prasad

#### **Chief Financial Officer**

Mr Abhishek Agarwal

#### **Statutory Auditor**

Deoki Bijay & Co

#### **Secretarial Auditor**

MKB & Associates

#### **Registered Office**

119, Park Street

White House, 3rd Floor

Kolkata - 700 016

Website: [www.bmwil.co.in](http://www.bmwil.co.in)

#### **Solicitors & Advocates**

L P Agarwala & Co

#### **List of Bankers**

Allahabad Bank

Bank of India

Bank of Baroda

Dena Bank

ICICI Bank

Indian Overseas Bank

United Bank of India

UCO Bank

Union Bank of India

## What's coming up?

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## Notice

**NOTICE** is hereby given that the thirty third Annual General Meeting (AGM) of the Company will be held on Tuesday, the 29th September, 2015 at 11 A.M. at its Registered Office at 119, Park Street, White House, Kolkata - 700 016, to transact following business:

### As Ordinary Business

1. To consider passing the following resolution as an Ordinary Resolution:  
“**Resolved that** the audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, Notes forming part thereof, the Cash Flow Statement for the year ended on that date, together with the Directors’ Report and the Auditors’ Report thereon as circulated to the members and presented to the Meeting be and the same are hereby approved and adopted.”
2. To consider passing the following resolution as an Ordinary Resolution:  
“**Resolved that** Mr. Debasish Basu (holding DIN 00581141), Director who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company.”
3. To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:  
“**Resolved that** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s. Deoki Bijay & Co., Chartered Accountants, Kolkata having Firm Registration No. 313105E, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the 2nd consecutive AGM, i.e. 2017 subject to ratification of appointment of members at every AGM, at a remuneration as may be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out-of-pocket expenses incurred by them for the purpose of audit.”

### As Special Business

#### 4. **Appointment of Cost Auditor of the Company.**

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

“**Resolved that** pursuant to the provisions of Section 148 of the Companies Act, 2013 and all other applicable provisions (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year ending 31st March, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.

**Resolved further that** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**Resolved that** pursuant to the provisions of Sections 149 and 152 and any other applicable provisions of the Companies Act, 2013 and Rules made thereunder, read with Schedule IV to the Act, as amended from time to time and Clause 49 of the Listing Agreement, Mrs. Gayatri Singh (DIN: 07031033), Director of the Company who ceases to hold Directorship at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years i.e. upto the conclusion of 38th Annual General Meeting.”

Kolkata, August 25, 2015  
Registered Office:  
119, Park Street, White House  
Kolkata - 700 016  
CIN: L51109WB1981PLC034212  
Email: [legal@bmwil.co.in](mailto:legal@bmwil.co.in)

By order of the Board

**Harsh Bansal**  
Managing Director

## Notice (Contd.)

### NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote, instead of him/her. A proxy need not be a member of the Company. In order to be effective, the instrument appointing proxy must reach the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the paid up capital of the Company carrying voting rights. A member holding more than ten percent of the paid up capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

Members are requested to notify to the Registrar of the Company, M/s. ABS Consultant Pvt Ltd, Stephen House, 6th Floor, Room No. 99, 4, B.B.D. Bag (East), Kolkata - 700 001, any change in their address.

2. The Register of Members and Equity Share Transfer Registers will remain closed from 23rd September, 2015 to 29th September, 2015 (both days inclusive).

### 3. Voting through electronic means

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Clause 35B of the Listing Agreement, members are provided with the facilities to cast their votes on all resolutions set forth in the Notice of the AGM using electronic voting system provided by Central Depository Services (India) Ltd (CDSL).

The Notice of the 33rd Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-voting process along with printed Attendance Slip and Proxy Form is being dispatched to all the Members. The e-voting particulars are provided at the bottom of the Attendance Slip for the 33rd AGM.

The e-voting period begins on 26.09.2015 from 9.00 A.M. and ends on 28.09.2015 till 5.00 P.M. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off/entitlement date of 22.09.2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Members also have the option to vote through Ballot Form. However, the duly completed Ballot Form should reach the Scrutinizer at M/s MKB & Associates, Shantiniketan, 8, Camac Street, 5th Floor, Room no. 511, Kolkata - 700 017, not later than 28.09.2015 (5.00 P.M.) (i.e. closing date of e-voting). Ballot form received after this date will be treated as invalid. If member casts votes by both modes, then voting done through e-voting shall prevail and Ballot Form shall be treated as invalid.

### The Instructions for E-Voting are as under:

- a. Log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- b. Click on "Shareholders" tab.
- c. Now, select Electronic Voting Sequence No. as mentioned in the Attendance Slip alongwith "**BMW INDUSTRIES LIMITED**" from the drop down menu and click on "SUBMIT".
- d. Now Enter your User ID (as mentioned in the Attendance Slip) :
  - i. For CDSL: 16 digits beneficiary ID.
  - ii. For NSDL: 8 characters DP ID followed by 8 Digits Client ID.
  - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- e. Next enter the Image Verification as displayed and Click on Login.
- f. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- g. However, if you are a first time user, please use the e-voting particular provided in the Attendance Slip and fill up the same in the appropriate boxes.
- h. After entering these details appropriately, click on "SUBMIT" tab.
- i. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.

**Notice** (Contd.)

- j. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- k. For Members holding shares in physical form, the details in Attendance Slip can be used only for e-voting on the resolutions contained in this Notice.
- l. Click on the relevant EVSN “**BMW INDUSTRIES LIMITED**” for which you choose to vote.
- m. On the voting page, you will see “**Resolution Description**” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- n. Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- o. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- p. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- q. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- r. If Demat account holder has forgotten the changed password then enter the User ID and image verification code click on Forgot Password & enter the details as prompted by the system.
- s. **For Non – Individual Shareholders and Custodians:**
- Non Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details a Compliance user should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- III. Once the vote on a resolution is cast by the shareholder by electronic means, the shareholder shall not be allowed to change it subsequently or cast his vote by any other means.
- IV. **If a person became the member of the Company after the dispatch of Notice, then such member may contact the Company for Login ID and other e-voting related details.**
- V. The voting rights of shareholders shall be in proportion of their shares of the paid up equity share capital of the Company as on the **cut-off/entitlement date of 22.09.2015.**
- VI. Mr. Manoj Kumar Bantia, Practicing Company Secretary, (Membership No. 11470) of M/s MKB & Associates has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of AGM unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- The Results shall be declared after the 33rd Annual General Meeting (AGM) of the Company. This Notice as well as the Results declared along-with the Scrutinizer’s Report shall be communicated to CDSL and The Calcutta Stock Exchange Association Limited on or after 29th September 2015.

**Notice (Contd.)****EXPLANATORY STATEMENT****As required by Section 102 of the Companies Act, 2013 (the Act)****Item No. 4**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 as per the following details:

M/s Sohan Lal Jalan & Associates, Cost Accountants at Audit Fees of ₹ 125,000/-.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

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

**Item No. 5**

Mrs Gayatri Singh (DIN: 07031033) was appointed as an Additional Director of the Company w.e.f 21st November, 2014 as per Section 149(6) of the Companies Act, 2013. She holds office upto conclusion of 33rd Annual General Meeting of the Company. As per the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement she is proposed to be re-appointed as an Independent Director for a term of 5 consecutive years. She is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. Declarations from her that she meets the criteria of Independence as prescribed both under Section 149(6) of the Act and Clause 49 of the Listing Agreement have been received. The Board is of the opinion that she fulfills conditions of appointment as an Independent Director specified in the Act and also in the Listing Agreement and is independent of the Management.

Brief Resume of Ms Gayatri Singh including names of Companies in which she holds directorship and Membership/ Chairmanship of Board Committees, Shareholding and Relationship with other Directors as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are provided in the Statement appearing hereinafter.

Kolkata, August 25, 2015

Registered Office:

119, Park Street, White House

Kolkata - 700 016

CIN: L51109WB1981PLC034212

Email: [legal@bmwil.co.in](mailto:legal@bmwil.co.in)

By order of the Board

**Harsh Bansal**  
Managing Director

**Brief Resume of Director seeking re-appointment/appointment at the forthcoming Annual General Meeting (in pursuant to Clause 49 IV (G) of the Listing Agreement)**

Name of Director	Mrs Gayatri Singh
Date of Birth	25.12.1947
Date of appointment on the Board	21.11.2014
Qualifications	Mrs Gayatri Singh possesses a Bachelor's Degree in Commerce.
Expertise in specific functional areas	NA
Name of other companies in which he holds directorships as on 31.03.2015	Nil
Chairman/Member of the Committee(s) of Board of Directors of other Companies in which she is a Director as on 31.03.2015	Nil
Shareholding in the Company	Nil

## Directors' Report

To The Members,

The Directors presents the thirty third Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March 2015.

### 1. FINANCIAL HIGHLIGHTS

The performance during the period ended 31st March, 2015 on Standalone basis has been as under:

(₹ in lacs)

Particulars	2014-2015	2013-2014
Gross Income	66,374.65	55,297.92
Profit Before Interest and Depreciation	11,517.98	9,417.13
Finance Charges	4,880.46	4,043.46
Gross Profit	6,637.51	5,373.67
Depreciation for the year	2,938.86	2,751.19
Profit Before Tax	3,698.66	2,622.48
Tax Expense for the year	472.10	454.61
Net Profit After Tax	3,226.56	2,167.86
Balance of Profit brought forward	14,543.78	12,420.89
Balance available for appropriation/Surplus carried to Balance Sheet	17,770.34	14,588.76

### 2. DIVIDEND

Yours Directors have considered it financially prudent in the long term interest of the Company to re-invest the profits to build a strong reserve base and grow the business of the Company. No dividend has, therefore, been recommended for the year ended 31st March, 2015.

### 3. OPERATIONS

For the financial year ended March 31, 2015, your Company earned Profit Before Tax of ₹ 36.98 crores as against ₹ 26.22 crores in the previous financial year and Profit After Tax of ₹ 32.27 crores as against ₹ 21.68 crores in the previous financial year. The Total Income for the year under consideration was ₹ 663.75 crores and Total Expenditure was ₹ 626.76 crores.

### 4. CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, the Report on Corporate Governance forms part of the Annual Report, and is annexed herewith together with Auditors' Certificate on Corporate Governance, the Certificate, duly signed by the Managing Director and Chief Financial Officer on the Financial Statements of the Company for the year ended March 31, 2015 as submitted to the Board of Directors and the declaration by the Managing Director regarding compliance by the Board Members and Senior Management Personnel with the Company's Code of Conduct.

### 5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in Clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

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

## Directors' Report (Contd.)

### 6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### Non-Executive and Independent Director

The Board of Directors in its meeting held on November 21, 2014 appointed Mrs Gayatri Singh as an Additional Director of the Company in the category of Non-Executive Independent Director subject to approval of member at the ensuing AGM. Pursuant to Section 161 of the Companies Act, 2013, Mrs Gayatri Singh holds office of Additional Director upto the ensuing AGM. Accordingly, a resolution is included in the Notice of AGM for appointment of Mrs Gayatri Singh as an Independent Director of the Company to hold office for a term of five years with effect from November 21, 2014. The Board has recommended appointment of Mrs Gayatri Singh as Director of the company.

#### Declaration by Independent Director

The Board has received declaration from all the Independent Directors as per Section 149(7) of the Companies Act, 2013 and the board is satisfied that all the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Companies Act, 2013.

#### Non-Executive and Non-Independent Directors

In terms of the provisions of sub-section (6) read with explanation to Section 152 of the Act 2013 two-thirds of the total number of Directors i.e., excluding Independent Directors, are liable to retire by rotation and out of which, one-third are liable to retire by rotation at every AGM.

Mr. Debasish Basu, (DIN: 00581141) Director, who is liable to retire by rotation at the AGM and being eligible, offer himself for re-appointment.

#### Key Managerial Personnel (KMPs)

At the board meeting held on 14th February, 2015, Mr. Abhishek Agarwal, was appointed as Chief Financial Officer and was designated as one of the 'Key Managerial Personnel' of the Company in terms of Section 203 of the Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### Number of Board Meetings held

The number of board meetings held during the Financial Year 2014-15 is provided as part of Corporate Governance Report.

### 7. AUDITORS' REPORT

The Auditors' report for the financial year 2014-15 does not contain any qualification, reservations or adverse remark and the same is attached with the annual report. Therefore, the Board does not have any explanation or comment.

### 8. AUDITORS

#### Statutory Auditors

The Company appointed M/s. Deoki Bijay & Co, Chartered Accountants, Kolkata having Firm Registration No. 313105E, as Statutory Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the 2nd consecutive AGM, subject to ratification of appointment of members at every AGM.

#### Secretarial Auditors

As required by Section 204 of the Companies Act, 2013, the Secretarial Audit Report for the year 2014-15, given by M/s MKB & Associates, Company Secretaries, Kolkata for auditing the secretarial and related records is attached to this report as **Annexure I**.

### 9. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2015 was ₹ 22,50,86,460/-. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options or sweat equity.

### 10. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### 11. INTERNAL CONTROL AND THEIR ADEQUACY

The Company has a proper and adequate internal control system to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorized and recorded. Information provided to management is reliable and timely and statutory obligations are adhered to.



## **Directors' Report** (Contd.)

### **12. INTERNAL FINANCIAL CONTROL**

The Company has an established internal financial control framework including internal controls over financial reporting, operating controls and anti-fraud framework. The framework is reviewed regularly by the management and tested by internal audit team and presented to the audit committee. Based on the periodical testing, the framework is strengthened, from time to time, to ensure adequacy and effectiveness of Internal Financial Controls.

### **13. POLICY ON VIGIL MECHANISM**

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.bmwil.co.in](http://www.bmwil.co.in)

### **14. PUBLIC DEPOSITS**

The Company has not accepted any deposit from the public within the meaning of Chapter V of the Companies Act 2013, for the year ended 31st March, 2015.

### **15. DISCLOSURES**

#### **Information on Conservation of energy, technology absorption, foreign exchange, etc.**

The information pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 is as follows :

1. The Company has no activity involving conservation of energy or technology absorption.
2. There were no foreign exchange earnings during the Financial Year 2014-15. Expenditure in foreign currency of ₹ 6,32,314 only was made in travelling and ₹ 4,66,44,341 was paid for interest on loan.

#### **Details of related party transactions**

There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the Management, their subsidiaries or relatives etc that may have potential conflict with the Company's interest at large.

#### **Extract of Annual Return**

Extract of Annual Return in the prescribed form MGT - 9 is given as **Annexure II** to this Report, in terms of the requirement of Section 134(3)(a) of Act 2013 read with the Companies Act (Accounts) Rules, 2014.

#### **Employees Remuneration**

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with the Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **Explanation For Shortfall In CSR Expense**

During the Year the company could not make adequate contribution towards CSR activities. Since this was the first year, that our Company got covered under Section 135 of the Companies Act, 2013, the CSR Committee was constituted in the initial phase of the year and accordingly policies were framed, which were placed before the board. The Company is making sincere efforts in making suitable investment for the benefit of the society. The Company assures that in the coming years, it will be spending adequate amount towards CSR Activities.

### **16. ACKNOWLEDGEMENT**

The Board of Directors would like to place on record their gratitude for the guidance and cooperation extended by Reserve Bank of India and the other regulatory authorities. The Board takes this opportunity to express their sincere appreciation for the excellent patronage received from the Banks and Financial Institutions and for the continued enthusiasm, total commitment, dedicated efforts of the executives and employees of the Company at all levels. We are also deeply grateful for the continued confidence and faith reposed on us by the Shareholders.

On Behalf of the Board of Directors

Place: Kolkata  
Date: 29th May, 2015

**Ram Gopal Bansal**  
Whole-time Director

**Harsh Bansal**  
Managing Director

## Management Discussion and Analysis Report

### Industry overview and operational achievement

#### BMWIL has categorized its business in three strategic divisions:

- Tower Division
- Steel service centres (SSCs)
- Infrastructure Division.

#### A. Tower Division

There is a shift in demand from Telecom tower to Transmission tower. BMWIL has an integrated Transmission tower line with strong customer like Alstom, EMC, Tata Power, Tata Projects and State Electricity board etc. Due to deficit power facing in India there is a growing preference for integrated suppliers like BMWIL who possess in-house facility for fabrication, galvanization and installation.

#### B. Steel Service Centres (SSCs)

India emerged among top ten largest producer of crude steel in 2012 and is set to reach the first spot by 2015-16. In a Scenario where 80% of the industry is unorganized with low processing capacities, BMWIL is optimistic of its growth. The company's major customers are opting for a single-vendor system to ensure quality and accountability. While at the same time, BMWIL continues its move to higher value addition and further along the value chain. With the higher installed capacity in the organized sector in India, the Company is confident of taking advantage of the markets as the opportunity presents itself.

#### C. Infrastructure Division

With the growing impetus on infrastructure, BMWIL expects to ride buoyant India's economic and infrastructure development. The Company possesses a fifteen year experience in road building and relevant project management. Apart from a strong customer's base in other divisions, BMWIL has a strong customer base like State Governments of West Bengal and Jharkhand.

### Outlook

To spearhead growth, BMWIL is spreading its reach nationally through strategic acquisitions and alliances. With continuously targeting greater value addition in all divisions, BMWIL, is well on its way to enhancing shareholder returns.

### Risks Management

Like all businesses, there are risks like market fluctuation, credit risks etc. BMWIL is adequately prepared and geared to weather the risks related to these. The necessary policies are in place to ensure that the Company does not face customer defaults in payment. Through customer and sector diversification, the company is protected against the vagaries of the market.

### Internal control

The company follows defined individual roles and responsibilities, which ensure that each individual delivers a superior performance. The installation of necessary enterprise management systems has strengthened the internal control system, which are enabling the Company to monitor performances and integrate the working of departments for a smoother workflow.

### BMWIL strengths

- **Low capital-intensive:** enables the Company to be more competitive during the turbulent times, enabling it to consistently deliver value.
- **Optimally staffed:** A team of dedicated, hard working engineers and workmen with multi skills, adequately trained and guided to perform at their best.
- **Value-addition:** An ability to customize products has enabled the Company's products to attract a premium.

### Financial Performance

During the financial year under review, the Company is maintaining its position as a provider to services in the steel industry. Even though the industry is going through a very challenging period, the customer of the company are imposing their faith in us. The financials of the company are strong and we are confident of weathering the storms that may hit the economy.

### Human Resources

BMWIL employs a dedicated team of experienced professionals. It provides its people with an environment in which they can contribute to the organizational growth through innovation, superior performance and personal growth.

On Behalf of the Board of Directors  
**Harsh Bansal**  
*Managing Director*

## **Annexure to Directors' Report**

### **ANNEXURE I TO DIRECTORS' REPORT**

**FORM NO. MR-3**

#### **SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

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

To  
The Members,  
BMW Industries Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by BMW Industries 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.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on my verification of the 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and 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;
- v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:
  - a) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
  - b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
  - c) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - d) The Securities & Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
  - e) The Securities & Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008
  - f) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
  - g) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
  - h) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998
- vi) As identified by the Management, there is no other Act/Rule/Regulation/Direction specifically applicable to the Company.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India. (Not notified hence not applicable to the Company during the audit period)
- b) The Listing Agreements entered into by the Company with The Calcutta Stock Exchange Limited and Uttar Pradesh Stock Exchange of India Limited (UPSE).

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except;

## **Annexure to Directors' Report** (Contd.)

- a) The Company at its Annual General Meeting held on 25th September, 2014 has appointed Independent Directors as required under Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014. However, no Form DIR-12 is filed for them for such appointments.
- b) The Company has appointed Chief Financial Officer from 14th February, 2015.
- c) The Company has not spent any amount for the CSR activities during the financial year under audit.

I further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) 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.
- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

I further report that subject to our observation above 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.

I further report that during the audit period there was no specific event having any major bearing on the Company's affairs. This report is to be read with my letter of even date which is annexed as Annexure – I which forms an integral part of this report.

