



NOVA
IRON & STEEL LTD.

CIN : L02710CT1989 PLC010052

F-Block, 1st Floor, International Trade Tower, Nehru Place,
New Delhi-110019 INDIA Tel.: +91-11-30451000 Fax: +91-11-23712737
Email : rai_nisl2007@yahoo.com, www.novaironsteel.com

ONLINE SUBMISSION

Ref: NISL/SE/2018-19

Dated: 05.10.2018

The Secretary
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai-400001

Subject: Annual Report as on 31.03.2018
Ref: Regulation 34(1) of the SEBI (LODR) Regulations 2015

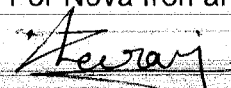
Dear Sir/Madam,

Pursuant to regulations 34(1) of the SEBI (LODR) Regulations 2015, please find enclosed herewith Annual Report of the Company for the year ended 31/03/2018 duly approved and adopted in 26th Annual General Meeting of the Company held on Thursday, the 27th days of September, 2018 at its Regd. Office at Village Dagori, Tehsil Belha, District Bilaspur, Chhattisgarh.

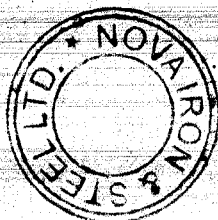
You are requested to kindly update the site for information of shareholders and investors.

Thanking you

Yours faithfully,
For Nova Iron and Steel Limited


(Dheeraj Kumar)
Company Secretary

Encl. as above





NOVA

NOVA IRON AND STEEL LTD.
26th ANNUAL REPORT
2017-2018

FOR THE ATTENTION OF SHAREHOLDERS

Since trading of shares on the Bombay Stock Exchange Ltd. is only in demat form, the shareholders holding shares in physical form are requested to get the shares dematerialized. For this you are required to open a demat account with any Depository Participant (DP) and send the shares to Registrar and Share Transfer Agent (RTA) through DP for dematerialization. In case your shares are not traceable, you may get in touch with the Registrar and Share Transfer Agent for the procedure to get the duplicate share certificates and/or any other help/clarification. The contact detail of RTA are: M/s Skyline Financial Services Private Limited, D-153A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020, Ph Nos. 011-40450193 to 97, Email : rta.nova.rg@gmail.com.



NOVA IRON AND STEEL LTD.

26th ANNUAL REPORT 2017-18
Year ended 31st March 2018

BOARD OF DIRECTOR

CHAIRMAN

Mr. Sanjay Singal

WHOLE TIME DIRECTOR

Mr. Hardev Chand Verma

DIRECTORS

Mr. Aniket Singal

Mr. R.P. Goyal

Mr. Narsingh Awatar

Mr. M. Ramachandran

Mr. Arvind Gupta

Mrs. Sumiran Aggarwal

CHIEF FINANCIAL OFFICER

Mr. Ajoy Shah

COMPANY SECRETARY

Mr. Dheeraj Kumar

AUDITORS

M/s Mehra Goel & Co.

Chartered Accountants

505, Chiranjiv Tower,

43, Nehru Place,

New Delhi-110019

Ph. No.: 011-26430349, 26419527

E-mail : mg@mehragoalco.com

BANKERS

Punjab National Bank

Axis Bank Ltd.

REGISTERED OFFICE

Village Dagori,

Tehsil Belha, Distt-Bilaspur

(Chhattisgarh)- 495224

CORPORATE OFFICE

F-Block, 1st Floor,

International Trade Tower,

Nehru Place, New Delhi-110019

Ph. No.: 07752-30451000

PLANT

Village Dagori, Tehsil-Belha

Distt-Bilaspur, (Chhattisgarh)-495224

Ph. No.: 07752-285206, 285217

Fax No.: 07752-285213

REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Private Limited

D-153A, 1st Floor, Okhla Industrial Area,

Phase- 1, New Delhi – 110020

Tel: +91 011 40450193 to 97, Fax +91 11 30857562

Contact Person- Mr. Virender Rana

Email: viren@skylinerta.com

EMAIL : rai_nisi2007@yahoo.com

WEBSITE

www.novaironsteel.com

CIN No.:

L02710CT1989PLC010052

Board Report	5
Standalone Financial Statement	33
Consolidated Financial Statement	64
Notice	93



NOVA IRON AND STEEL LTD.

BOARD' REPORT

To Members, Nova Iron and Steel Limited

Registered office: Village-Dagori,
Tehsil-Belha, Distt.-Bilaspur
Chhattisgarh

Your Directors have pleasure In presenting the 26th Annual Report together with Standalone & Consolidated Audited Accounts for the year ended 31st March, 2018.

FINANCIAL HIGHLIGHTS (STANDALONE)

Particulars	(Rs. in Lacs)	
	2017-18 (12 Months)	2016-17 (12 Months)
Gross Revenue	2126.96	5692.30
Profit/Loss before Interest, Depreciation and Tax	1006.62	1053.19
Interest & Financial Cost	677.77	666.26
Depreciation & Amortization	101.80	118.59
Profit/(Loss) before Tax	227.05	268.33
Deferred Tax Assets (+)/Liability(-)	0.78	-11.63
Profit/(Loss) after Tax	227.83	256.70
Net Profit/(