For **MKB & Associates**  
Company Secretaries

**Manoj Kumar Banthia**  
ACS no. 11470  
COP no. 7596

Date: 29th May, 2015  
Place: Kolkata

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## **Annexure – 1**

To  
The Members,  
BMW INDUSTRIES LIMITED

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. My responsibility is to express an opinion on those records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MKB & Associates**  
Company Secretaries

**Manoj Kumar Banthia**  
ACS no. 11470  
COP no. 7596

Date: 29th May, 2015  
Place: Kolkata

**Annexure to Directors' Report (Contd.)**
**ANNEXURE II TO DIRECTORS' REPORT**
**FORM NO. MGT 9**
**EXTRACT OF ANNUAL RETURN**
**As on Financial Year ended on 31.03.2015**

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

**I. REGISTRATION & OTHER DETAILS :**

1.	<b>CIN</b>	L51109WB1981PLC034212
2.	<b>Registration Date</b>	21.10.1981
3.	<b>Name of the Company</b>	BMW Industries Limited
4.	<b>Category/Sub-category of the Company</b>	Public Limited Company
5.	<b>Address of the Registered office &amp; contact details</b>	119, Park Street, White House, 3rd Floor, Kolkata – 700 016 Tel : + 91 (33) 4007 1704 Fax : + 91 (33) 4007 1704 E-mail : www.bmwil.co.in
6.	<b>Whether listed company</b>	Yes on The Calcutta Stock Exchange Association Ltd
7.	<b>Name, Address &amp; contact details of the Registrar &amp; Transfer Agent, if any.</b>	ABS Consultant Private Limited Stephen House, Room No 99 6th Floor, 4, B B D Bag (East), Kolkata 700 001 Tel : + 91 (33) 2243 0153, 2220 1043 E-mail : absconsultant@vsnl.net

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Manufacturing of Steel & Steel Products	241 (as per NIC 2008)	99.66%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name of Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable section
1.	Sail Bansal Service Centre Limited	U27310WB2000PLC092486	Subsidiary	60%	2(87)
2.	Bansal Nepal Pvt Ltd		Subsidiary		2(87)
3.	Confident Financial Consultancy Pvt Ltd	U67190WB2008PTC124149	Subsidiary	100%	2(87)
4.	Perfect Investment Consultancy Pvt Ltd	U74992WB2008PTC124136	Subsidiary	100%	2(87)
5.	Sidhant Investment Advisory Pvt Ltd	U74120WB2008PTC122119	Subsidiary	100%	2(87)
6.	Siddhi Vinayak Commosales Pvt Ltd	U51909WB2008PTC129643	Subsidiary	100%	2(87)
7.	Shri Hari Vincom Pvt Ltd	U51909WB2008PTC129652	Subsidiary	100%	2(87)
8.	Narayan Dealcom Pvt Ltd	U51909WB2008PTC129649	Subsidiary	100%	2(87)
9.	Fairplan Vintrade Pvt Ltd	U51909WB2008PTC129650	Subsidiary	100%	2(87)
10.	Nageshwar Trade-Link Pvt Ltd	U51909WB2008PTC129645	Subsidiary	100%	2(87)

## Annexure to Directors' Report (Contd.)

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

#### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/HUF	83,01,208	-	83,01,208	40.33	83,01,208	-	83,01,208	36.88	(3.45)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	30,70,625	11,73,800	42,44,425	20.62	41,18,750	11,73,800	52,92,550	23.51	2.89
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(1)</b>	<b>1,13,71,833</b>	<b>11,73,800</b>	<b>1,25,45,633</b>	<b>60.95</b>	<b>1,24,19,958</b>	<b>11,73,800</b>	<b>1,35,93,758</b>	<b>60.39</b>	<b>(0.56)</b>
<b>2) Foreign</b>									
g) NRIs-Individuals									
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(2)</b>	<b>1,13,71,833</b>	<b>11,73,800</b>	<b>1,25,45,633</b>	<b>60.95</b>	<b>1,24,19,958</b>	<b>11,73,800</b>	<b>1,35,93,758</b>	<b>60.39</b>	<b>(1.12)</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2. Non Institutions</b>									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
(i) Indian	80,39,355	-	80,39,355	39.05	89,14,688	-	89,14,688	39.61	0.56
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	100	100	200	0.00	100	100	200	0.00	0.00
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
a) Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2)</b>	<b>80,39,455</b>	<b>100</b>	<b>80,39,555</b>	<b>39.06</b>	<b>89,14,788</b>	<b>100</b>	<b>89,14,888</b>	<b>39.61</b>	<b>0.55</b>

**Annexure to Directors' Report (Contd.)**

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public Shareholding (B)=(B)(1)+(B)(2)	80,39,455	100	80,39,555	39.06	89,14,788	100	89,14,888	39.61	0.55
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>1,94,11,288</b>	<b>11,73,900</b>	<b>2,05,85,188</b>	<b>100.00</b>	<b>2,13,34,746</b>	<b>11,73,900</b>	<b>2,25,08,646</b>	<b>100.00</b>	<b>0.57</b>

**ii) Shareholding of Promoters**

Name of Shareholders	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (31.03.2015)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Indian Promoter</b>				
<b>Individuals/HUF</b>				
Ram Gopal Bansal (HUF)	59,375	0.29	59,375	0.26
Pratiti Bansal	1,99,325	0.97	1,99,325	0.89
Shalini Bansal	2,79,325	1.36	2,79,325	1.24
Premlata Bansal	9,41,250	4.57	9,41,250	4.18
Vivek Kumar Bansal	14,02,208	6.81	14,02,208	6.23
Harsh Kumar Bansal	17,35,350	9.13	18,44,725	8.20
Ram Gopal Bansal	35,75,000	17.37	35,75,000	15.88
Bansal Engineering Works Pvt Ltd	1,80,000	0.87	1,80,000	0.80
Dharmik Commotrade Pvt Ltd	3,12,500	1.52	3,12,500	1.39
Encash Commercial Pvt Ltd	2,52,083	1.22	3,43,750	1.53
Lakshya CompuSoft Pvt Ltd	3,75,000	1.82	3,75,000	1.67
Deep Goods Pvt Ltd	3,75,000	1.82	3,75,000	1.67
Dharmik Tie up Pvt Ltd	3,87,500	1.88	3,87,500	1.72
Paramatma Commercial Pvt Ltd	4,06,250	1.97	4,06,250	1.80
Mahabali Goods Pvt Ltd	2,70,833	1.32	4,20,000	1.87
Rajani Vanijya Pvt Ltd	1,48,542	0.72	4,21,875	1.87
Jaymala Commercial Pvt Ltd	1,74,167	0.85	5,18,750	2.30
Pioneer Goods Pvt Ltd	3,68,750	1.79	5,58,125	2.48
Bansal Business Pvt Ltd	9,93,800	4.83	9,93,800	4.42
<b>Total</b>	<b>1,25,45,633</b>	<b>60.95</b>	<b>1,35,93,758</b>	<b>60.39</b>

**iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,25,45,633	60.95		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	10,48,125, Equity shares due to Conversion of Warrants on 24/02/2015			
	At the End of the year			1,35,93,758	60.39

## Annexure to Directors' Report (Contd.)

### Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	Top ten Shareholders	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Jani Fincom Private Limited	10,92,375	5.31	10,92,375	4.85
2.	Murray Financial Services Private Limited	10,14,601	4.93	10,14,601	4.51
3.	Maninya Comfin Private Limited	8,21,012	3.99	8,21,012	3.65
4.	Tirupati Commosales Private Limited	1,43,750	0.70	7,50,000	3.33
5.	Merrit Fintrade Private Limited	7,36,950	3.58	7,36,950	3.27
6.	Torrid Fintra Private Limited	7,10,050	3.45	7,10,050	3.15
7.	Tricom Investments Private Limited	6,48,550	3.15	6,48,550	2.88
8.	Cloret Investments Private Limited	6,35,250	3.09	6,35,250	2.82
9.	Bleweet Finvest Private Limited	5,15,900	2.51	5,15,900	2.29
10.	Rosset Fiscal Private Limited	5,15,100	2.50	5,15,100	2.29

### iv) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors & KMP	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>A.</b>	<b>Shareholding of Directors</b>	Nil	Nil	Nil	Nil
<b>B.</b>	<b>Shareholding of KMP:</b>				
1.	<b>Mr. Ram Gopal Bansal - Chairman</b> At the beginning of the year At the end of the year	35,75,000 35,75,000	17.37 15.88	Nil Nil	17.37 15.88
2.	<b>Mr. Harsh Kumar Bansal - Managing Director</b> At the beginning of the year At the end of the year	17,35,350 18,44,725	9.13 8.96	Nil Nil	8.20 8.20
3.	<b>Mr. Vivek Kumar Bansal - Managing Director</b> At the beginning of the At the end of the year	14,02,208 14,02,208	6.81 6.81	Nil Nil	6.23 6.23

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>			
i)	Principal Amount	49,18,01,116	6,48,55,86,519
ii)	Interest due but not paid	Nil	Nil
iii)	Interest accrued but not due	Nil	Nil
	<b>Total (i+ii+iii)</b>	<b>49,18,01,116</b>	<b>6,48,55,86,519</b>
<b>Change in Indebtedness during the financial year</b>			
	- Addition	9,28,28,742	9,28,28,742
	- Reduction	Nil	65,31,10,942
	Net Change	<b>9,28,28,742</b>	<b>56,02,82,200</b>
<b>Indebtedness at the end of the financial year</b>			
i)	Principal Amount	58,46,29,858	5,92,53,04,319
ii)	Interest due but not paid	Nil	Nil
iii)	Interest accrued but not due	Nil	Nil
	<b>Total (i+ii+iii)</b>	<b>58,46,29,858</b>	<b>5,92,53,04,319</b>



**Annexure to Directors' Report (Contd.)**
**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager (₹ in lacs)**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Ram Gopal Bansal, Whole-time Director	Harsh Kumar Bansal, Managing Director	Vivek Kumar Bansal, Managing Director	
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	36.00	36.00	36.00	108.00
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission				
	- as % of profit	Nil	Nil	Nil	Nil
	- others, specify	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
	<b>Total(A)</b>	<b>36.00</b>	<b>36.00</b>	<b>36.00</b>	<b>108.00</b>

**B. Remuneration to other Directors (₹) :**

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Debasish Basu	Sunil Kumar Parik	Ram Priya Sharan	Prahlad Kumar	Gayatri Singh	Ramji Prasad Singh	
1.	<b>Independent Directors</b>							
	Fee for attending board / committee meetings	1,000	-	14,000	-	-	-	15,000
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	<b>Total (1)</b>	<b>1,000</b>	<b>-</b>	<b>14,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,000</b>
2.	<b>Other Non-Executive Directors (2)</b>	-	-	-	-	-	-	-
	<b>Total (1+2)</b>	<b>1,000</b>	<b>-</b>	<b>14,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,000</b>
	Overall Ceiling as per the Act	Sitting Fee paid is within limit prescribed at Section 197 of the Act						

**C. Remuneration to Key Managerial Personnel Other Than MD/Manager /WTD (₹ in lacs)**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Namrata Modi (CS)	Abhishek Agarwal (CFO)	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4.50	9.00	13.50
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as % of profit	Nil	Nil	Nil
	- others, please specify	Nil	Nil	Nil
	<b>Total (A)</b>	<b>4.50</b>	<b>9.00</b>	<b>13.50</b>

**Annexure to Directors' Report** (Contd.)**VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES**

	Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
<b>A.</b>	<b>Company</b>					
	Penalty	NONE				
	Punishment					
	Compounding					
<b>B.</b>	<b>Directors</b>					
	Penalty	NONE				
	Punishment					
	Compounding					
<b>C.</b>	<b>Other Officers In Default</b>					
	Penalty	NONE				
	Punishment					
	Compounding					

## Report on Corporate Governance

The Company believes in ensuring corporate fairness, transparency, professionalism, accountability and propriety in total functioning of the Company, which are pre-requisites for attaining sustainable growth in this competitive corporate world. Obeying the law, both in letter and in spirit, is the foundation on which the Company's ethical standards are built. The Company would constantly endeavor to improve on these aspects.

### 1) The Company's Philosophy on Corporate Governance is aimed at:

- a) Enhancing long term shareholder value through
  - Assisting the top management in taking sound business decisions; and
  - Prudent financial management.
- b) Achieving transparency and professionalism in all decisions and activities of the Company.
- c) Achieving excellence in Corporate Governance by
  - Conforming to the prevalent guidelines on Corporate Governance, and excelling in, wherever possible.
  - Reviewing periodically the existing systems and controls for further improvements.
- d) The Report on Corporate Governance in accordance with Clause 49 of the Listing Agreement with the Stock Exchanges by your Company is given below. We believe that this Report will strengthen the establishment of trust and confidence in the development of Corporate Governance at BMW Industries Limited (BMWIL).

### 2) Board of Directors

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Board of the Company comprises eight Directors that include one Woman Director.

#### i. Composition and Category of Directors:

Category	No. of Directors	%
Executive Directors	3	37.50
Non-Executive & Independent Directors	4	50.00
Non-Executive & Independent Woman Director	1	12.50
<b>Total</b>	<b>8</b>	<b>100.00</b>

Mr Ram Gopal Bansal is designated as the Chairman of the Company and Mr Harsh Kumar Bansal and Mr Vivek Kumar Bansal are designated as Managing Directors of the Company.

#### ii. Number of Board Meetings Held

The Board of Directors duly met 15 times during the financial year from 1st April, 2014 to 31st March, 2015. The dates on which the meetings were held are as follows:

18th April, 2014, 25th April, 2014, 30th May, 2014, 12th August, 2014, 1st September, 2014, 7th October, 2014, 14th November, 2014, 18th November, 2014, 28th November, 2014, 2nd January, 2015, 6th January, 2015, 20th January, 2015, 14th February, 2015, 24th February, 2015 and 6th March, 2015.

#### Attendance of each Director at the Board Meetings and last AGM held on 25.09.2014

Name	Attendance		Directorships in other Public Limited Companies
	Board Meeting	Last AGM	
Ram Gopal Bansal	15	Yes	5
Harsh Bansal	15	No	7
Vivek Bansal	14	Yes	6
Debasish Basu	14	Yes	-
Sunil Kumar Parik	12	Yes	2
Prahlad Kumar	14	No	-
Ram Priya Sharan	14	Yes	-
Ramji Prasad Singh*	5	No	-
Gayatri Singh**	7	No	-

\*Deceased on 7th October, 2014.

\*\*Appointed w.e.f. 21st November, 2014.

None of the Directors of the Company hold membership in any Committee of other Public Companies.

## Report on Corporate Governance (Contd.)

None of the Directors of the Company's Board hold the office of Director in more than the permissible number of Companies under Section 165 of the Companies Act, 2013 read with Clause 49(II)(B)(2) of the Listing Agreement. Also, the Committee Chairmanships/Memberships are within the limits laid down in Clause 49 of the Listing Agreement. The appointment of the Executive Directors, including tenure and terms of Remuneration are also approved by the Members. Appointment of Non-executive Directors, save as otherwise expressly provided in the Act, is made at the Company's General Meeting.

Non-Executive Directors do not have any pecuniary relationship and/or transaction with your Company other than payment of sitting fees and/or reimbursement of out-of-pocket expenses for attending meetings of the Board and/or Committee(s) thereof. The Company pays sitting fees for attending meeting of the Board within the limit prescribed under the Act.

### Policy for prohibition of Insider Trading:

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992, (as amended from time to time) and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a Code for Prohibition of Insider Trading for Directors/Officers and Designated employees of the Company, relating to dealings by them in the securities of the Company.

The Code also provides for periodical disclosures from Directors/Officers and Designated employees as well as pre-clearance of transactions by such persons.

### 3) Committees of Directors

The Board has, in order to make a focused attention on business and for better governance and accountability, constituted the following mandatory, committees, viz., Audit Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. The terms of reference of these Committees are determined by the board and their performance reviewed. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs board about the summary of discussions held in the Committee Meetings. The minutes of the Committee Meetings are placed before the subsequent board meetings.

#### Meetings of Board Committees held during the year and their Attendance thereof

	Audit Committee	Corporate Social Responsibility Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee
No of Meetings held	4	2	4	12
<b>Attendance of Directors</b>				
Ram Gopal Bansal	NA	NA	NA	NA
Harsh Bansal	4	2	NA	NA
Vivek Bansal	NA	NA	NA	NA
Debasish Basu	4	2	4	12
Sunil Kumar Parik	4	NA	4	12
Prahlad Kumar	NA	NA	NA	12
Ram Priya Sharan	NA	2	4	NA
Ramji Prasad Singh	NA	NA	NA	NA
Gayatri Singh	NA	NA	NA	NA

#### 1. Audit Committee

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosure and transparency, integrity and quality of financial reporting.

## Report on Corporate Governance (Contd.)

### Terms of reference

The Audit Committee reviews the audit reports submitted by the Internal Auditors and Statutory Auditors, financial results, effectiveness of internal audit processes and the Company's risk management strategy. It reviews the Company's established systems and the Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013.

### Composition

The Audit Committee of the Company consists of 2 Independent Directors and 1 Executive Director. The Chairman of the Audit Committee is financially literate and all of them having accounting or related financial management experience. Representative of Statutory Auditor is permanent invitee. Company Secretary acts as a Secretary to the Committee.

### Number of Meetings held during the year

During the FY ended on 31st March 2015, meeting of the Committee were held on 27th May 2014, 9th August 2014, 11th November 2014 and 14th February 2015. The gap between two meetings never exceeded four months.

### Particulars of Meetings and attendance during the year

Name of Directors	Position	Category	No of Meetings held	No. of Meetings Attended
Sunil Kumar Parik	Chairman	Independent	4	4
Debasish Basu	Member	Independent	4	4
Harsh Bansal	Member	Executive	4	4

## 2. Corporate Social Responsibility (CSR) Committee

Corporate Social Responsibility Committee was constituted on 28th February, 2014 in compliance of Section 135 of the Act and Rules framed there under. Following its role and responsibility, the Committee has formulated and recommended to the Board a Policy indicating CSR activities to be undertaken, expenditure to be incurred on account thereof, and monitoring the same on an ongoing basis as specified in Schedule VII. Following Directors are the Members of the Committee.

### Terms of Reference

- To formulate and recommend to the Board, a CSR Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and Rules made there under.
- To recommend the amount of expenditure to be incurred and implementation thereof.
- To observe practices of Corporate Governance at all levels and suggest remedial measures wherever necessary.
- To carry out any other function as is mandated by the Board from time to time and/or modification as may be applicable or as may be necessary or appropriate.

### Composition

Name of Directors	Category	Position
Harsh Bansal	Executive Director	Chairman
Debasish Basu	Independent Director	Member
Ram Priya Sharan	Independent Director	Member

### Number of meetings held during the year:

During the FY ended 31st March 2015, meeting of the CSR Committee were held on 28th July, 2014 and 20th January, 2015.

Average Net Profit of The Company For The Last 3 Financial Years: ₹ 29,25,88,548/-

Prescribed CSR Expense: 2 % Of Above : ₹ 58,51,771/-

## Report on Corporate Governance (Contd.)

### EXPLANATION FOR SHORTFALL IN CSR EXPENSE:

During the Year the company could not make adequate contribution towards CSR activities. Since this was the first year that our Company got covered under Section 135 of the Companies Act, 2013, the CSR Committee was constituted in the initial phase of the year and accordingly policies were framed, which were placed before the board. The Company is making sincere efforts in making suitable investment for the benefit of the society. The Company assures that in the coming years, it will be spending adequate amount towards CSR Activities.

### 3. Nomination and Remuneration Committee

#### Terms of reference

This Committee shall identify the persons, who are qualified to become Directors of the Company/who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every Director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and Senior Management Personnel.

#### Number of meetings held during the year

During the Financial Year ended on 31st March, 2015 meetings of the Committee were held on 17th July 2014, 2nd November, 2014, 18th January, 2015 and 6th March, 2015.

#### Composition

Name of Directors	Position	Category	No of Meetings held	No. of Meetings Attended
Sunil Kumar Parik	Chairman	Independent	4	4
Debasish Basu	Member	Independent	4	4
Ram Priya Sharan	Member	Independent	4	4

### 4. Stakeholders Relationship Committee

#### Composition

The Stakeholders Relationship Committee comprises of following Directors.

Name of Directors	Category	Position	No. of Meetings	
			Held	Attended
Debasish Basu	Independent	Chairman	12	12
Sunil Kumar Parik	Independent	Member	12	12
Prahlad Kumar	Independent	Member	12	12

During the FY ended on 31st March 2015, 12 meetings of the Committee were held and gap between two meetings never exceeded 30 days.

Role of the Committee include redressal of Shareholders' complaints relating to transfer/transmission of shares, exchange of Share Certificates, non-receipt of Balance Sheet, non-receipt of declared Dividends etc.

The Board of the Company has delegated the power of Share Transfer to the Company Secretary, subject to ratification at the immediately succeeding meeting of the Committee.

#### Status of complaints of Shareholders/Investors is as under :

Number of complaints pending as on 1st April 2014	-
Number of complaints received during the FY	-
Number of complaints redressed during the FY	-
Number of complaints pending as on 31st March 2015	-

## Report on Corporate Governance (Contd.)

### 4) General Body Meetings

Location and time where the Annual General Meetings were held during the last three years

Year	Date	Venue	Time
2011-12	29.09.2012	119, Park Street, White House, Kolkata - 700 016	01.30 P.M
2012-13	28.09.2013	119, Park Street, White House, Kolkata - 700 016	01.30 P.M
2013-14	25.09.2014	119, Park Street, White House, Kolkata - 700 016	03.00 P.M

No Special Resolutions were passed during the last three Financial Years.

#### Postal Ballot

The Company did not conduct any business through Postal Ballot during FY under review.

#### Disclosures

- While preparing Financial Statements for the FY under review, no accounting treatment which was different from that prescribed in the Accounting Standard has been followed.
- Resume and other information of the Directors proposed to be appointed/re-appointed at the ensuing Annual General Meeting are given in the Notice relating thereto to the Shareholders as required under Clause 49 VIII(E) (1) of the Listing Agreement.
- There are no materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the company's interest at large.
- Nomination and Remuneration Committee has devised a Policy on Board diversity, a copy whereof is hosted on Company's Website [www.bmwil.co.in](http://www.bmwil.co.in)
- A Management Discussion and Analysis Report has been included as a part of the Directors' Report to the Shareholders for FY ended 31st March, 2015.
- No structures were imposed on the Company by any regulatory authority on any matter related to capital markets during the last three years.
- The Company has laid down Risk Management Policy in order to manage the risk procedures. These procedures are periodically reviewed by the Board Members through means of a properly defined framework.
- The Board of Directors of the Company has also put in place a Policy on Prevention of Sexual Harassment following provisions of Sexual Harassment of Women at Workplace Act, 2013 and Rules framed there-under. Copy of said Policy has been hosted on the Company's website [www.bmwil.co.in](http://www.bmwil.co.in). During FY 2014-15, no complaint regarding sexual harassment was received.
- The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has adopted a Vigil Mechanism/ Whistle Blower Policy under which the employees, both permanent and temporary are free to report violation of applicable laws and regulations and the Code of Conduct. Copy of said policy has been hosted on Company's website [www.bmwil.co.in](http://www.bmwil.co.in)
- The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Clause 49 of the Listing Agreement.
- No Director of the Company is related to any other Director of the Company.
- No Equity Shares of the Company are held by Non-Executive Directors, both own or held by/for other person on a beneficial basis.

### 5) Means of Communication to shareholders

The board believes that effective communication of information is an essential component of corporate governance.

## Report on Corporate Governance (Contd.)

### Quarterly results:

The unaudited quarterly financial results of the Company were published in “The Echo of India” and “Arthik Lipi” and are displayed on the website of the Company.

### 6) General Shareholder Information

The Company is registered in the State of West Bengal, India. The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs (MCA) is L51109WB1981PLC034212.

<b>AGM date, time and venue</b>	Tuesday, 29th September, 2015 At 11:00 A.M. at 119, Park Street, White House, Kolkata - 700 016
<b>Financial Year</b>	1st April, 2014 to 31st March, 2015
<b>Book Closure date</b>	23.09.2015 to 29.09.2015 (Both days inclusive)
<b>Listing on Stock Exchanges</b>	Calcutta Stock Exchange (CSE)
<b>Stock Code</b>	12141 – CSE
<b>ISIN</b>	INE374E01013

### 7) Market Price Data

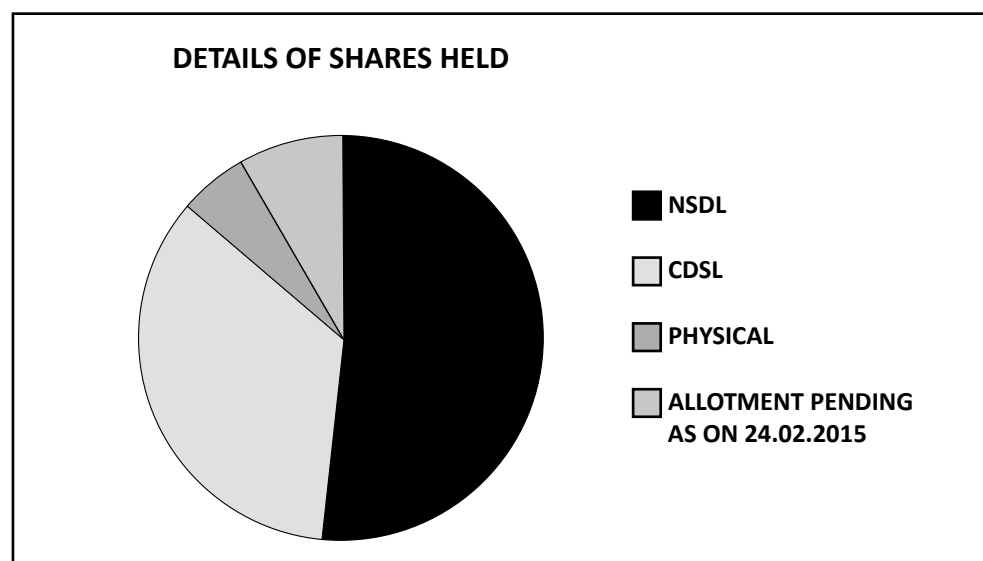
The shares of the Company were not traded at the stock exchange during the year.

### 8) Dematerialization of Shares

Trading in Equity Shares of the Company is permitted in Demat Form at NSDL and CDSL as per the notification issued by SEBI.

#### Details of Shares held in Dematerialised and Physical Form as on 31st March, 2015

Category	No of Shares	% of Shares (without considering the pending Shares)
Shares held in Dematerialised Form – NSDL	1,16,26,600	51.65
Shares held in Dematerialised Form – CDSL	77,84,688	34.59
Shares held in Physical Form	11,73,900	05.22
Corporate Action for Allotment for Shares on 24.02.2015 pending with Depositories	19,23,458	08.54
<b>Total no of Shares</b>	<b>2,25,08,646</b>	<b>100.00</b>





**Report on Corporate Governance (Contd.)**
**9) Distribution of Share Holdings**

Category		Shareholders		Share Amount	
		Number	% of Total Nos.	Shares (Rs.)	% of Total Amount
1	500	2	5.71	200	0.00
501	1000	-	-	-	-
1001	2000	-	-	-	-
2001	3000	-	-	-	-
3001	4000	-	-	-	-
4001	5000	-	-	-	-
5001	10000	-	-	-	-
10001	And above	33	94.29	2,25,08,446	100.00
<b>TOTAL</b>		<b>35</b>	<b>100.00</b>	<b>2,25,08,646</b>	<b>100.00</b>

Category	Number of Shareholders	Total Number of Shares	% of Shares
Promoter's Holding			
- Individuals/ HUF	7	83,01,208	36.88
- Bodies Corporate	12	52,92,550	23.51
Non Institutions Body Corporate	16	89,14,888	39.61
<b>Total</b>	<b>35</b>	<b>2,25,08,646</b>	<b>100.00</b>

**10)** The Company has not issued any GDRs/ADRs/warrants or any convertible instruments, which is likely to have impact on the Company's equity.

**11) Management Discussion & Analysis Report**

A Management Discussion and Analysis Report are given separately and form part of the Annual report.

**12) Plant Locations**

- Ramdas Oil Mill Compound, Manifit, P.O: Telco, Jamshedpur, Jharkhand.
- Junglepur, PO: Andul Mouri, NH – 6, Howrah, West Bengal.
- G. T. Road (N), Ghusuri, Howrah, West Bengal.
- B-I, Phase-II, Adityapur Industrial Area, Jamshedpur, Jharkhand.
- M-1, Large Sector, Gamharia, Dist – Seraikella - Kharswar, Jamshedpur, Jharkhand.

**13) Registrar and Transfer Agents**

M/s. ABS Consultant Private Limited is Registrar and Transfer Agent of the Company. Any request pertaining to investor relations may be addressed to the following:

**ABS Consultant Private Limited**  
 Stephen House, Room No 99  
 6th Floor, 4, B B D Bagh, Kolkata 700 001  
 Phone: +91 33 2243 0153, +91 33 2220 1043  
 E-mail: absconsultant@vsnl.net

## Report on Corporate Governance (Contd.)

### 14) Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practicing Company Secretary or a Practicing Chartered Accountant carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid-up capital. The audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is placed before the Board of Directors of the Company. The audit, inter alia, confirms that the listed and paid up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and the total number of shares in physical form.

### 15) Green Initiative in the Corporate Governance

As part of the green initiative process, the Company has taken an initiative of sending documents like notice calling Annual General Meeting, Corporate Governance Report, Directors Report, audited Financial Statements, Auditors Report, Dividend intimations etc., by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the company and for the bounced-mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent/concerned depository to enable the Company to send the documents in electronic form or inform the Company in case they wish to receive the above documents in paper mode.

Place: Kolkata  
Date: 29th May, 2015

For and on behalf of the Board of Directors  
**Harsh Bansal**  
Managing Director

## CEO & CFO CERTIFICATION

The Board of Directors  
BMW Industries Limited  
Kolkata – 700016

Pursuant to the provisions of Clause 49(v) of the Listing Agreement, we, Harsh Bansal, Managing Director, and Abhishek Agarwal, CFO, responsible for the finance function certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2015 and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affair and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into the company during the year ended 31st March, 2015 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for the establishing and maintaining internal control systems for financial reporting and we have evaluated the effectiveness of the internal controls systems of the Company pertaining to financial reporting and there have been no deficiencies in the design or operation of such internal controls.
- d) We indicated to the auditors and the audit committee that :
  - i. There have been no significant changes in internal control over financial reporting during the year.
  - ii. There have been no significant changes in accounting policies during the year.
  - iii. There have been no instances of significant fraud of which we have become aware.

Place: Kolkata  
Date: 29th May, 2015

**Abhishek Agarwal**  
Chief Financial Officer

**Harsh Bansal**  
Managing Director

### **AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**BMW Industries Limited**

We have examined the compliance of conditions of corporate governance by BMW Industries Limited, for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied.

As informed, no investor grievance is pending for a period exceeding one month against the Company. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M. Rajesh & Co.**  
*Chartered Accountants*  
Regn. No. 328160E

**(CA R. K. Murarka)**  
*Proprietor*  
Membership No. 068356

Place: Kolkata  
Dated: the 29th day of May, 2015

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### **DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT**

As provided under clause 49 of the Listing Agreement entered into with the Stock Exchange, it is hereby confirmed that all the Board Members and Senior Management Personnel of the Company have affirmed the compliance with the Code of Conduct for the year ended March 31, 2015.

Place: Kolkata  
Date: 29th May, 2015

**Harsh Bansal**  
*Managing Director*

## Independent Auditors' Report

### TO THE MEMBERS OF BMW INDUSTRIES LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **BMW Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, 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 Standalone Financial Statements

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

#### Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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 Standalone Financial Statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, 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, 2015 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in Paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

### **Independent Auditors' Report** (Contd.)

- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the Directors as on 31st March, 2015, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2015, from being appointed as a Director in terms of Section 164(2) of the Act;
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company does not have any pending litigations which would impact its financial position.
  - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **DEOKI BIJAY & CO.**  
*Chartered Accountants*  
Firm Regn No. 313105E  
**CA D.N. Agrawal**  
*Partner*  
Membership No. 051157

Place: Kolkata

Dated: The 29th day of May, 2015

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

Referred to in Paragraph 1 under 'Report on other Legal & Regulatory Requirements' section of our report of even date:

- I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets of the Company are physically verified by the management according to a phased programme of verification over a period of three years which, in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. Pursuant to the program certain fixed asset were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- II. (a) According to the information and explanation given to us, the inventories except scraps have been physically verified by the management during the year and in our opinion the frequency of such verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, except for scraps as aforesaid, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories. As explained to us, discrepancies noticed on the physical verification of inventories as compared to the book records were not material and have been properly dealt with in the books of accounts.
- III. According to the information and explanations given to us and, in our opinion the Company has not granted secured or unsecured loan to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act.
- IV. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit we have not observed any major weaknesses in such internal control system.

**Annexure to the Independent Auditors' Report (Contd.)**

- V. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits and hence the provisions of Section 73 to 76 or other relevant provisions of the Companies Act, 2013 and the Rules framed there under are not applicable to the Company.
- VI. As explained to us, cost records in respect of steel pipes and tubes as prescribed by the Central Government under Section 148 of the Companies Act, 2013 is required to be maintained by the Company. We are of the opinion that prima facie the prescribed cost records have been maintained. We have, however not made detailed examination of the cost records with a view to determining whether they are accurate or complete.
- VII. (a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance Act, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Income Tax (except ₹ 30,37,268/- related to Income Tax for A.Y. 2011-12), Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they become payable.
- (b) Details of dues of Income Tax which have not been deposited as on 31st March, 2015 on account of disputes are given below :-

Name of the Statute	Nature of Dues	Amount (₹)	Period to which the amount relates	Forum
Income Tax Act, 1961	Income Tax Demands	48,38,930/-	F.Y. 2011-12	Commissioner of Income Tax (Appeals)

- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- VIII. The company does not have accumulated losses at the end of the financial year and it has not incurred cash losses during the financial year and in the immediately preceding financial year.
- IX. In our opinion and on the basis of information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company has not issued any debentures.
- X. In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given Corporate Guarantees for loans taken by its subsidiary from banks are not, prima facie, prejudicial to the interests of the Company.
- XI. In our opinion and according to the information and explanations given to us, no term loans were obtained by the Company during the year.
- XII. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DEOKI BIJAY & CO.**  
Chartered Accountants  
Firm Regn No. 313105E  
**CA D.N. Agrawal**  
Partner  
Membership No. 051157

Place: Kolkata  
Dated: The 29th day of May, 2015

**Balance Sheet** as at March 31, 2015

(Amount in ₹)

	Notes	As at March 31, 2015	As at March 31, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	22,50,86,460	20,58,51,880
Reserves and Surplus	4	3,69,83,96,206	3,07,83,04,790
		<b>3,92,34,82,666</b>	3,28,41,56,670
<b>Non-Current Liabilities</b>			
Long Term Borrowings	5	3,05,22,38,026	3,49,47,82,503
Deferred Tax Liabilities (Net)	6	26,12,77,022	20,87,93,363
Long Term Provisions	7	1,37,18,024	67,50,000
		<b>3,32,72,33,072</b>	3,71,03,25,866
<b>Current Liabilities</b>			
Short Term Borrowings	8	2,40,14,89,711	2,40,83,63,912
Trade Payables	9	30,08,45,275	25,87,96,897
Other Current Liabilities	10	66,09,51,731	71,95,41,572
Short Term Provisions	11	1,33,17,529	12,57,06,324
		<b>3,37,66,04,246</b>	3,51,24,08,705
<b>Total</b>		<b>10,62,73,19,983</b>	10,50,68,91,241
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Fixed Assets			
- Tangible Assets	12	5,46,72,44,157	5,43,64,92,153
- Intangible Assets		25,84,972	32,31,215
- Capital Work-in-Progress		33,61,98,780	31,63,15,741
Non-Current Investments	13	9,83,62,262	9,83,62,262
Long Term Loans and Advances	14	15,41,68,874	3,57,57,576
Other Non Current Assets	15	19,00,000	19,00,000
		<b>6,06,04,59,045</b>	5,89,20,58,947
<b>Current Assets</b>			
Inventories	16	1,66,95,80,469	1,64,64,80,739
Trade Receivables	17	1,74,89,80,003	1,81,86,04,358
Cash and Bank Balances	18	7,29,18,016	6,77,70,566
Short Term Loans and Advances	19	1,07,46,66,764	1,08,12,30,092
Other Current Assets	20	7,15,686	7,46,539
		<b>4,56,68,60,938</b>	4,61,48,32,294
<b>Total</b>		<b>10,62,73,19,983</b>	10,50,68,91,241

Significant Accounting Policies

2

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date.

For and on behalf of the Board of Directors

For **DEOKI BIJAY & CO.**  
Chartered Accountants  
Firm Regn. No. 313105E

**Ram Gopal Bansal**  
Chairman  
DIN: 00144159

**Harsh Bansal**  
Managing Director  
DIN: 00137014

**(CA. D.N. Agrawal)**  
Partner  
Membership No. 051157  
Kolkata  
Dated : The 29th day of May, 2015

**Abhishek Agarwal**  
Chief Financial Officer

**Sweta Prasad**  
Company Secretary

**Statement of Profit and Loss** for the year ended March 31, 2015

(Amount in ₹)

	Notes	Year ended March 31, 2015	Year ended March 31, 2014
<b>Income</b>			
Revenue from Operations	21	6,82,93,21,350	5,68,73,97,196
Less: Excise Duty		21,44,65,428	21,41,37,478
Net Revenue from Operations		6,61,48,55,922	5,47,32,59,718
Other Income	22	2,26,09,256	5,65,32,614
<b>Total Revenue</b>		<b>6,63,74,65,179</b>	<b>5,52,97,92,332</b>
<b>Expenses</b>			
Cost of Raw Materials & Components Consumed	23	4,12,07,46,335	3,73,17,00,367
Purchases of Stock-in-Trade		30,21,38,900	12,20,26,208
Changes in Inventories of Finished Goods, Work in progress and saleable scrap	24	1,23,18,158	(12,39,25,998)
Employee Benefits Expenses	25	15,82,13,696	12,33,49,230
Finance Costs	26	48,80,45,652	40,43,45,962
Depreciation	12	29,38,86,030	28,34,80,069
Less: Recoupment from Revaluation Reserve		–	83,61,035
Other expenses	27	89,22,50,492	73,49,29,864
<b>Total Expenses</b>		<b>6,26,75,99,263</b>	<b>5,26,75,44,667</b>
<b>Profit before Tax</b>		<b>36,98,65,915</b>	<b>26,22,47,665</b>
<b>Tax Expense</b>			
Current Tax		7,75,25,745	5,49,68,422
MAT Credit		(7,75,25,745)	(5,49,68,422)
Earlier Year Tax		(55,89,668)	–
Deferred Tax		5,24,83,659	4,51,01,317
Wealth Tax		3,16,280	3,60,000
Total Tax Expense		4,72,10,271	4,54,61,317
<b>Profit for the year</b>		<b>32,26,55,645</b>	<b>21,67,86,348</b>
Earnings per Equity Share (in ₹) [Nominal value of ₹ 10/- each] Basic & Diluted	28	15.49	11.28

Significant Accounting Policies 2

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date.

For **DEOKI BIJAY & CO.**  
Chartered Accountants  
Firm Regn. No. 313105E

**(CA. D. N. Agrawal)**  
Partner  
Membership No. 051157  
Kolkata  
Dated : The 29th day of May, 2015

For and on behalf of the Board of Directors

**Ram Gopal Bansal**  
Chairman  
DIN: 00144159

**Harsh Bansal**  
Managing Director  
DIN: 00137014

**Abhishek Agarwal**  
Chief Financial Officer

**Sweta Prasad**  
Company Secretary



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

(Amount in ₹)

	31st March, 2015		31st March, 2014	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit Before Tax & Extraordinary Items		36,98,65,915		26,22,47,665
<b>Adjustments For</b>				
Depreciation	29,38,86,030		27,51,19,034	
Interest Paid	48,80,45,652		40,43,45,962	
Interest Received	(90,69,914)		(1,20,82,058)	
Prior Period Adjustments	–		–	
Proposed Dividend	–		44,97,336	
Provision For Gratuity	69,68,024	77,98,29,792	57,50,000	67,76,30,274
<b>Operating Expenses Before Working Capital Changes</b>		1,14,96,95,707		93,98,77,939
<b>Adjustments For</b>				
Trade & Other Receivables	6,96,24,355		(16,49,26,151)	
Inventories	(2,30,99,730)		(29,29,82,316)	
Trade Payable	4,20,48,378		(36,91,45,049)	
Other Current Liabilities	(5,85,89,841)		3,13,25,361	
Short Term Provision	(11,23,88,795)		2,59,41,355	
Long Term Advances	(1,16,37,912)		1,08,08,05,620	
Short Term Advances	65,63,328		(11,36,28,271)	
Other Current Assets	30,854		(55,658)	
Other Non Current Assets	–	(8,74,49,363)		19,73,34,891
Cash Generated From Operations		1,06,22,46,344		1,13,72,12,830
Direct Taxes Paid		(10,15,00,000)		(40,00,000)
<b>Net Cash Flow From Operating Activities</b>		96,07,46,344		1,13,32,12,830
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	(31,50,74,717)		(4,22,69,48,290)	
Expenses in Upcoming Project	(1,98,83,040)		2,43,09,90,320	
Sale of Fixed Assets	–		–	
Interest Received	90,69,914		1,20,82,058	
Purchase of Non Current Investments	–		(3,17,93,313)	
Sale of Non Current Investments	–		3,17,57,040	
<b>Net Cash Flow From Investing Activities</b>		(32,58,87,843)		(1,78,39,12,185)

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

(Amount in ₹)

	31st March, 2015		31st March, 2014	
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest Paid	(48,80,45,652)		(40,43,45,962)	
Proceeds From Bank Borrowing	–		40,87,00,000	
Foreign Exchange Fluctuation	4,26,37,001		8,01,70,000	
Repayment of Bank Borrowing	(57,80,10,220)		(28,67,94,858)	
Equity Shares	30,77,53,280		25,18,80,000	
Proceeds From Long Term Unsecured Loan	9,28,28,742		–	
Repayment of Long Term Unsecured Loan	–		(5,99,95,153)	
Dividend paid including Corporate Dividend Tax	–		(66,70,916)	
Short Term Borrowings	(68,74,201)		68,72,55,722	
<b>Net Cash Flow From Financing Activities</b>		<b>(62,97,11,050)</b>		<b>67,01,98,833</b>
<b>Net Increase In Cash &amp; Cash Equivalents (A+B+C)</b>		<b>51,47,450</b>		<b>1,94,99,478</b>
Cash & Cash Equivalents (Opening Balance)		<b>6,77,70,566</b>		<b>4,82,71,088</b>
Cash & Cash Equivalents (Closing Balance)		<b>7,29,18,016</b>		<b>6,77,70,566</b>

- Note :**
1. Cash & Cash Equivalents includes ₹ 6,41,24,125 (Previous Year ₹ 5,64,23,906) kept as margin money with Banks.
  2. The Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard (AS) 3 "Cash Flow Statement" as specified in the Companies (Accounting Standard) Rules, 2006.

As per our Report of even date.

For **DEOKI BIJAY & CO.**  
Chartered Accountants  
Firm Regn. No. 313105E

**(CA. D. N. Agrawal)**

Partner

Membership No. 051157

Kolkata

Dated : The 29th day of May, 2015

For and on behalf of the Board of Directors

**Ram Gopal Bansal**

Chairman

DIN: 00144159

**Harsh Bansal**

Managing Director

DIN: 00137014

**Abhishek Agarwal**

Chief Financial Officer

**Sweta Prasad**

Company Secretary

**Notes to Financial Statements** as at and for the year ended March 31, 2015**1. Corporate Information**

BMW Industries Limited (the 'Company'), was incorporated at Kolkata, State of West Bengal. The Company is primarily into manufacturing of TMT Bars, Steel Structures, Steel Pipes and Tubes, GP Coils, CR Coils, Tower Sleeves and components and processing of steel.

**2. Summary of Significant Accounting Policies****a) Basis of Accounting and preparation of Financial Statements**

The Financial Statements of the Company are prepared under Historical Cost Convention on an accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Paragraph 7 of the Companies (Accounts) Rules, 2014.

The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year except for the change in accounting policy explained below.

**Change in Accounting Policy****Depreciation on Fixed Assets**

Till the year ended 31st March, 2014, depreciation was provided on Straight Line Method (SLM) basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013 and depreciation is charged based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Had the company continued its earlier policy of charging depreciation as per Schedule XIV of the Companies Act, 1956, profits for the current year would have been higher by ₹ 4,65,49,454/-.

**Depreciation on assets costing less than ₹ 5000/-**

Till the year ended 31st March, 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the Company was charging 100% depreciation on assets costing less than ₹ 5000/- in the year of purchase. However, Schedule II to the Companies Act, 2013, applicable from the current year, does not recognize such practice. Hence, to comply with the requirements of Schedule II to the Companies Act, 2013, the Company has changed its accounting policy for depreciation of Fixed Assets costing less than ₹ 5,000/-. As per the revised policy, the Company is depreciating such assets over their useful life as assessed by the management. The management has decided to apply the revised accounting policy prospectively from accounting periods commencing on or after 1st April, 2014.

The change in accounting for depreciation of assets costing less than ₹ 5,000/- did not have any material impact on financial statements of the Company for the current year.

Leasehold land is being amortised over the period of lease.

**b) Use of Estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (Indian GAAP) requires management to make judgements, estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent liabilities on the Balance Sheet date of financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized as and when, the results are known/ materialized.

**c) Revenue Recognition**

- i) Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue to the extent considered receivable, unless specifically stated to be otherwise, are accounted for on mercantile basis.
- ii) Revenue from Operations include sale of goods, services and excise duty but excludes Value Added Tax (VAT)/ Sales Tax, Service Tax.
- iii) Revenue in respect of claims of insurance, exports incentives etc. are recognized only when there is reasonable certainty as to the ultimate collection.

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**Notes to Financial Statements** as at and for the year ended March 31, 2015 *(Contd.)*

- iv) In respect of construction contracts, revenue is recognized on percentage completion basis when completion level is minimum 10%. Completion level is the percentage of revenue earned to total contract value net of discount. Warranty cost, penalties or possible losses that are dependent upon future events are recognized as and when these are ascertained/ascertainable.
- v) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- vi) Dividend income is recognized when right to receive dividend is established.

**d) Fixed Assets****Tangible Assets**

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost, and any other cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are disclosed under Capital Work in Progress.

**Intangible Assets**

Intangible Assets are stated at cost net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The Cost comprises its purchase price, borrowing cost, and any other cost directly attributable to bringing the asset to its working condition for its intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

**e) Impairment**

Fixed assets are reviewed at each Balance Sheet date for impairment. In case, events and circumstances indicate any impairment, recoverable amount of fixed assets is determined. An impairment loss is recognized, whenever the carrying amount of assets exceeds the recoverable amount. The recoverable amount is greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rates. An impairment loss is reversed if there has been change in the recoverable amount and as such, loss no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets.

**f) Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non current investments are carried at cost. However, provision for diminution in value of non current investment is made only if such decline other than temporary.

**g) Inventories**

Inventories are valued at lower of cost or net realisable value.

- i) Cost of raw materials includes the purchase price as well as incidental expenses such as conversion cost, other cost including manufacturing overhead incurred in bringing them to their respective present location and situation. The cost in respect of raw materials is determined on First-in First-out basis.
- ii) Finished goods are valued at lower of weighted average cost and on net realizable value. Excise Duty is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying at the manufacturing locations as on the Balance Sheet date. Cost of finished goods and work-in-progress represents materials, direct labour and appropriate portion of overhead expenses allocated against the same.
- iii) Scrap generated is valued at net realisable value.
- iv) Cost in respect of stores and spares is determined on weighted average basis.

**Notes to Financial Statements** as at and for the year ended March 31, 2015 *(Contd.)*

v) Work-in-progress is valued at weighted average cost, or on net realisable value, whichever is lower.

**h) Retirement and Other Employee Benefits**

Gratuity is provided on the basis of actuarial valuation on projected unit credit method. The Company has a gratuity fund under the scheme of Life Insurance Corporation of India. Matching contribution will be made in the Fund.

a) Retirement benefits in the form of Provident Fund are charged to the Statement of Profit & Loss of the year when an employee renders the related service.

b) Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

**i) Foreign Currency Transaction**

Transactions in foreign currencies are accounted for at the exchange rate prevailing on the date of transaction. Foreign currency monetary assets and liabilities at the year end are translated using the closing exchange rates whereas non-monetary assets are translated at the rate on the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expenses and are adjusted to the Statement of Profit and Loss.

**a) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**b) Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

**c) Exchange differences**

All other exchange differences are recognized as income or as expenses in the period in which they arise.

**j) Government Grants**

Government grants available to the enterprise are considered for inclusion in account where such benefit have been earned or it is reasonably certain that ultimate collection will be made. Grants from Government relating to fixed assets are shown as a deduction from the gross value of fixed assets and those of the nature of capital subsidy are credited to Capital Reserve. Other Government Grants including incentives etc. are credited to the Statement of Profit and Loss or deducted from the related expenses.

**k) Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition/construction of a qualifying asset are capitalized as part of the cost of such asset till the time it is ready for intended use. Other borrowing costs are charged to Profit and Loss Statement in the period in which they are incurred.

**l) Taxation**

Tax expenses consist of current and deferred tax. Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 after taking into consideration benefits admissible under the Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax assets and liabilities arising on account of timing differences, which are capable of reversal in subsequent periods are recognised using tax rates and tax laws, which have been enacted or substantively enacted. Deferred Tax Assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. In case of carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is "virtual certainty" that such deferred tax assets can be realized against future taxable profits.

## **Notes to Financial Statements** as at and for the year ended March 31, 2015 *(Contd.)*

### **m) Earnings Per Share**

Basic Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### **n) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and 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 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 estimates.

Contingent Assets are neither recognized nor disclosed in the financial statements.

Contingent Liabilities are not provided for and are disclosed by way of notes.

### **o) Cash and Cash equivalents**

Cash and Cash equivalents as indicated in the Cash Flow Statement comprise of cash at bank and in hand, and deposits with maturity of three months or less.

### **p) Segment Reporting Policies**

#### **Identification of Segments**

The Company's business includes manufacturing of TMT Bars, Steel Structures, Steel Pipes and Tubes, GP Coils, CR Coils, Tower Sleeves and components and processing of steel. There is only reportable business segment which is also the primary reportable segment. Secondary reportable segments are based on geographical location of customers. The geographical segments have been disclosed based on revenues within India and outside India.

#### **Allocation of common costs**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

#### **Segment Accounting Policies**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

**Notes to Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	As at 31st March, 2015	As at 31st March, 2014
<b>3. SHARE CAPITAL</b>		
<b>a) Authorised</b>		
5,00,00,000 (5,00,00,000) Equity Shares of ₹ 10/- each	50,00,00,000	50,00,00,000
	50,00,00,000	50,00,00,000
<b>b) Issued, Subscribed and paid-up</b>		
2,25,08,646 (2,05,85,188) Equity Shares of ₹ 10/- each fully paid up	22,50,86,460	20,58,51,880
	22,50,86,460	20,58,51,880

During the year the company has allotted 19,23,458 equity shares of face value of ₹ 10/- each at a price of ₹ 160/- per equity share including a premium of ₹ 150/- per equity share ranking pari-passu with existing equity shares, to the promoters and Non-Promoters of the Company on preferential allotment basis in accordance with SEBI (Issue of capital and Disclosure Requirements) Regulation, 2009.

**c) Terms/Rights attached to Equity Shares**

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

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

**d) Shares held by the Holding Company/the Ultimate Holding Company and/or their Subsidiaries/Associates**

The Company does not have any holding Company.

**e) Details of shareholders holding more than 5% shares in the Company**

Equity shares of ₹ 10/- each fully paid up	March 31, 2015		March 31, 2014	
	No. of Shares	% holding	No. of Shares	% holding
Ram Gopal Bansal	35,75,000	15.88	35,75,000	17.37
Harsh Kumar Bansal	18,44,725	8.20	18,44,725	8.96
Vivek Kumar Bansal	14,02,208	6.23	14,02,208	6.81
Jani Fincom Pvt Ltd	10,92,375	4.85	10,92,375	5.31

**f) Reconciliation of the number of shares and amount outstanding is set out below :**

	March 31, 2015		March 31, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	2,05,85,188	20,58,51,880	1,90,10,938	19,01,09,380
Shares issued during the year	19,23,458	1,92,34,580	15,74,250	1,57,42,500
Shares bought back during the year	-	-	-	-
Shares outstanding at the close of the year	2,25,08,646	22,50,86,460	2,05,85,188	20,58,51,880

**Notes to Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	As at 31st March, 2015		As at 31st March, 2014	
<b>4. RESERVES AND SURPLUS</b>				
<b>Capital Reserves</b>				
State Capital Investment Subsidy from State Government		15,00,000		15,00,000
<b>Securities Premium Reserve</b>				
Balance as per the last Balance Sheet	1,37,97,78,200		1,14,36,40,700	
Add: Premium on issue of shares under preferential issue	28,85,18,700		23,61,37,500	
<b>Closing Balance</b>		1,66,82,96,900		1,37,97,78,200
<b>Revaluation Reserve</b>				
Balance as per the last Balance Sheet	5,13,93,568		5,97,54,603	
Less: Amount transferred to the Statement of Profit and Loss	–		83,61,035	
Less : Transferred to General Reserve	1,02,78,714		–	
<b>Closing balance</b>		4,11,14,855		5,13,93,568
<b>General Reserve</b>				
Balance as per the last Balance Sheet	19,12,54,827		19,12,54,827	
Add : Transferred from Revaluation Reserve	1,02,78,714		–	
Add : Impact of adoption of Schedule II	89,17,073			
<b>Closing Balance</b>		21,04,50,613		19,12,54,827
<b>Surplus in the Statement of Profit and Loss</b>				
Balance as per the last Balance Sheet	1,45,43,78,194		1,24,20,89,182	
Add:- Profit for the year	32,26,55,645		21,67,86,349	
<b>Balance as per the last Balance Sheet</b>		1,77,70,33,838		1,45,88,75,531
Less : Appropriations				
Proposed Dividend	–		10,29,259	
Previous year Dividend	–		28,34,553	
Corporate Dividend Tax	–		1,74,923	
Previous year Corporate Dividend Tax	–	–	4,58,601	44,97,336
<b>Net Surplus in the Statement of Profit and Loss</b>		1,77,70,33,838		1,45,43,78,195
<b>Total</b>		3,69,83,96,206		3,07,83,04,790



**Notes to Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	Non-current portion		Current maturities	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<b>5. LONG TERM BORROWINGS</b>				
<b>Secured</b>				
Term Loan from Banks	2,46,76,08,168	3,00,29,81,387	47,15,76,582	43,11,88,484
Current Maturities disclosed under Note 10				
	2,46,76,08,168	3,00,29,81,387	47,15,76,582	43,11,88,484
<b>Unsecured</b>				
From Body Corporates	58,46,29,858	49,18,01,116	–	–
	58,46,29,858	49,18,01,116	–	–
<b>Total</b>	<b>3,05,22,38,027</b>	<b>3,49,47,82,503</b>	<b>47,15,76,582</b>	<b>43,11,88,484</b>

Secured Loan	Non Current Portion		Current Portion	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<b>a) Term Loan</b>	2,29,72,081	8,94,59,431	3,18,00,000	4,79,30,000
Secured primarily by exclusive 1st charge on the fixed assets of the Structural/Wire Rod Rolling Mill at NH VI, Argori, Howrah, both present & future, by way of equitable mortgage of the immovable assets and hypothecation of plant & machineries and other movable fixed assets of the Rolling Mill Unit at Howrah. Further secured by personal guarantee of two directors of the Company repayable in 24 quarterly installments starting from 31.03.2011 and 30.06.2011 and carries interest rate : B.R+2.25%				
<b>b) Term Loan</b>	–	–	–	21,47,49,544
Secured primarily by exclusive 1st charge on the fixed assets of the Bokaro Steel Plant, Bokaro, both present & future, by the immovable assets and hypothecation of plant & machineries and way of equitable mortgage of other movable fixed assets of the Steel Plant at Bokaro. Further secured by personal guarantee of two directors of the Company repayable in 24 instalment starting from 31.03.2013 and carries interest rate: B.R+2.60%				

**Notes to Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	Non Current Portion		Current Portion	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<p><b>c) Term Loan</b></p> <p>Secured primarily by exclusive 1st charge on the fixed assets of the Company's Unit at Adityapur, Gamharia, Jharkand (existing as well as that of the Proposed Project) both present &amp; future, by way of equitable mortgage of the immovable assets and hypothecation of plant &amp; machineries and other movable fixed assets of the Steel Plant at Bokaro. Further secured by personal guarantee directors of the Company repayable in 28 installments starting from 31.12.2013 and carries interest rate: Bank of Baroda-B.R+3% (for Rupee loan), LIBOR + 4.5% ( for ECB).</p> <p><b>Note:</b> Includes ECB loan of \$ 1,72,50,000 from Bank of Baroda to be repaid in 28 quarterly installments starting from 31.08.2014.</p>	2,25,44,05,742	2,51,34,79,240	25,03,00,000	12,79,21,531
<p><b>d) Term Loan</b></p> <p>Secured primarily by exclusive charge over office property located at Park Street and all fixed assets at Hazibagan, Howrah both present &amp; future, by way of equitable mortgage of the immovable assets and hypothecation of plant &amp; machineries and other movable fixed assets of the Hazibagan unit further secured by personal guarantee of the Directors repayable in 20 installments starting from 31.12.2013 and carries interest rate B.R + 3.55%.</p>	6,16,89,911	13,74,61,918	8,00,00,000	6,50,00,000
<p><b>e) Term Loan</b></p> <p>Secured primarily by first charge over all fixed assets located at Manifit and Adityapur both present &amp; future, by way of equitable mortgage of the immovable assets and hypothecation of plant and machineries of the Hazibagan Unit. Further secured personal guarantee of the directors. Repayable in 8 installments starting from 31.03.2014 and carries interest rate LTLR - 5.00%</p>	–	9,36,96,859	7,68,16,613	12,50,00,000
<p><b>f) Term Loan</b></p> <p>Secured primarily by first charge over all fixed assets located at GT Road both present &amp; future, by way of equitable mortgage of the immovable assets and hypothecation of plant and machineries of the GT Road. Further secured personal guarantee of the Directors repayable in 28 installments starting from 30.06.2015 and carries interest rate B.R. + 2.60%.</p>	12,29,82,680	16,27,19,580	2,90,90,910	–

**Notes to Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

Secured Loan	Non Current Portion		Current Portion	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<b>Other Finances from Banks</b> (secured by hypothecation of vehicles & other machinery acquired)	55,57,754	61,64,359	35,69,058	18,39,029
<b>Total</b>	<b>2,46,76,08,168</b>	<b>3,00,29,81,387</b>	<b>47,15,76,582</b>	<b>58,24,40,104</b>
<b>Unsecured Loan From Body Corporates</b> The unsecured loans are not repayable in the next 12 months	58,46,29,858	49,18,01,116	–	–

	As at March 31, 2015	As at March 31, 2014
<b>6. DEFERRED TAX LIABILITIES (NET)</b>		
<b>Deferred Tax Liability</b>		
Timing difference on depreciable assets	26,12,77,023	20,87,93,363
<b>Total</b>	<b>26,12,77,023</b>	<b>20,87,93,363</b>

	As at March 31, 2015	As at March 31, 2014
<b>7. LONG TERM PROVISIONS</b>		
<b>For Employee Benefits</b>		
Gratuity	1,37,18,024	67,50,000
<b>Total</b>	<b>1,37,18,024</b>	<b>67,50,000</b>

	As at March 31, 2015	As at March 31, 2014
<b>8. SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
Cash credits from banks	2,40,14,89,711	2,40,83,63,912
<b>Total</b>	<b>2,40,14,89,711</b>	<b>2,40,83,63,912</b>

Cash credits from banks are secured by hypothecation of current assets including inventories and book debts and collateral security of pari pasu charge over fixed assets of the Company and guaranteed by Directors. It is repayable within one year.

	As at March 31, 2015	As at March 31, 2014
<b>9. TRADE PAYABLES</b>		
Creditors for goods & services (including acceptances)	30,08,45,275	25,87,96,897
<b>Total</b>	<b>30,08,45,275</b>	<b>25,87,96,897</b>

**Notes to Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
<b>10. OTHER CURRENT LIABILITIES</b>		
Current maturities of Term Loan from Banks (Note 5)	47,15,76,582	58,24,40,104
Advance received from customers	9,39,46,088	2,08,11,746
Statutory Payables	2,95,42,468	1,67,21,717
Other Liabilities	6,51,82,835	9,88,64,246
Interest accrued & due on borrowings	7,03,759	7,03,759
<b>Total</b>	<b>66,09,51,731</b>	<b>71,95,41,572</b>

	As at March 31, 2015	As at March 31, 2014
<b>11. SHORT TERM PROVISIONS</b>		
Income Tax (Net)	–	10,67,69,548
Provision for Wealth Tax	7,22,020	7,60,000
Provision for Works Contract Tax	1,25,95,509	1,25,95,509
Proposed Dividend	–	38,63,912
Corporate Dividend Tax	–	17,17,355
<b>Total</b>	<b>1,33,17,529</b>	<b>12,57,06,324</b>

**Notes to Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

<b>12. FIXED ASSETS</b>									
<b>Tangible Assets</b>	<b>Freehold Land &amp; Building</b>	<b>Leasehold Land &amp; Land Development</b>	<b>Buildings</b>	<b>Plant &amp; Machinery</b>	<b>Furniture &amp; Fixtures</b>	<b>Vehicles</b>	<b>Total</b>	<b>Intangible Assets (Computer Software)</b>	
Gross Block as at 01.04.2014	8,34,88,846	5,38,66,849	72,84,79,650	5,43,12,16,293	3,89,90,407	7,35,02,015	6,40,95,44,060	55,34,716	
	(7,33,95,458)	(5,38,66,849)	(50,58,41,284)	(1,46,36,89,241)	(2,67,29,988)	(5,90,72,951)	(2,18,25,95,771)	(55,34,716)	
Additions during the year	10,212	-	2,20,84,256	28,43,21,655	5,78,269	80,80,325	31,50,74,717	-	
	(1,00,93,388)	-	(22,26,38,367)	(3,91,83,73,547)	(1,22,60,419)	(1,44,29,064)	(4,17,77,94,785)	-	
Deductions during the year	-	-	-	-	-	-	-	-	
Exchange fluctuations Capitalised during the year	-	-	-	-	-	-	-	-	
	-	-	-	(4,91,53,505)	-	-	(4,91,53,505)	-	
<b>Gross Block as at 31.03.2015</b>	<b>8,34,99,058</b>	<b>5,38,66,849</b>	<b>75,05,63,906</b>	<b>5,71,55,37,948</b>	<b>3,95,68,676</b>	<b>8,15,82,340</b>	<b>6,72,46,18,778</b>	<b>55,34,716</b>	
Accumulated Depreciation as at 01.04.2014	(8,34,88,846)	(5,38,66,849)	(72,84,79,651)	(5,43,12,16,293)	(3,89,90,407)	(7,35,02,015)	(6,40,95,44,061)	(55,34,716)	
	-	12,18,060	11,34,80,487	82,32,27,664	82,49,053	2,68,76,645	97,30,51,909	23,03,501	
Depreciation/Amortisation during the year	-	-	(9,43,52,176)	(56,97,72,817)	(63,22,938)	(2,02,30,853)	(69,06,78,784)	(11,96,558)	
	-	12,18,060	2,68,55,964	24,99,60,650	46,15,394	1,05,89,717	29,32,39,785	6,46,243	
Impact of adoption of Schedule II	-	(12,18,060)	(1,91,28,311)	(25,34,54,847)	(19,26,115)	(66,45,793)	(28,23,73,126)	(11,06,943)	
	-	-	2,51,771	85,24,037	1,932	1,39,333	89,17,073	-	
Accumulated Depreciation as at 01.04.2015	-	24,36,120	14,00,84,680	1,06,46,64,277	1,28,62,515	3,73,27,029	1,25,73,74,621	29,49,744	
	-	(12,18,060)	(11,34,80,487)	(82,32,27,664)	(82,49,053)	(2,68,76,646)	(97,30,51,910)	(23,03,501)	
<b>Net Block as at 31.03.2015</b>	<b>8,34,99,058</b>	<b>5,14,30,729</b>	<b>61,04,79,226</b>	<b>4,65,08,73,671</b>	<b>2,67,06,161</b>	<b>4,42,55,311</b>	<b>5,46,72,44,157</b>	<b>25,84,972</b>	
	(8,34,88,846)	(5,26,48,789)	(61,49,99,164)	(4,60,79,88,629)	(3,07,41,354)	(4,66,25,369)	(5,43,64,92,153)	(32,31,215)	

**Note**

Figures in brackets relates to previous year.

**Notes to Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	Amount	No. of Shares	Amount
<b>13. NON-CURRENT INVESTMENTS</b>				
<b>Trade Investments (valued at cost unless stated otherwise)</b>				
<b>In fully paid up equity shares</b>				
<b>Unquoted</b>				
<b>Subsidiary Companies</b>				
SAIL Bansal Service Centre Limited (Face Value ₹ 10 each)	48,00,000	4,80,00,000	48,00,000	4,80,00,000
Bansal Nepal Private Limited (Face Value ₹ 62.50 each)	5,08,693	3,17,93,313	5,08,693	3,17,93,313
Confident Financial Consultancy Pvt. Ltd. (Face Value ₹ 10 each)	2,93,000	17,38,399	2,93,000	17,38,399
Perfect Investment Consultancy Pvt. Ltd. (Face Value ₹ 10 each)	3,04,000	19,53,950	3,04,000	19,53,950
Sidhant Finvest Advisory Pvt. Ltd. (Face Value ₹ 10 each)	4,98,000	32,64,260	4,98,000	32,64,260
Siddhi Vinayak Commosales Pvt. Ltd. (Face Value ₹ 10 each)	2,95,000	18,66,440	2,95,000	18,66,440
Shri Hari Vincom Pvt. Ltd. (Face Value ₹ 10 each)	3,29,000	21,81,270	3,29,000	21,81,270
Narayan Dealcom Pvt. Ltd. (Face Value ₹ 10 each)	4,22,000	26,79,240	4,22,000	26,79,240
Fairplan Vintrade Pvt. Ltd. (Face Value ₹ 10 each)	3,94,000	25,38,950	3,94,000	25,38,950
Nageshwar Trade-Link Pvt. Ltd. (Face Value ₹ 10 each)	3,70,000	23,46,440	3,70,000	23,46,440
<b>Total</b>		<b>9,83,62,262</b>		<b>9,83,62,262</b>
Aggregate amount of quoted investments		–		–
Aggregate amount of unquoted investments		<b>9,83,62,262</b>		<b>9,83,62,262</b>
Market value of quoted investments		–		–

	As at March 31, 2015	As at March 31, 2014
<b>14. LONG TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good unless stated otherwise</b>		
Security Deposits	15,41,68,874	1,66,57,576
Other advances	–	1,91,00,000
<b>Total</b>	<b>15,41,68,874</b>	<b>3,57,57,576</b>

	As at March 31, 2015	As at March 31, 2014
<b>15. OTHER NON CURRENT ASSETS</b>		
Balances with Bank	19,00,000	19,00,000
<b>Total</b>	<b>19,00,000</b>	<b>19,00,000</b>

Represents bank deposits not due for realisation within 12 months from the Balance Sheet date.

**Notes to Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
<b>16. INVENTORIES</b>		
<b>(Valued at lower of cost and Net Realizable Value)</b>		
Raw Materials & Components	88,08,26,482	83,12,85,786
Finished Goods	42,51,98,975	43,75,17,133
Conversion Work in Progress	26,56,34,750	30,49,71,285
Stores & Spares	9,79,20,261	7,27,06,535
<b>Total</b>	<b>1,66,95,80,469</b>	<b>1,64,64,80,739</b>

	As at March 31, 2015	As at March 31, 2014
<b>17. TRADE RECEIVABLES</b>		
<b>Unsecured, considered good unless stated otherwise</b>		
Outstanding for a period exceeding six months from the date they are due for payment	2,61,52,327	81,60,795
Others	1,72,28,27,676	1,81,04,43,563
<b>Total</b>	<b>1,74,89,80,003</b>	<b>1,81,86,04,358</b>

	As at March 31, 2015	As at March 31, 2014
<b>18. CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents</b>		
<b>Cash in hand</b>	<b>1,69,510</b>	<b>12,65,408</b>
<b>Balances with Banks</b>		
In current accounts	86,24,381	1,00,81,252
	87,93,892	1,13,46,660
<b>Other Bank Balances</b>		
<b>Deposits with original maturity for more than 3 months but less than 12 months</b>		
Margin money deposit	6,41,24,125	5,64,23,906
<b>Total</b>	<b>7,29,18,016</b>	<b>6,77,70,566</b>

	As at March 31, 2015	As at March 31, 2014
<b>19. SHORT TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good unless stated otherwise</b>		
Security Deposits	52,19,830	73,17,408
Advance recoverable in cash or kind	81,54,38,314	68,30,28,006
Balance with statutory/government authorities	24,71,99,426	37,87,39,864
Loans & advances to employees	68,09,195	1,21,44,814
<b>Total</b>	<b>1,07,46,66,765</b>	<b>1,08,12,30,092</b>

**Notes to Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
<b>20. OTHER CURRENT ASSETS</b>		
Prepaid expenses	7,15,686	7,46,539
<b>Total</b>	<b>7,15,686</b>	<b>7,46,539</b>

	As at March 31, 2015	As at March 31, 2014
<b>21. REVENUE FROM OPERATIONS</b>		
<b>Revenue from operations</b>		
Sale of products	3,44,70,43,673	4,55,09,13,475
Sale of Services	3,38,22,77,677	1,13,64,83,721
	<b>6,82,93,21,350</b>	5,68,73,97,196
Less: Excise duty	21,44,65,428	21,41,37,478
<b>Total</b>	<b>6,61,48,55,922</b>	<b>5,47,32,59,718</b>
<b>Details of products sold</b>		
Steel Structure	32,65,54,264	1,35,12,21,588
TMT	1,16,02,08,223	1,67,15,39,795
Steel Pipes & Tubes	54,35,02,102	12,41,81,766
Raw Materials & Others Sales	71,09,12,851	59,69,33,028
Scrap & Byproduct	14,30,94,241	10,03,22,176
Towers	21,59,92,358	23,73,01,612
Others	34,67,79,634	46,94,13,510
	<b>3,44,70,43,673</b>	4,55,09,13,475
<b>Details of services rendered</b>		
Processing of Steel	3,38,22,77,677	1,13,64,83,721
	<b>3,38,22,77,677</b>	1,13,64,83,721
<b>Revenue from operation</b>	<b>6,82,93,21,350</b>	5,68,73,97,196

	As at March 31, 2015	As at March 31, 2014
<b>22. OTHER INCOME</b>		
Interest on deposits and others	90,69,914	1,20,82,058
Miscellaneous income	1,35,39,342	4,44,50,556
<b>Total</b>	<b>2,26,09,256</b>	<b>5,65,32,614</b>



**Notes to Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
<b>23. COST OF RAW MATERIALS &amp; COMPONENTS CONSUMED</b>		
Cost of raw materials & component consumed	<b>4,12,07,46,335</b>	3,73,17,00,367
<b>Details of raw materials &amp; components consumed</b>		
Indigenous		
Billets & Ingots	<b>1,04,66,65,622</b>	1,30,96,32,459
HR Coil Sheets	<b>44,32,14,567</b>	44,70,77,993
Zinc	<b>1,53,57,57,171</b>	37,29,32,519
Angle	<b>65,40,48,894</b>	69,15,20,047
Others	<b>44,10,60,081</b>	91,05,37,348
<b>Total</b>	<b>4,12,07,46,335</b>	3,73,17,00,367
Imported	–	–

	As at March 31, 2015	As at March 31, 2014
<b>24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>Closing Stock</b>		
Finished Goods/Stock-in-trade	<b>42,51,98,975</b>	43,75,17,133
	<b>42,51,98,975</b>	43,75,17,133
<b>Opening Stock</b>		
Finished Goods/Stock-in-trade	<b>43,75,17,133</b>	31,35,91,135
	<b>43,75,17,133</b>	31,35,91,135
<b>(Increase)/Decrease</b>	<b>1,23,18,158</b>	(12,39,25,998)

	As at March 31, 2015	As at March 31, 2014
<b>25. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages and Bonus	<b>12,17,99,536</b>	9,35,80,547
Contribution to Provident & other Funds	<b>62,60,057</b>	54,68,143
Gratuity Expense	<b>79,36,609</b>	57,93,920
Staff Welfare Expenses	<b>2,22,17,493</b>	1,85,06,620
<b>Total</b>	<b>15,82,13,695</b>	12,33,49,230

	As at March 31, 2015	As at March 31, 2014
<b>26. FINANCE COSTS</b>		
Interest expenses	<b>48,80,45,652</b>	40,43,45,962
<b>Total</b>	<b>48,80,45,652</b>	40,43,45,962

**Notes to Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
<b>27. OTHER EXPENSES</b>		
Consumption of Stores & Spares	37,24,15,829	36,75,36,142
Power & Fuel	22,76,46,005	14,27,52,572
Carriage Inward	4,64,38,410	3,84,12,838
Exchange Loss	4,26,37,001	1,04,26,670
Excise duty on increase in stock	6,31,308	1,36,38,775
Repairs to		
Plant and Machinery	24,42,034	37,69,857
Buildings	53,892	2,74,012
Others	77,64,961	57,04,203
Rent	1,06,39,039	64,73,257
Rates & Taxes (excluding Income Tax)	1,14,69,194	49,30,163
Telephone and Communication	20,86,561	25,23,153
Insurance	23,69,239	13,98,593
Hire Charges	77,325	3,00,078
Advertising and Sales Promotion	45,32,778	43,72,543
Brokerage and Commission	37,371	2,50,441
Travelling and Conveyance	1,33,90,264	91,78,484
Carriage Outward	–	12,05,812
Legal and Professional Fees	1,66,98,861	57,74,984
Directors' Remuneration	1,08,00,000	58,04,000
Payment to Auditors (Refer details below)	5,02,400	4,25,000
Loading and Unloading Charges	1,72,815	29,32,077
Bank Charges	1,61,21,573	1,33,44,819
Security Charges	72,17,195	89,51,598
Miscellaneous Expenses	9,61,06,434	8,45,49,793
<b>Total</b>	<b>89,22,50,492</b>	<b>73,49,29,864</b>

	As at March 31, 2015	As at March 31, 2014
<b>Directors' Remuneration</b>		
<b>Remuneration to Managing and Whole Time Directors</b>		
Salary	1,08,00,000	58,04,000
<b>Total</b>	<b>1,08,00,000</b>	<b>58,04,000</b>

**Note :** Director remuneration of ₹ Nil (Previous year ₹ 50,00,000) capitalized during the year.

	As at March 31, 2015	As at March 31, 2014
<b>Payment to Auditors</b>		
<b>As Auditor</b>		
Statutory Audit Fees	4,00,000	3,50,000
Tax Audit Fees	75,000	50,000
<b>In other capacity</b>		
Other Services (Certification Fees)	25,000	25,000
<b>Total</b>	<b>5,00,000</b>	<b>4,25,000</b>

**Notes to Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	March 31, 2015	March 31, 2014
<b>28. EARNINGS PER SHARE (EPS)</b>		
Profit after Tax	<b>32,26,55,645</b>	21,67,86,348
Present weighted average no. of Equity Share	<b>2,08,32,866</b>	1,92,18,648
Nominal value of each share	<b>10</b>	10
Earnings per share Basic/Diluted	<b>15.49</b>	11.28

**29. RELATED PARTY DISCLOSURES**

Names of related parties and related party relationship:

Subsidiaries Companies	SAIL Bansal Service Centre Ltd.
	Confident Financial Consultancy Pvt. Ltd.
	Perfect Investment Consultancy Pvt. Ltd.
	Sidhant Investment Advisory Pvt. Ltd.
	Siddhi Vinayak Commosales Pvt. Ltd.
	Shri Hari Vincom Pvt. Ltd.
	Narayan Dealcom Pvt. Ltd.
	Fairplan Vintrade Pvt. Ltd.
	Nageshwar Trade-Link Pvt. Ltd.
	Bansal Nepal Pvt. Ltd.
Key Management Personnel	Ram Gopal Bansal
	Harsh Bansal
	Vivek Bansal
Relatives of Key Management Personnel	Premlata Bansal
	Pratiti Bansal
	Shalini Bansal
Enterprises over which Key Managerial Personnel has Significant influence	JIT Transport Organization

Nature of Transaction	Subsidiary Company	Key Management Personnel	Enterprises Over Which Key Person has significant Influence	Relatives Key Managerial Personnel	Total
<b>Remuneration</b>					
Ram Gopal Bansal	–	<b>36,00,000</b>	–	–	<b>36,00,000</b>
	–	(36,00,000)	–	–	(36,00,000)
Harsh Bansal	–	<b>36,00,000</b>	–	–	<b>36,00,000</b>
	–	(36,00,000)	–	–	(36,00,000)
Vivek Bansal	–	<b>36,00,000</b>	–	–	<b>36,00,000</b>
	–	(36,00,000)	–	–	(36,00,000)
<b>Rent</b>					
Ram Gopal Bansal	–	<b>2,40,000</b>	–	–	<b>2,40,000</b>
	–	(2,40,000)	–	–	(2,40,000)
<b>Loans/Advances Taken (Net)</b>					
Mahabali Goods Private Limited	–	–	–	–	–
	–	–	(59,66,720)	–	(59,66,720)
Rajani Vanijya Private Limited	–	–	–	–	–
	–	–	(1,09,33,280)	–	(1,09,33,280)

**Notes to Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

Nature of Transaction	Subsidiary Company	Key Management Personnel	Enterprises Over Which Key Person has significant Influence	Relatives Key Managerial Personnel	Total
Encash Commercial Private Limited	-	-	(1,66,66,720)	-	(1,66,66,720)
Pioneer Goods Private Limited	-	-	(12,70,75,000)	-	(12,70,75,000)
Jaymala Commercial Private Limited	-	-	(4,77,83,280)	-	(4,77,83,280)
<b>Balance Outstanding as at the year end Receivable</b>					
Bansal Nepal Pvt. Ltd.	<b>2,11,85,647</b> (2,03,85,647)	-	-	-	<b>2,11,85,647</b> (2,03,85,647)
SAIL Bansal Service Centre Ltd. (Net)	<b>4,58,08,309</b> (4,11,83,795)	-	-	-	<b>4,58,08,309</b> (4,11,83,795)
<b>Balance Outstanding as at the year end Payable</b>					
Mahabali Goods Private Limited	-	-	(59,66,720)	-	(59,66,720)
Rajani Vanijya Private Limited	-	-	(1,09,33,280)	-	(1,09,33,280)
Encash Commercial Private Limited	-	-	<b>20,00,000</b> (1,66,66,720)	-	<b>20,00,000</b> (1,66,66,720)
Pioneer Goods Private Limited	-	-	<b>20,00,000</b> (1,66,66,720)	-	<b>20,00,000</b> (1,66,66,720)
Jaymala Commercial Private Limited	-	-	<b>1,50,000</b> (4,77,83,280)	-	<b>1,50,000</b> (4,77,83,280)
Ram Gopal Bansal	-	-	-	-	-
	-	(2,16,000)	-	-	(2,16,000)

	March 31, 2015	March 31, 2014
<b>30. CAPITAL COMMITMENT</b>		
Capital Commitment	<b>2,75,00,000</b>	-

	March 31, 2015	March 31, 2014
<b>31. CONTINGENT LIABILITIES</b>		
a) Counter guarantees issued by the Company to banks, in respect of bank guarantees issued	<b>32,34,16,200</b>	23,43,85,200
b) Corporate Guarantee issued by the Company, on behalf of Subsidiary Company-SAIL Bansal Service Centre Limited	<b>5,00,00,000</b>	6,00,00,000

**32.** Due to change in charging depreciation on historical cost/substituted cost w.e.f 01/04/2014, as per Schedule II of the Companies Act, 2013, ₹ 1,02,78,714 being 1/5th of Revaluation Reserve as on 01/04/2014 is transferred to General Reserve every year starting from 2014-15.

**33.** Escalation bills are accounted for on the basis of rates notified by the Customers/authorities upto the year end.

**34.** In the opinion of the management, current assets and loans and advances will have value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

**Notes to Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

**35.** There are no dues to Micro and Small enterprises as at 31st March, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

	March 31, 2015	March 31, 2014
<b>36. EXPENDITURE IN FOREIGN CURRENCY</b>		
Travelling & Others	6,32,314	2,86,191
Interest on Loan (ECB)	4,66,44,341	5,60,11,234

	March 31, 2015	March 31, 2014
<b>37. EARNINGS IN FOREIGN EXCHANGE</b>		
FOB value of Exports	–	–

	March 31, 2015	March 31, 2014
<b>38. C.I.F. VALUE OF IMPORTS</b>		
Raw Material and Stores & Spares	–	–
Capital Goods	1,80,59,430	11,68,81,677

	2014-15	2013-14
<b>39. DISCLOSURES AS REQUIRED IN TERMS OF ACCOUNTING STANDARD 7 ON "ACCOUNTING FOR CONSTRUCTION CONTRACTS" AS FOLLOWS</b>		
Contract Revenue Recognition for the year	9,04,43,570	5,84,96,338
Total costs incurred and recognized profits for contracts in progress at the reporting date	7,96,83,676	58005836
Advance Received	–	–
Amount of retentions for contracts in progress at reporting date	63,92,026	41,42,173
Gross Amount due from customers for contract work	–	56,71,234

**40.** (i) The Business Segment of manufacturing TMT Bars etc. and processing of steel have been considered as primary segment and constitutes more than 90% of revenue, as such segment reporting is not applicable.  
(ii) There is no item to reported under Secondary Business Segment as the geographical area in which the company operates is in India only.

**41.** Miscellaneous Expenses include ₹ 4,01,93,374/- (Previous Year ₹ 6,87,06,391/-) incurred for processing/job charges.

**42.** Previous year's figures including those given in brackets have been re-grouped/re-arranged where considered necessary, to conform to this year classification.

As per our Report of even date.

For and on behalf of the Board of Directors

For **DEOKI BIJAY & CO.**  
Chartered Accountants  
Firm Regn. No. 313105E

**Ram Gopal Bansal**  
Chairman  
DIN: 00144159

**Harsh Bansal**  
Managing Director  
DIN: 00137014

**(CA. D. N. Agrawal)**  
Partner

Membership No. 051157  
Kolkata

Dated : The 29th day of May, 2015

**Abhishek Agarwal**  
Chief Financial Officer

**Sweta Prasad**  
Company Secretary

## Independent Auditor's Report on Consolidated Financial Statement

### TO THE MEMBERS OF BMW INDUSTRIES LIMITED

#### Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of BMW Industries Limited (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

#### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

#### Auditor's Responsibility

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub – paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

#### Basis for Qualified Opinion

In one of the subsidiary, other auditor who audited the financial statement has reported that:

- a) Provision not made for ₹ 95.42 lacs against doubtful trade receivables. Had the provision was made for such doubtful trade receivables, loss for the year end would have been increased by ₹ 95.42 lacs and debit balance of Reserves and Surplus would have been increased by ₹ 95.42 lacs (Note 17.1).

## **Independent Auditor's Report on Consolidated Financial Statement (Contd.)**

- b) Search and seizure carried out by the Sales Tax authorities in the earlier year. Pending determination of any claim, etc against the Company, no provision has been considered necessary as at the year end. (Note 32).
- c) Certain debit and credit balances as given in Note No. 8 "Short Term Borrowings", Note No. 9 "Trade Payables", Note No. 14 "Long Term Loans and Advances", Note No. 17 "Trade Receivables" and Note No. 19 "Short term Loans and Advances" being subject to confirmations/reconciliation and consequential adjustment arising in this respect.
- d) Note No. 38 regarding various adjustments including of netting off/set off of various balances/account heads carried out by the management subject to necessary supporting details etc., in absence whereof impact, if any, cannot be ascertained and commented upon by us.

We further report that, without considering the items mentioned in items (b) to (d) above, the effect of above which could not be determined presently, had the impact of the Notes referred to in item (a) above been given effect to in these Consolidated Financial Statements, the Profit for the year would have been decreased by ₹ 95.42 lacs, Reserve and Surplus would have been decreased by ₹ 57.25 lacs, Minority Interest would have been decreased by ₹ 38.17 lacs and Trade Receivable would have been decreased by ₹ 95.42 lacs.

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion Paragraph, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and its consolidated profit and consolidated cash flows for the year ended on that date.

### **Emphasis of matter**

In one of the subsidiary, auditor reported without qualifying their opinion, that the accounts of the Company have been prepared on a going concern assumption, notwithstanding of the fact that major portion of the Shareholder's Fund is eroded. The appropriateness of preparing the accounts on going concern assumption is entirely dependent on the service orders from its Venture Company. In the event of this not getting finally materialized, there is significant doubt about Company's ability to continue as going concern which requires adjustments, including for impairment of assets, the impact of which is presently not ascertainable and as such cannot be commented upon by us.

### **Other Matters**

- a) We did not audit the financial statements/financial information of nine subsidiaries incorporated in India, whose financial statements reflect Total Assets (Net) of ₹ 14375.20 lacs as at 31st March, 2015, Total Revenues of ₹ 175.78 lacs and Net Cash Inflows amounting to ₹ 3.73 lacs for the year ended on that date, as considered in the Consolidated Financial Statements. These Financial Statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- b) We did not receive the audited financial statements/financial information of one subsidiary, incorporated in Nepal, whose financial statements reflect Total Assets (Net) of (₹ 77.42) lacs as at 31st March, 2015, Total Revenues is Nil and Net Cash Inflows amounting to ₹ 4.01 lacs for the year ended on that date, as considered in the Consolidated Financial Statements, based on their unaudited financial statements as at and for the period ended 31st March, 2015. These Financial Statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

## **Independent Auditor's Report on Consolidated Financial Statement (Contd.)**

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

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, based on the comments in the auditors' reports of the Holding Company, Subsidiary Companies incorporated in India, we give in the Annexure a statement on the matters specified in Paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
  - b) In our opinion, except for the effect of the matters described in the basis for Qualified Opinion above, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - d) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid Consolidated 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) The matters described in the basis for the Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the group.
  - f) On the basis of written representations received from the Directors of the Holding Company as on 31st March, 2015, and taken on record by the Board of Directors of the Holding Company, and the reports of the other statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group Companies is disqualified as on 31st March, 2015, from being appointed as a Director in terms of Section 164(2) of the Act;
  - g) The Qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the basis for Qualified Opinion paragraph above.
  - h) 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) There were no pending litigations which would impact the Consolidated financial position of the Group.
    - ii) The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses on Long Term contracts including derivative contracts.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its Subsidiary Companies incorporated in India.

For **DEOKI BIJAY & CO.**  
*Chartered Accountants*  
Firm Regn. No. 313105E

**(CA .D. N. Agrawal)**  
*Partner*  
Membership No. 051157

Place: Kolkata

Dated: The 1st day of September, 2015



## **Annexure to the Independent Auditors' Report on the Consolidated Financial Statements**

(Referred to in Paragraph 1 under 'Report on other Legal & Regulatory Requirements' section of our report of even date)

"Our reporting on the Order includes 9 Subsidiary Companies incorporated in India, to which the order is applicable, which has been audited by the other auditors and our report is based on other Report of the Holding Company and reports given by the auditors' of the Subsidiary Companies, to the extent considered applicable for reporting under the order in case of the Consolidated Financial Statements"

- I. In respect of Fixed assets of the Holding Company and Subsidiary Companies incorporated in India:
  - a) The Group has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) Fixed assets of the Group are physically verified by the management according to a phased programme of verification over a period of three years which, in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. Pursuant to the program certain fixed asset were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- II. In respect of Inventories of the Holding Company and Subsidiary Companies incorporated in India:
  - a) According to the information and explanation given to us by the Holding Company and based on our verification and based on the Audit reports of the subsidiaries incorporated in India, the inventories except scraps have been physically verified by the management during the year and in our opinion the frequency of such verification is reasonable. In one of the subsidiary, the auditor reported that physical verification of inventory which is done at the year end only, is required to be done more frequently.
  - b) In our opinion and according to the information and explanations given to us, except for scraps as aforesaid, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The Holding Company and its subsidiaries have maintained proper records of inventories. As explained to us, discrepancies noticed on the physical verification of inventories as compared to the book records were not material and have been properly dealt with in the books of accounts.
- III. According to the information and explanations given to us by the Holding, the Holding Company and based on our verification and based on the Audit Reports of the subsidiaries incorporated in India, the Group has not granted/ taken any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- IV. In our opinion and according to the information and explanations given to us by the Holding Company and based on our verification and based on the Audit Report of the Subsidiaries incorporated in India, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit we have not observed any major weaknesses in such internal control system.
- V. In our opinion and according to the information and explanations given to us by the Holding Company and based on our verification and based on the Audit Report of the Subsidiaries incorporated in India, the Group has not accepted any deposits and hence the provisions of Section 73 to 76 or other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the Company.
- VI. According to the information and explanations given to us by the Holding Company and based on our verification and based on the Auditor Report of subsidiaries incorporated in India, cost records in respect of steel pipes and tubes as prescribed by the Central Government under Section 148 of the Companies Act, 2013 is required to be maintained by the Holding Company. We are of the opinion that prima facie's the prescribed cost records have been maintained. We have, however not made detailed examination of the cost records with a view to determining whether they are accurate or complete.
- VII. a) According to the information and explanations given to us by the Holding Company and based on our verification and based on the Auditor Report of subsidiaries incorporated in India, the Group has generally been regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance Act, Income Tax, Sales tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of

**Annexure to the Independent Auditors' Report on the Consolidated Financial Statements (Contd.)**

Income Tax (except ₹ 30,37,268/- related to Income Tax for A.Y. 2011-12), Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they become payable.

- b) Details of dues of Income Tax which have not been deposited as on 31st March, 2015 on account of disputes are given below :

Name of the Statute	Nature of Dues	Amount (₹)	Period to which the amount relates	Forum where pending
Income Tax Act, 1961	Income Tax Demands	48,38,930/-	F.Y 2011-12	Commissioner of Income Tax (Appeals)

- c) According to the information and explanations given to us by the Holding Company and based on our verification and based on the Auditor Report of subsidiaries incorporated in India, no amount is required to be transferred during the year by the Holding Company and its Subsidiary Companies to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and Rules made thereunder within time.

VIII. The Group does not have accumulated losses at the end of the financial year and it has not incurred cash losses during the financial year and in the immediately preceding financial year.

- IX. According to the information and explanations given to us by the Holding Company and based on our verification and based on the Auditor Report of subsidiaries incorporated in India, we are of the opinion that the Holding Company has not defaulted in repayment of dues to banks. One of the Subsidiary Company has defaulted in repayment of dues to bank during the year and the details of default existing as at the Balance Sheet date are as here under:

SI. No.	Nature of Loan	Principal Default		Interest Default	
		Amount	From	Amount	From
1.	Term Loan	18,75,000	31st March, 2015	2,34,006	31st December, 2014
				3,12,175	31st March, 2015

The Company has not issued any debentures.

- X. According to the information and explanations given to us by the Holding Company and based on our verification and based on the audit reports of the subsidiaries incorporated in India, the Group has not given any guarantee for loans taken by others from bank or financial institutions.
- XI. According to the information and explanations given to us by the Holding Company and based on our verification and based on the Auditor Report of subsidiaries incorporated in India, the Group has not obtained any term loans during the year. Therefore, the provision of Paragraph 3(xi) of the Order is not applicable to the Company.
- XII. According to the information and explanations given to us by the Holding Company and based on our verification and based on the Auditor Report of subsidiaries incorporated in India, no fraud on or by the Group has been noticed or reported during the year.

For **DEOKI BIJAY & CO.**  
Chartered Accountants  
Firm Regn. No. 313105E

(**CA .D. N. Agrawal**)  
Partner

Membership No. 051157

Place: Kolkata

Dated: The 1st day of September, 2015

**Consolidated Balance Sheet** as at March 31, 2015

(Amount in ₹)

	Notes	As at March 31, 2015	As at March 31, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	22,50,86,460	20,58,51,880
Reserves and Surplus	4	5,01,99,63,471	4,40,69,48,410
		<b>5,24,50,49,931</b>	4,61,28,00,290
<b>Minority Interest</b>		<b>98,47,916</b>	1,39,67,078
<b>Non-Current Liabilities</b>			
Long Term Borrowings	5	3,06,91,13,026	3,50,62,82,503
Deferred Tax Liabilities	6	26,35,75,328	21,66,00,146
Long Term Provisions	7	1,47,92,720	76,38,887
		<b>3,34,74,81,074</b>	3,73,05,21,536
<b>Current Liabilities</b>			
Short Term Borrowings	8	2,42,46,59,260	2,47,89,16,848
Trade Payables	9	30,63,07,419	26,34,57,607
Other Current Liabilities	10	69,91,62,633	72,31,73,864
Short Term Provisions	11	1,35,39,393	12,60,55,047
		<b>3,44,36,68,705</b>	3,59,16,03,366
<b>Total</b>		<b>12,04,60,47,626</b>	11,94,88,92,270
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Fixed Assets			
- Tangible Assets	12	5,56,18,22,169	5,54,41,23,938
- Intangible Assets		25,84,972	32,31,215
- Capital Work-in-Progress		33,64,96,499	31,66,13,459
Non-Current Investments	13	86,84,89,620	1,02,65,94,620
Long Term Loans and Advances	14	15,54,90,842	3,70,79,545
Other Non Current Assets	15	19,00,000	19,00,000
		<b>6,92,67,84,102</b>	6,92,95,42,777
<b>Current Assets</b>			
Inventories	16	1,67,72,33,166	1,65,42,70,359
Trade Receivables	17	1,94,08,53,871	1,91,89,61,493
Cash and Bank Balances	18	7,69,39,500	7,10,11,352
Short Term Loans and Advances	19	1,42,34,33,088	1,37,43,46,562
Other Current Assets	20	8,03,900	7,59,726
		<b>5,11,92,63,525</b>	5,01,93,49,492
<b>Total</b>		<b>12,04,60,47,626</b>	11,94,88,92,270

Significant Accounting Policies

2

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date.

For and on behalf of the Board of Directors

For **DEOKI BIJAY & CO.**Chartered Accountants  
Firm Regn. No. 313105E**(CA. D.N. Agrawal)**

Partner

Membership No. 051157

Kolkata

Dated : The 1st day of September, 2015

**Ram Gopal Bansal**

Chairman

DIN: 00144159

**Harsh Bansal**

Managing Director

DIN: 00137014

**Abhishek Agarwal**

Chief Financial Officer

**Sweta Prasad**

Company Secretary

**Consolidated Statement of Profit and Loss** for the year ended March 31, 2015

(Amount in ₹)

	Notes	Year ended March 31, 2015	Year ended March 31, 2014
<b>Income</b>			
Revenue from Operations	21	6,84,24,48,933	5,71,65,64,775
Less: Excise Duty		21,68,59,223	21,62,83,991
<b>Net Revenue from Operations</b>		<b>6,62,55,89,710</b>	5,50,02,80,784
Other Income	22	2,94,53,563	6,33,68,429
<b>Total Revenue</b>		<b>6,65,50,43,273</b>	5,56,36,49,213
<b>Expenses</b>			
Cost of Raw Materials & Components Consumed	23	4,12,07,46,335	3,73,17,00,366
Purchases of Stock-in-Trade		30,21,38,900	13,16,65,555
Changes in Inventories of Finished Goods, Work in progress and saleable scrap	24	1,23,77,514	(12,40,92,249)
Employee Benefits Expenses	25	16,35,00,090	12,89,78,737
Finance Costs	26	49,47,35,460	41,18,87,051
Depreciation	12	30,49,61,829	28,98,53,023
Less: Recoupment from Revaluation Reserve		–	83,61,035
Other expenses	27	90,14,43,248	74,57,70,938
<b>Total Expenses</b>		<b>6,29,99,03,377</b>	5,30,74,02,386
<b>Profit before Tax</b>		<b>35,51,39,896</b>	25,62,46,826
<b>Tax Expense</b>			
Current Tax		7,75,25,745	5,49,68,422
MAT Credit		(7,75,25,745)	(5,49,68,422)
Earlier Year Tax		(55,89,668)	–
Deferred Tax		4,69,75,181	4,61,18,313
Wealth Tax		3,16,280	3,60,000
Total Tax expense		4,17,01,793	4,64,78,313
<b>Profit for the year</b>		<b>31,34,38,103</b>	20,97,68,513
Holding Interest		31,67,66,073	21,22,99,273
Minority Interest		(33,27,971)	(25,30,759)
Earnings Per Equity Share (in ₹) [Nominal value of ₹ 10/- each] Basic & Diluted	28	15.25	11.05

Significant Accounting Policies

2

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date.

For and on behalf of the Board of Directors

For **DEOKI BIJAY & CO.**  
Chartered Accountants  
Firm Regn. No. 313105E

**(CA. D.N. Agrawal)**

Partner

Membership No. 051157

Kolkata

Dated : The 1st day of September, 2015

**Ram Gopal Bansal**  
Chairman  
DIN: 00144159

**Harsh Bansal**  
Managing Director  
DIN: 00137014

**Abhishek Agarwal**  
Chief Financial Officer

**Sweta Prasad**  
Company Secretary

**Consolidated Cash Flow Statement** for the year ended March 31, 2015

(Amount in ₹)

	31st March, 2015		31st March, 2014	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>NET PROFIT BEFORE TAX &amp; EXTRAORDINARY ITEMS</b>		<b>35,51,39,896</b>		<b>25,62,46,826</b>
<b>Adjustments For</b>				
Depreciation	<b>30,49,61,829</b>		28,14,91,989	
Interest Paid	<b>49,47,35,460</b>		41,18,87,051	
Interest Received	<b>(90,69,914)</b>		(1,26,40,012)	
Proposed Dividend	–		44,97,336	
Provision For Gratuity	<b>71,53,833</b>	<b>79,77,81,208</b>	59,81,838	69,12,18,201
<b>OPERATING EXPENSES BEFORE WORKING CAPITAL CHANGES</b>		<b>1,15,29,21,104</b>		<b>94,74,65,028</b>
<b>Adjustments For</b>				
Trade & Other Receivables	<b>(2,18,92,378)</b>		(6,29,78,666)	
Inventories	<b>(2,29,62,807)</b>		(29,31,41,985)	
Trade Payable	<b>4,28,49,812</b>		(51,35,85,997)	
Other Current Liabilities	<b>(1,46,18,683)</b>		18,33,49,452	
Short Term Provision	<b>(54,34,387)</b>		3,20,43,273	
Long Term Advances	<b>(11,84,11,297)</b>		1,08,08,05,619	
Short Term Advances	<b>(4,90,86,526)</b>		(44,12,26,362)	
Other Current Assets	<b>(44,173)</b>		2,05,676	
Other Non Current Assets	–	<b>(18,96,00,438)</b>	–	(1,45,28,991)
<b>Cash Generated From Operations</b>		<b>96,33,20,665</b>		<b>93,29,36,037</b>
Direct Taxes Paid		<b>(10,15,00,000)</b>	–	(40,00,000)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>86,18,20,665</b>		<b>92,89,36,037</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	<b>(31,50,74,717)</b>		(4,22,82,84,283)	
Expenses in Upcoming Project	<b>(1,98,83,040)</b>		2,43,18,99,913	
Interest Received	<b>90,69,914</b>		1,26,40,012	
Sale Of Non Current Investments	<b>15,81,05,000</b>	<b>(16,77,82,843)</b>	21,29,63,168	(1,57,07,81,189)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>(16,77,82,843)</b>		<b>(1,57,07,81,189)</b>

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

(Amount in ₹)

	31st March, 2015		31st March, 2014	
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest Paid	(49,47,35,460)		(41,18,87,051)	
Proceeds from Bank Borrowing	1,68,75,000		40,87,00,000	
Proceeds from Minority	(41,19,162)		(25,30,759)	
Foreign Exchange Fluctuation	4,26,37,001		8,01,70,000	
Repayment of Bank Borrowing	(58,95,10,220)		(28,67,94,858)	
Equity Shares	30,77,53,280		25,18,80,000	
Proceeds From Long Term Unsecured Loan	9,28,28,742		-	
Repayment of Long Term Unsecured Loan	-		(5,99,95,153)	
Dividend Paid including Corporate Dividend Tax	(55,81,267)		(66,70,916)	
Short Term Borrowings	(5,42,57,588)		68,77,49,544	
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>(68,81,09,674)</b>		66,06,20,808
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		<b>59,28,148</b>		1,87,75,655
Cash & Cash Equivalents (Opening Balance)		<b>7,10,11,352</b>		5,22,35,697
Cash & Cash Equivalents (Closing Balance)		<b>7,69,39,500</b>		7,10,11,352

- Note:**
1. Cash & Cash Equivalents includes ₹ 6,51,37,312 (Previous Year ₹ 5,74,23,906) kept as margin money with Banks.
  2. The Consolidated Cash Flow Statement has been prepared under the indirect method as set out in Accounting standard (AS) 3 "Cash Flow Statement" as specified in the Companies (Accounting Standard), Rules 2006.

As per our Report of even date.

For and on behalf of the Board of Directors

For **DEOKI BIJAY & CO.**  
Chartered Accountants  
Firm Regn. No. 313105E

**(CA. D.N. Agrawal)**

Partner

Membership No. 051157

Kolkata

Dated : The 1st day of September, 2015

**Ram Gopal Bansal**

Chairman

DIN: 00144159

**Harsh Bansal**

Managing Director

DIN: 00137014

**Abhishek Agarwal**

Chief Financial Officer

**Sweta Prasad**

Company Secretary

**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015

**1. PRINCIPLES OF CONSOLIDATION**

- I. The CFS comprises of the Financial Statements of BMW Industries Ltd. (the Company) and its Subsidiary Companies (Group). The Consolidated Financial Statements are in conformity with Accounting Standard 21 on “Consolidated Financial Statements” specified under Section 133 of the Companies Act, 2013 and are prepared on the following basis:
- a) The Financial Statements of the Company and its Subsidiaries (listed below in Note No 2) have been combined on a line by line basis by adding together the book value of like items of Assets, Liabilities, Income and Expenses after fully eliminating intra-group balances and intra-group transaction and resulting unrealized Profits/Losses.
  - b) The CFS are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances in all material respect are presented to the extent possible, in the same manner as the Company’s Standalone Financial Statements.
  - c) Minority Interest in the CFS is identified and recognized after taking into consideration:
    - The amount of Equity attributable to Minorities at the date on which investment in Subsidiary is made.
    - The Minority’s share of movement in Equity since the date Parent-Subsidiary relationship came into existence.
    - Losses applicable to the Minority in excess of the Minority’s Interest, if any, in the Subsidiary’s Equity are allocated against the interest of the Group.
- II. The Subsidiaries considered in the CFS are:

<b>Name of the Company</b>	<b>Country of Incorporation</b>	<b>Effective % of holding as at 31st March, 2015</b>	<b>Effective % of holding as at 31st March, 2014</b>
SAIL Bansal Service Centre Ltd.	India	60	60
Confident Financial Consultancy Pvt. Ltd.	India	100	100
Perfect Investment Consultancy Pvt. Ltd.	India	100	100
Sidhant Investment Advisory Pvt. Ltd.	India	100	100
Siddhi Vinayak Commosales Pvt. Ltd.	India	100	100
Shri Hari Vincom Pvt. Ltd.	India	100	100
Narayan Dealcom Pvt. Ltd.	India	100	100
Fairplan Vintrade Pvt. Ltd.	India	100	100
Nageshwar Trade Link Pvt. Ltd.	India	100	100
Bansal Nepal Pvt.Ltd.	Nepal	100	100

**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

- III. The Net Assets, Turnover & Cash Flows of the subsidiaries included in Consolidated Financial Statements is as under: (Amount in ₹)

Name of the Company	Net Assets i.e, Total Assets - Total Liabilities		Total Revenue		Cash Inflow/(Outflow)	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
SAIL Bansal Service Centre Ltd.	2,46,19,790	3,49,17,696	1,75,78,095	3,38,56,881	3,90,845	(9,50,055)
Confident Financial Consultancy Pvt. Ltd.	14,15,65,285	14,15,71,035	Nil	Nil	(4,350)	(7,021)
Perfect Investment Consultancy Pvt. Ltd.	14,70,61,371	14,70,67,458	Nil	Nil	5,313	(4,208)
Sidhant Investment Advisory Pvt. Ltd.	24,41,59,969	24,41,65,719	Nil	Nil	(4,348)	32,831
Siddhi Vinayak Commosales Pvt. Ltd.	14,25,27,548	14,25,32,548	Nil	Nil	(3,100)	(3,352)
Shri Hari Vincom Pvt. Ltd.	15,95,26,394	15,95,32,144	Nil	Nil	(3,850)	(55,119)
Narayan Dealcom Pvt. Ltd.	20,60,15,692	20,60,24,154	Nil	Nil	(6,562)	(6,302)
Fairplan Vintrade Pvt. Ltd.	19,20,20,415	19,20,26,165	Nil	Nil	(3,850)	4,728
Nageshwar Trade Link Pvt. Ltd.	18,00,23,146	18,00,28,896	Nil	Nil	3,850	4,873
<b>Total</b>	<b>143,75,19,610</b>	<b>144,78,65,815</b>	<b>1,75,78,095</b>	<b>3,38,56,881</b>	<b>3,73,948</b>	<b>(9,83,625)</b>
Bansal Nepal Pvt. Ltd.	(77,42,168)	(68,92,852)	Nil	Nil	4,01,262	(509)

- IV. Accounts of Bansal Nepal Pvt. Ltd., a subsidiary company incorporated in Nepal where accounts were audited up to 15.07.2014 as per Law of Nepal. The accounts as on 31.03.2015 were unaudited and certified by the management and were included for the purpose of Consolidation.

**2. ACCOUNTING POLICIES****a) Basis of Accounting:**

The Consolidated Financial Statements (CFS) of the Company and its subsidiaries (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with Paragraph 7 of the Companies (Accounts), Rules 2014 and the relevant provisions of the Companies Act, 2013. The CFS have been prepared under historical cost convention on an accrual basis of accounting.

The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year except for the change in accounting policy explained below.

**Change in Accounting Policy****Depreciation on Fixed Assets**

Till the year ended 31st March 2014, depreciation was provided on SLM basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013 and depreciation is charged based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Had the Company continued its earlier policy of charging depreciation as per Schedule XIV of the Companies Act, 1956, profits for the current year would have been higher by ₹ 4,18,42,526/-.

**(i) Depreciation on assets costing less than ₹ 5000/-**

Till the year ended 31st March 2014, to comply with the requirements of Schedule XIV to the Companies Act 1956, the Company was charging 100% depreciation on assets costing less than ₹ 5000/- in the year of purchase. However, Schedule II to the Companies Act 2013, applicable from the current year, does not recognize such practice. Hence, to comply with the requirements of Schedule II to the Companies Act, 2013, the Company has changed its accounting policy for depreciation of fixed assets costing less than ₹ 5000/-. As per the revised policy,



**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (*Contd.*)

the Company is depreciating such assets over their useful life as assessed by the management. The management has decided to apply the revised accounting policy prospectively from accounting periods commencing on or after 1st April, 2014.

The change in accounting for depreciation of assets costing less than ₹ 5000/- did not have any material impact on financial statements of the company for the current year.

Leasehold land is being amortized over the period of lease.

**b) Use of Estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (Indian GAAP) requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent liabilities on the Balance Sheet date of financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized as and when, the results are known/materialized.

**c) Revenue Recognition**

- i) Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue to the extent considered receivable, unless specifically stated to be otherwise, are accounted for on mercantile basis.
- ii) Revenue from Operations include sale of goods, services and excise duty but excludes Value Added Tax (VAT)/Sales Tax, Service Tax.
- iii) Revenue in respect of claims of insurance, exports incentives etc. are recognized only when there is reasonable certainty as to the ultimate collection.
- iv) In respect of construction contracts, revenue is recognized on percentage completion basis when completion level is minimum 10%. Completion level is the percentage of revenue earned to total contract value net of discount. Warranty cost, penalties or possible losses that are dependent upon future events are recognized as and when these are ascertained/ascertainable.
- v) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- vi) Dividend income is recognized when right to receive dividend is established.

**d) Fixed Assets****Tangible Assets**

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost, and any other cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are disclosed under Capital Work in Progress.

**Intangible Assets**

Intangible Assets are stated at cost net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The Cost comprises its purchase Price borrowing cost and any other cost directly attributable to bringing the asset to its working condition for its intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

**e) Impairment**

Fixed assets are reviewed at each Balance Sheet date for impairment. In case, events and circumstances indicate any impairment, recoverable amount of fixed assets is determined. An impairment loss is recognized, whenever the carrying amount of assets exceeds the recoverable amount. The recoverable amount is greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rates. An impairment loss is reversed if there has

## Notes to Consolidated Financial Statements as at and for the year ended March 31, 2015 (Contd.)

been change in the recoverable amount and as such, loss no longer exists or has decreased. Impairment loss/ reversal thereof is adjusted to the carrying value of the respective assets.

### f) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value of non current investment is made only if such decline other than temporary.

### g) Inventories

Inventories are valued at lower of cost or Net Realisable Value.

- i) Cost of raw materials includes the purchase price as well as incidental expenses such as conversion cost, other cost including manufacturing overhead incurred in bringing them to their respective present location and situation. The cost in respect of raw materials is determined on First in First out basis.
- ii) Finished goods are valued at lower of weighted average cost and on net realizable value. Excise Duty is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying at the manufacturing locations as on the balance sheet date. Cost of finished goods and work in progress represents materials, direct labour and appropriate portion of overhead expenses allocated against the same.
- iii) Scrap generated is valued at net realisable value.
- iv) Cost in respect of stores and spares is determined on weighted average basis.
- v) Work-in-progress is valued at weighted average cost, or on net realisable value, whichever is lower.

### h) Retirement and Other Employee Benefits

Gratuity is provided on the basis of actuarial valuation on Projected Unit Credit Method. The Company has a gratuity fund under the scheme of Life Insurance Corporation of India. Matching contribution will be made in the fund.

- a) Retirement benefits in the form of Provident Fund are charged to the Statement of Profit & Loss of the year when an employee renders the related service.
- b) Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

### i) Foreign Currency Transaction

Transactions in foreign currencies are accounted for at the exchange rate prevailing on the date of transaction. Foreign currency monetary assets and liabilities at the year end are translated using the closing exchange rates whereas non-monetary assets are translated at the rate on the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expenses and are adjusted to the Statement of Profit and Loss.

#### Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

#### Exchange differences

All other exchange differences are recognized as income or as expenses in the period in which they arise.

### j) Government Grants

Government grants available to the enterprise are considered for inclusion in account where such benefits have been earned or it is reasonably certain that ultimate collection will be made. Grants from Government relating to fixed assets are shown as a deduction from the gross value of fixed assets and those of the nature of capital

**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (*Contd.*)

subsidy are credited to Capital Reserve. Other Government grants including incentives etc. are credited to the Statement of Profit and Loss or deducted from the related expenses.

**k) Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition/construction of a qualifying asset are capitalized as part of the cost of such asset till the time it is ready for intended use. Other borrowing costs are charged to Profit and Loss Statement in the period in which they are incurred.

**l) Taxation**

Tax expenses consist of current and deferred tax. Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 after taking into consideration benefits admissible under the Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax assets and liabilities arising on account of timing differences, which are capable of reversal in subsequent periods are recognised using tax rates and tax laws, which have been enacted or substantively enacted. Deferred Tax Assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. In case of carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is "virtual certainty" that such deferred tax assets can be realized against future taxable profits.

**m) Earnings Per Share**

Basic Earnings Per Share is calculated by dividing the net profit or loss after tax and Minority Interest for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss after tax and minority interest for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**n) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and 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 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 estimates.

Contingent Assets are neither recognized nor disclosed in the financial statements.

Contingent Liabilities are not provided for and are disclosed by way of notes.

**o) Cash Flow Statement**

Cash flows are reported using the indirect method whereby cash flows from operating, investing and financing activities of the Group are segregated and profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

**p) Segment Reporting Policies****Identification of segments:**

The Company's business includes manufacturing of TMT Bars, Steel Structures, Steel Pipes and Tubes, GP Coils, CR Coils, Tower Sleeves and components and processing of Steel. There is only reportable business segment which is also the primary reportable segment. Secondary reportable segments are based on geographical location of customers. The geographical segments have been disclosed based on revenues within India and outside India.

**Allocation of common costs:**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

**Segment Accounting Policies:**

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	As at 31st March, 2015	As at 31st March, 2014
<b>3. SHARE CAPITAL</b>		
<b>a) Authorised</b>		
5,00,00,000 (5,00,00,000) Equity Shares of ₹ 10/- each	50,00,00,000	50,00,00,000
	50,00,00,000	50,00,00,000
<b>b) Issued, Subscribed and Paid Up</b>		
2,25,08,646 (2,05,85,188) Equity Shares of ₹ 10/- each fully paid up	22,50,86,460	20,58,51,880
	22,50,86,460	20,58,51,880

During the year the company has allotted 19,23,458 equity shares of face value of ₹ 10/- each at a price of ₹ 160/- per equity share including a premium of ₹ 150/- per equity share ranking pari-passu with existing equity shares, to the promoters and non-promoters of the Company on preferential allotment basis in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009.

**c) Terms/rights attached to Equity Shares**

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

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

**d) Details of shareholders holding more than 5% shares in the Company**

Equity shares of ₹ 10/- each fully paid up	March 31, 2015		March 31, 2014	
	No. of Shares	% holding	No. of Shares	% holding
Ram Gopal Bansal	35,75,000	15.88%	35,75,000	17.37%
Harsh Kumar Bansal	18,44,725	8.20%	18,44,725	8.96%
Vivek Kumar Bansal	14,02,208	6.23%	14,02,208	6.81%
Jani Fincom Pvt Ltd	10,92,375	4.85%	10,92,375	5.31%

**e) Reconciliation of the number of shares and amount outstanding is set out below :**

	March 31, 2015		March 31, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	2,05,85,188	20,58,51,880	1,90,10,938	19,01,09,380
Shares issued during the year	19,23,458	1,92,34,580	15,74,250	1,57,42,500
Shares bought back during the year	-	-	-	-
Shares outstanding at the close of the year	2,25,08,646	22,50,86,460	2,05,85,188	20,58,51,880

**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	As at 31st March, 2015		As at 31st March, 2014	
<b>4. RESERVES AND SURPLUS</b>				
<b>Capital Reserves</b>				
State Capital Investment Subsidy from State Government		15,00,000		15,00,000
Capital Reserve on Consolidation		1,39,47,31,051		1,39,47,31,051
		<b>1,39,62,31,051</b>		<b>1,39,62,31,051</b>
<b>Securities Premium Reserve</b>				
Balance as per the last Balance Sheet		1,37,97,78,200		1,14,36,40,700
Add: Premium on issue of shares under preferential issue		28,85,18,700		23,61,37,500
<b>Closing Balance</b>		<b>1,66,82,96,900</b>		<b>1,37,97,78,200</b>
<b>Revaluation Reserve</b>				
Balance as per the last Balance Sheet		5,13,93,568		5,97,54,603
Less: Amount transferred to the Statement of Profit and Loss		1,02,78,714		83,61,035
Less : Transferred to General Reserve		–		–
<b>Closing balance</b>		<b>4,11,14,854</b>		<b>5,13,93,568</b>
<b>General Reserve</b>				
Balance as per the last Balance Sheet		19,12,54,827		19,12,54,827
Add : Transferred from Revaluation Reserve		1,02,78,714		–
Add : Impact of adoption of Schedule II		77,30,289		–
<b>Closing Balance</b>		<b>20,92,63,829</b>		<b>19,12,54,827</b>
<b>Surplus in the Statement of Profit and Loss</b>				
Balance as per the last Balance Sheet		1,38,82,90,765		1,18,04,88,829
Add : Profit for the year		31,67,66,073		21,22,99,272
		<b>1,70,50,56,837</b>		<b>1,39,27,88,101</b>
<b>Less : Appropriations</b>				
Proposed Dividend	–		10,29,259	
Previous year Dividend	–		28,34,553	
Corporate Dividend Tax	–		1,74,923	
Previous year Corporate Dividend Tax	–	–	4,58,601	44,97,336
<b>Net Surplus in the Statement of Profit and Loss</b>		<b>1,70,50,56,837</b>		<b>1,38,82,90,765</b>
<b>Total</b>		<b>5,01,99,63,471</b>		<b>4,40,69,48,410</b>

**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	Non-current portion		Current maturities	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<b>5. LONG TERM BORROWINGS</b>				
<b>Secured</b>				
Term Loan from Banks	2,48,44,83,168	3,01,44,81,387	47,90,76,582	58,24,40,104
Current Maturities disclosed under Note 10				
	2,48,44,83,168	3,01,44,81,387	47,90,76,582	58,24,40,104
<b>Unsecured</b>				
From Body Corporates	58,46,29,858	49,18,01,116	–	–
	58,46,29,858	49,18,01,116	–	–
	3,06,91,13,026	3,50,62,82,503	47,90,76,582	58,24,40,104

Secured Loan	Non Current Portion		Current Portion	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<b>a) Term Loan</b>	2,29,72,081	8,94,59,431	3,18,00,000	4,79,30,000
Secured primarily by exclusive 1st charge on the fixed assets of the Structural/Wire Rod Rolling Mill at NH VI, Argori, Howrah, both present & future, by way of equitable mortgage of the immovable assets and hypothecation of plant & machineries and other movable fixed assets of the Rolling Mill Unit at Howrah. Further secured by personal guarantee of two Directors of the Company repayable in 24 quarterly installments starting from 31.03.2011 and 30.06.2011 and carries interest rate: B.R+2.25%				
<b>b) Term Loan</b>	–	–	–	21,47,49,544
Secured primarily by exclusive 1st charge on the fixed assets of the Bokaro Steel Plant, Bokaro, both present & future, by the immovable assets and hypothecation of plant & machineries and way of equitable mortgage of other movable fixed assets of Steel Plant at Bokaro. Further secured by personal guarantee of two Directors of the Company repayable in 24 installments starting from 31.03.2013 and carries interest rate: B.R+2.60%				

**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	Non Current Portion		Current Portion	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<b>c) Term Loan</b> Secured primarily by exclusive 1st charge on the fixed assets of the company's Unit at Adityapur, Gamharia, Jharkand (existing as well as that of the Proposed Project) both present & future, by way of equitable mortgage of the immovable assets and hypothecation of plant & machineries and other movable fixed assets of the Steel Plant at Bokaro. Further secured by personal guarantee Directors of the Company repayable in 28 installments Starting from 31.12.2013 and carries interest rate: Bank of Baroda - B.R+3% (for Rupee loan), LIBOR + 4.5% (for ECB). <b>Note:</b> Includes ECB loan of \$ 1,72,50,000 from Bank of Baroda to be repaid in 28 quarterly installments starting from 31.08.2014.	<b>2,25,44,05,742</b>	2,51,34,79,240	<b>25,03,00,000</b>	12,79,21,531
<b>d) Term Loan</b> Secured primarily by exclusive charge over office property located at Park Street and all fixed assets at Hazibagan, Howrah both present & future, by way of equitable mortgage of the immovable assets and hypothecation of plant & machineries and other movable fixed assets of the Hazibagan unit. Further secured by personal guarantee of the Directors. Repayable in 20 installments starting from 31.12.2013 and carries interest rate B.R + 3.55%.	<b>6,16,89,911</b>	13,74,61,918	<b>8,00,00,000</b>	6,50,00,000
<b>e) Term Loan</b> Secured primarily by first charge over all fixed assets located at Manifit and Adityapur both present & future, by way of equitable mortgage of the immovable assets and hypothecation of plant and machineries of the Hazibagan unit. Further secured personal gurantee of the Directors, repayable in 8 installment starting from 31.03.2014 and carries interest rate LTLR - 5.00%	-	9,36,96,859	<b>7,68,16,613</b>	12,50,00,000

**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	Non Current Portion		Current Portion	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<b>f) Term Loan</b>	<b>12,29,82,680</b>	16,27,19,580	<b>2,90,90,910</b>	-
Secured primarily by first charge over all fixed assets located at GT Road both present & future, by way of equitable mortgage of the immovable assets and hypothecation of plant and machineries of the GT Road. Further secured personal gurantee of the Directors, repayable in 28 installments starting from 30.06.2015 and carries interest rate B.R. + 2.60%.				
<b>g) Term Loan</b>	<b>1,68,75,000</b>	-	<b>75,00,000</b>	-
Term Loan facility is secured by 1st hypothecation charge of all the Current Assets (including raw materials, work in progress, finished goods and sundry debtors) of the steel service centre of the company. Collateraly secured by 2nd Mortgage Charge on all fixed assets of the company (including Land & Building, Plant & Machinery, both present & future) of the Steel service centre of the company situated at Bokaro, Jharkhand both present and future. This is further secured by Personal Guarantee of one of the Directors of the Company and Corporate Guarantee of the Company and is payable and carries interest rate 13.70%.				
Other finances from Banks (secured by hypothecation of vehicles & other machinery acquired)	<b>55,57,754</b>	61,64,359	<b>35,69,058</b>	18,39,029
<b>Total</b>	<b>2,48,44,83,168</b>	3,00,29,81,387	<b>47,90,76,582</b>	58,24,40,104
<b>Unsecured Loan From Body Corporates</b>	<b>58,46,29,858</b>	49,18,01,116	-	-
The unsecured loans are not repayable in the next 12 months				

**5.1. Details of Default as on 31st March, 2015**

Nature	Particulars	As at 31st March, 2015	As at 31st March, 2014	Remarks
Term Loan	Principal Overdue	<b>18,75,000</b>	-	Overdue since 31st March, 2015
	Interest Overdue	<b>5,46,181</b>	-	Overdue since 31st December, 2014 - ₹ 2,34,006 Overdue since 31st March, 2015 - ₹ 3,12,175

	As at March 31, 2015	As at March 31, 2014
<b>6. DEFERRED TAX LIABILITIES (NET)</b>		
<b>Deferred Tax Liability</b>		
Timing difference on depreciable assets	<b>26,35,75,328</b>	21,66,00,146
<b>Total</b>	<b>26,35,75,328</b>	21,66,00,146



**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
<b>7. LONG TERM PROVISIONS</b>		
<b>For Employee Benefits</b>		
Gratuity	1,47,92,720	76,38,887
<b>Total</b>	<b>1,47,92,720</b>	<b>76,38,887</b>

	As at March 31, 2015	As at March 31, 2014
<b>8. SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
Cash credits from Banks	2,42,12,93,553	2,45,81,15,627
<b>Total Secured</b>	<b>2,42,12,93,553</b>	<b>2,45,81,15,627</b>
<b>Unsecured</b>		
Others	33,65,707	2,08,01,221
<b>Total Unsecured</b>	<b>33,65,707</b>	<b>2,08,01,221</b>
<b>Total</b>	<b>2,42,46,59,260</b>	<b>2,47,89,16,848</b>

	As at March 31, 2015	As at March 31, 2014
<b>9. TRADE PAYABLES</b>		
Creditors for goods & services (including acceptances)	30,63,07,419	26,34,57,607
<b>Total</b>	<b>30,63,07,419</b>	<b>26,34,57,607</b>

	As at March 31, 2015	As at March 31, 2014
<b>10. OTHER CURRENT LIABILITIES</b>		
Current maturities of Term Loan from Banks (Note 5)	47,90,76,582	58,24,40,104
Advance received from customers	10,68,87,088	2,08,11,746
Statutory Payables	2,98,71,216	1,69,08,689
Other Liabilities	8,02,02,807	10,23,09,566
Dividend Payable	31,24,940	7,03,759
<b>Total</b>	<b>69,91,62,633</b>	<b>72,31,73,864</b>

	As at March 31, 2015	As at March 31, 2014
<b>11. SHORT TERM PROVISIONS</b>		
Bonus	1,81,480	3,08,339
Income Tax (Net)	40,384	10,68,09,932
Fringe Benefit Tax	–	–
Provision for Wealth Tax	7,22,020	7,60,000
Provision for WCT	1,25,95,509	1,25,95,509
Proposed Dividend	–	38,63,912
Corporate Dividend Tax	–	17,17,355
<b>Total</b>	<b>1,35,39,393</b>	<b>12,60,55,047</b>

## Notes to Consolidated Financial Statements as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)										
<b>12. FIXED ASSETS</b>										
Tangible Assets	Freehold Land & Building	Leasehold Land & Land Development	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Total	Intangible Assets (Computer Software)		
<b>Gross Block as at 01.04.2014</b>	8,34,88,846 (7,33,95,458)	7,31,42,603 (7,31,42,603)	78,26,06,298 (55,99,67,932)	5,55,26,17,546 (1,58,37,54,501)	4,03,01,124 (2,80,40,705)	8,28,13,420 (6,83,84,356)	6,61,49,69,837 (2,38,66,85,555)	78,34,996 (78,34,996)		
Additions during the year	10,212 (1,00,93,388)	-	2,20,84,256 (22,26,38,367)	28,43,21,655 (3,91,97,09,540)	5,78,269 (1,22,60,419)	80,80,325 (1,44,29,064)	31,50,74,717 (4,17,91,30,778)	-		
Deductions during the year	-	-	-	-	-	-	-	-		
Exchange fluctuations Capitalised during the year	-	-	-	-	-	-	-	-		
<b>Gross Block as at 31.03.2015</b>	<b>8,34,99,058</b> (8,34,88,846)	<b>7,31,42,603</b> (7,31,42,603)	<b>80,46,90,554</b> (78,26,06,299)	<b>5,83,69,39,201</b> (5,55,26,17,546)	<b>4,08,79,393</b> (4,03,01,124)	<b>9,08,93,744</b> (8,28,13,420)	<b>6,93,00,44,554</b> (6,61,49,69,838)	<b>78,34,996</b> (78,34,996)		
Accumulated Depreciation as at 01.04.2014	-	75,89,045	13,13,44,591	88,65,04,969	92,61,300	3,61,45,993	1,07,08,45,899	46,03,781		
Depreciation/Amortisation during the year	-	(58,30,074)	11,07,41,939	(62,88,09,433)	(72,87,967)	(2,94,30,407)	(78,20,99,819)	(34,96,838)		
Impact of adoption of Schedule II	-	17,58,971	2,82,17,971	25,89,38,831	48,05,374	1,05,94,439	30,43,15,586	6,46,243		
Accumulated Depreciation as at 01.04.2015	-	(17,58,971)	(2,06,02,652)	(25,76,95,537)	(19,73,334)	(67,15,588)	(28,87,46,080)	(11,06,943)		
Accumulated Depreciation as at 01.04.2015	-	-	2,51,771	65,62,312	(14,317)	1,39,333	69,39,099	-		
<b>Net Block as at 31.03.2015</b>	<b>8,34,99,058</b> (8,34,88,846)	<b>6,37,94,587</b> (6,55,53,558)	<b>64,53,79,763</b> (65,12,61,708)	<b>4,69,80,57,713</b> (4,66,61,12,577)	<b>2,67,98,402</b> (3,10,39,824)	<b>4,42,92,645</b> (4,66,67,425)	<b>5,56,18,22,169</b> (5,54,41,23,938)	<b>25,84,972</b> (32,31,215)		

**Note :**  
Figures in brackets relates to previous year.

**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	As at March 31, 2015		As at March 31, 2014	
	No. of shares	Amount	No. of shares	Amount
<b>13. NON-CURRENT INVESTMENTS</b>				
<b>Trade investments (valued at cost unless stated otherwise)</b>				
<b>In fully paid up equity shares</b>				
Unquoted		86,84,89,620		1,02,65,94,620
		86,84,89,620		1,02,65,94,620
Aggregate amount of quoted investments				
Aggregate amount of unquoted investments				
Market value of quoted investments				

	As at March 31, 2015	As at March 31, 2014
<b>14. LONG TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good unless stated otherwise</b>		
Security Deposits	15,54,90,842	1,79,79,545
Other Advances	–	1,91,00,000
<b>Total</b>	<b>15,54,90,842</b>	<b>3,70,79,545</b>

	As at March 31, 2015	As at March 31, 2014
<b>15. OTHER NON CURRENT ASSETS</b>		
Balances with Bank	19,00,000	19,00,000
<b>Total</b>	<b>19,00,000</b>	<b>19,00,000</b>

Represents bank deposits not due for realisation within 12 months from the Balance Sheet date.

	As at March 31, 2015	As at March 31, 2014
<b>16. INVENTORIES</b>		
<b>(Valued at lower of cost and Net Realizable Value)</b>		
Raw Materials & Components	88,13,98,576	83,18,57,880
Finished Goods	43,11,61,846	44,34,80,003
Conversion Work in Progress	26,60,07,847	30,54,03,739
Stores & Spares	9,86,64,897	7,35,28,737
<b>Total</b>	<b>1,67,72,33,166</b>	<b>1,65,42,70,359</b>

**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
<b>17. TRADE RECEIVABLES</b>		
<b>Unsecured, considered good unless stated otherwise</b>		
Outstanding for a period exceeding six months from the date they are due for payment	6,32,23,732	6,50,77,428
Others	1,87,76,30,139	1,85,38,84,065
<b>Total</b>	<b>1,94,08,53,871</b>	<b>1,91,89,61,493</b>

**17.1** In view of the management there are certain debit balances of the customers amounting to ₹ 1,02,08,454 (P.Y. ₹ 1,02,08,454) against which the recovery is doubtful against which the provision of ₹ 6,66,796 (P.Y. ₹ 6,66,796) has been carried out in the books of account.

	As at March 31, 2015	As at March 31, 2014
<b>18. CASH AND BANK BALANCES</b>		
<b>Cash and cash equivalents</b>		
Balances with banks:		
In current accounts	1,07,65,446	1,13,14,793
Cash in hand	10,36,742	22,72,653
	1,18,02,188	1,35,87,446
<b>Other Bank Balances</b>		
Deposits with original maturity for more than 3 months but less than 12 months		
Margin money deposit	6,51,37,312	5,74,23,906
	6,51,37,312	5,74,23,906
<b>Total</b>	<b>7,69,39,500</b>	<b>7,10,11,352</b>

	As at March 31, 2015	As at March 31, 2014
<b>19. SHORT TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good unless stated otherwise</b>		
Security Deposits	52,19,830	73,17,408
Advance recoverable in cash or kind	74,93,25,972	62,23,66,972
Balance with statutory/government authorities	25,27,23,649	32,74,34,847
Others short term loans & advances	40,25,88,962	40,39,27,384
Loans & advances to employees	1,35,74,675	1,32,99,951
<b>Total</b>	<b>1,42,34,33,088</b>	<b>1,37,43,46,562</b>

	As at March 31, 2015	As at March 31, 2014
<b>20. OTHER CURRENT ASSETS</b>		
Prepaid expenses	8,03,900	7,46,539
Interest Receivable	—	13,187
<b>Total</b>	<b>8,03,900</b>	<b>7,59,726</b>

**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
<b>21. REVENUE FROM OPERATIONS</b>		
<b>Revenue from operations</b>		
Sale of products	3,44,70,43,673	4,56,05,83,243
Sale of Services	3,39,54,05,260	1,15,59,81,532
	6,84,24,48,933	5,71,65,64,775
Less: Excise duty	21,68,59,223	21,62,83,991
<b>Total</b>	<b>6,62,55,89,710</b>	<b>5,50,02,80,784</b>
	As at March 31, 2015	As at March 31, 2014
<b>22. OTHER INCOME</b>		
Interest on deposits and others	90,69,914	1,26,40,012
Miscellaneous Income	2,03,83,649	5,07,28,417
<b>Total</b>	<b>2,94,53,563</b>	<b>6,33,68,429</b>
	As at March 31, 2015	As at March 31, 2014
<b>23. COST OF RAW MATERIALS &amp; COMPONENTS CONSUMED</b>		
Cost of raw materials & component consumed	4,12,07,46,335	3,73,17,00,366
<b>Total</b>	<b>4,12,07,46,335</b>	<b>3,73,17,00,366</b>
	As at March 31, 2015	As at March 31, 2014
<b>24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>Closing Stock</b>		
Finished Goods/Stock-in-trade	43,14,46,283	44,38,23,797
	43,14,46,283	44,38,23,797
<b>Opening Stock</b>		
Finished Goods/Stock-in-trade	44,38,23,797	31,97,31,548
	44,38,23,797	31,97,31,548
<b>(Increase)/Decrease</b>	<b>1,23,77,514</b>	<b>(12,40,92,249)</b>
	As at March 31, 2015	As at March 31, 2014
<b>25. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages and Bonus	12,59,24,030	9,79,11,605
Contribution to Provident & other Funds	66,24,147	58,54,868
Gratuity Expense	79,36,609	57,93,920
Staff Welfare Expenses	2,30,15,304	1,94,18,344
<b>Total</b>	<b>16,35,00,090</b>	<b>12,89,78,737</b>

**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	As at March 31, 2015	As at March 31, 2014
<b>26. FINANCE COSTS</b>		
Interest expenses	49,47,35,460	41,18,87,051
<b>Total</b>	<b>49,47,35,460</b>	<b>41,18,87,051</b>

	As at March 31, 2015	As at March 31, 2014
<b>27. OTHER EXPENSES</b>		
Consumption of stores & spares	37,26,01,771	36,77,80,797
Power & Fuel	22,86,53,014	14,41,43,900
Carriage Inward	4,64,63,340	3,85,46,111
Exchange Gain/Loss	4,26,37,001	1,04,26,670
Excise duty on increase in stock	6,31,308	1,36,38,775
Repairs to	—	—
Plant and machinery	25,55,786	39,25,202
Buildings	53,892	2,79,012
Others	79,13,658	60,04,393
Rent	1,08,87,563	66,78,685
Rates & Taxes (excluding Income Tax)	1,17,21,509	54,74,344
Telephone and Communication	20,89,247	25,24,445
Insurance	24,51,222	18,07,554
Hire Charges	77,325	3,00,078
Advertising and Sales Promotion	45,32,778	43,72,543
Brokerage and Commission	37,371	2,50,441
Travelling and Conveyance	1,33,98,139	91,83,809
Carriage Outward	46,94,908	53,23,635
Legal and Professional Fees	1,68,64,661	61,00,204
Directors' Remuneration	1,08,00,000	58,04,000
Payment to Auditors	5,36,817	4,53,417
Loading and Unloading Charges	4,07,094	37,35,633
Bank Charges	1,61,27,014	1,33,45,493
Security Charges	72,17,195	89,51,598
Miscellaneous Expenses	9,80,90,633	8,67,20,199
<b>Total</b>	<b>90,14,43,248</b>	<b>74,57,70,938</b>

	March 31, 2015	March 31, 2014
<b>28. EARNINGS PER SHARE (EPS)</b>		
Profit after Tax Minority Interest	31,67,66,073	21,22,99,273
Present weighted average no. of Equity Share	2,07,74,899	1,92,13,650
Nominal value of each share	10	10
Earnings per share Basic/Diluted	15.25	11.05

**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

**29. RELATED PARTY DISCLOSURES**
**Names of related parties and related party relationship:**

Key Management Personnel	Ram Gopal Bansal
	Harsh Kumar Bansal
	Vivek Kumar Bansal
Relatives of Key Management Personnel	Premlata Bansal
	Pratiti Bansal
	Shalini Bansal
Enterprises over which Key Managerial Personnel has significant influence	JIT Transport Organization
	Mahabali Goods Private Limited
	Rajani Vanijya Private Limited
	Encash Commercial Private Limited
	Pioneer Goods Private Limited
	Jaymala Commercial Private Limited
Joint Ventures of SAIL Bansal Service Centre Limited	Steel Authority of India Limited

Nature of Transaction	Key Management Personnel	Enterprises Over Which Key Person has significant Influence	Relatives of Key Managerial Personnel	Joint Venture of Subsidiary	Total
<b>Remuneration</b>					
Ram Gopal Bansal	36,00,000 (36,00,000)	- -	- -	- -	36,00,000 (36,00,000)
Harsh Kumar Bansal	36,00,000 (36,00,000)	- -	- -	- -	36,00,000 (36,00,000)
Vivek Kumar Bansal	36,00,000 (36,00,000)	- -	- -	- -	36,00,000 (36,00,000)
<b>Rent</b>					
Ram Gopal Bansal	2,40,000 (2,40,000)	- -	- -	- -	2,40,000 (2,40,000)
<b>Services</b>					
Steel Authority of India Ltd. (SAIL)	- -	- -	- -	97,12,928 (1,94,97,811)	97,12,928 (1,94,97,811)
<b>Loans/Advances Taken (Net)</b>					
Mahabali Goods Private Limited	- -	- (59,66,720)	- -	- -	- (59,66,720)
Rajani Vanijya Private Limited	- -	- (1,09,33,280)	- -	- -	- (1,09,33,280)
Encash Commercial Private Limited	- -	- (1,66,66,720)	- -	- -	- (1,66,66,720)
Pioneer Goods Private Limited	- -	- (2,70,75,000)	- -	- -	- (12,70,75,000)
Jaymala Commercial Private Limited	- -	- (4,77,83,280)	- -	- -	- (4,77,83,280)

**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

Nature of Transaction	Key Management Personnel	Enterprises Over Which Key Person has significant Influence	Relatives of Key Managerial Personnel	Joint Venture of Subsidiary	Total
<b>Balance Outstanding as at the year end Receivable</b>					
Steel Authority of India Ltd. (SAIL)	–	–	–	<b>1,20,82,789</b> (1,20,82,789)	<b>120,82,789</b> (1,20,82,789)
<b>Balance Outstanding as at the year end Payable</b>					
Mahabali Goods Private Limited	–	– (59,66,720)	–	–	– (59,66,720)
Rajani Vanijya Private Limited	–	– (1,09,33,280)	–	–	– (1,09,33,280)
Encash Commercial Private Limited	–	<b>20,00,000</b> (1,66,66,720)	–	–	<b>20,00,000</b> (1,66,66,720)
Pioneer Goods Private Limited	–	<b>20,00,000</b> (1,66,66,720)	–	–	<b>20,00,000</b> (1,66,66,720)
Jayamala Commercial Private Limited	–	<b>1,50,000</b> (4,77,83,280)	–	–	<b>1,50,000</b> (4,77,83,280)
Ram Gopal Bansal	– (2,16,000)	–	–	–	– (2,16,000)

	March 31, 2015	March 31, 2014
<b>30. CAPITAL COMMITMENT</b>		
Capital Commitment	<b>2,75,00,000</b>	–

	March 31, 2015	March 31, 2014
<b>31. CONTINGENT LIABILITIES</b>		
a) Counter guarantees issued by the Company to Banks, in respect of Bank Guarantees issued	<b>32,34,16,200</b>	23,43,85,200
b) Corporate Guarantee issued by the Company, on behalf of Subsidiary Company - SAIL Bansal Service Centre Limited	<b>5,00,00,000</b>	6,00,00,000

**32.** The Sales Tax authorities carried out a search & seizure at the Registered Office of a subsidiary Company on 15th/16th July, 2011. Various documents were seized in the process, hence certain documents relating to sales and purchases could not be provided to the auditors in the previous year. The authorities have not raised any show cause/demand notice till date. Pending final outcome in this matter, no provision is considered necessary as at the year end.

**33.** Due to change in charging depreciation on historical cost/substituted cost w.e.f 01/04/2014, as per Schedule II of the Companies Act, 2013, ₹ 1,02,78,714 being 1/5th of Revaluation Reserve as on 01/04/2014 is transferred to General Reserve every year starting from 2014-15.

**34.** Escalation bills are accounted for on the basis of rates notified by the customers/authorities upto the year end.

**35.** In the opinion of the management, current assets and loans and advances will have value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.



**Notes to Consolidated Financial Statements** as at and for the year ended March 31, 2015 (Contd.)

(Amount in ₹)

	2014-15	2013-14
<b>36. DISCLOSURES AS REQUIRED IN TERMS OF ACCOUNTING STANDARD 7 ON "ACCOUNTING FOR CONSTRUCTION CONTRACTS" AS FOLLOWS</b>		
Contract Revenue Recognition for the year	9,04,43,570	5,84,96,338
Total costs incurred and recognized profits for contracts in progress at the reporting date	7,96,83,676	5,80,05,836
Advance Received	–	–
Amount of retentions for contracts in progress at reporting date	63,92,026	41,42,173
Gross Amount due from customers for contract work	–	56,71,234

**37.** (i) The Business Segment of manufacturing TMT Bars etc. and processing of steel have been considered as primary segment and constitutes more than 90% of revenue, as such segment reporting is not applicable.

(ii) **Information about Secondary Business Segments**

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>Revenue by Geographical Market</b>		
India	6,65,50,43,274	5,56,36,49,212
Nepal	–	–
<b>Total</b>	<b>6,65,50,43,274</b>	<b>5,56,36,49,212</b>
<b>Carrying Amount of Segment Assets</b>		
India	12,03,70,51,401	11,93,89,36,480
Nepal	89,96,225	99,55,789
<b>Total</b>	<b>12,04,60,47,626</b>	<b>11,94,88,92,270</b>

**38.** In one of the subsidiary, while arriving at the balances of Trade Payables, unsecured Loans from Body's Corporate and Related Parties and Trade Receivables at the Balance Sheet date, various adjustments including as regards netting off/set off of various balances/account heads have been carried out by the management which is subject to relevant supporting details, confirmation and documentation. Management is the process of compiling the aforesaid details etc. and adjustments, if any will be carried out on completion thereof.

**39.** In one of the subsidiary, in view of substantial losses incurred by the Company and the prevailing market condition etc. the management has decided to curtail its trading activity without affecting the completion of the ongoing orders. Steps have been taken for procuring adequate service orders from Steel Authority of India Limited, joint venture.

Taking the above into consideration, the management of the Company believes that the Company has the ability to continue its operations as a going concern in the foreseeable future and accordingly the financial statements for the year ended 31st March, 2015 have been prepared on the basis that the company is a going concern.

**40.** Previous year's figures including those given in brackets have been re-grouped/re-arranged where considered necessary, to conform to this year classification.

As per our Report of even date.

For and on behalf of the Board of Directors

For **DEOKI BIJAY & CO.**  
Chartered Accountants  
Firm Regn. No. 313105E

**Ram Gopal Bansal**  
Chairman  
DIN: 00144159

**Harsh Bansal**  
Managing Director  
DIN: 00137014

**(CA. D. N. Agrawal)**  
Partner  
Membership No. 051157  
Kolkata  
Dated : The 1st day of September, 2015

**Abhishek Agarwal**  
Chief Financial Officer

**Sweta Prasad**  
Company Secretary

**BMW INDUSTRIES LTD**  
(CIN: L51109WB1981PLC034212)  
Registered Office: 119, Park Street, White House, Kolkata – 700016  
Email : legal@bmwil.co.in, Website: www.bmwil.co.in

**ATTENDANCE SLIP**

Regd. Folio / DP ID & Client ID
Name and Address of the Shareholder :

1. I hereby record my presence at the 33rd Annual General Meeting of the company, to be held on the 29th day of September, 2015 At 11.00 A.M. at 119, Park Street, White House, Kolkata - 700016 West Bengal.

2. Signature of the Shareholder/Proxy Present

3. Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover the same at the entrance duly signed.

4. Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

Note: PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.

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(1) EVSN (E-Voting Sequence No.)	(2) USER ID.	(3) PAN or Relevant No.as under	(4) Bank Account No.
			(See Note No.1)

**Notes:**

- (1) Where Bank Account Number is not registered with the Depositories or Company please enter your User ID. as mentioned in column (2) above.
- (2) Please read the Instructions printed under the Note No. 3 to the Notice dated 25th August, 2015 of the 33rd Annual General Meeting. The e-voting period starts from 26.09.2015 from 9.00 A.M. and ends on 28.09.2015 till 5.00 P.M. the e-voting module shall be disabled by CDSL for voting thereafter.



**Form No. MGT-11**  
**Proxy form**

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

CIN : L51109WB1981PLC034212  
 Name of the company : BMW Industries Ltd  
 Registered office : 119, Park Street, White House, Kolkata - 700016  
 E- mail : legal@bmwil.co.in  
 Website : www.bmwil.co.in  
 Name of the member (s) :  
 Registered Address :  
 E-mail Id :  
 Folio No/ Client ID :  
 DP ID :

I/We, being the member of ..... equity shares of the above named company, hereby appoint

Name :  
 Address :  
 E-mail id :  
 Signature : .....

as my/our proxy to attend and vote (on a poll) for me and on my behalf at the 33rd Annual General Meeting of the company, to be held on the 29th day of September, 2015 at 11.00 A.M. at 119, Park Street, White House, Kolkata - 700016 West Bengal and at any adjournment thereof in respect of such resolutions as are indicated below :

**Ordinary Business:**

Sl. No.	Resolution	Optional	
		For	Against
1.	Adoption of Statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2015.		
2.	To re-appoint Mr. Debasish Basu, Director of the Company who retires by rotation.		
3.	Re-appointment of M/s. Deoki Bijay & Co, Chartered Accountants as Statutory Auditors.		

**Special Business:**

Sl. No.	Resolution	Optional	
		For	Against
4.	Re-appointment of M/s Sohan Lal Jalan & Associates, Cost Accountants as Cost Auditors		
5.	Appointment of Ms Gayatri Singh as Independent Director of the Company.		

Signed this ..... day of..... 2015

Signature of Shareholder .....

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

Please Affix Revenue Stamp
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Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. A Proxy need not be member of the Company.





**BMW INDUSTRIES LIMITED**

CIN No. : L51109WB1981PLC034212  
119, Park Street, 3rd Floor, Kolkata - 700 016  
Phone : +91 33 4007 1704, Fax : +91 33 4007 1704  
E-mail : [info@bmwil.co.in](mailto:info@bmwil.co.in)  
Website : [www.bmwil.co.in](http://www.bmwil.co.in)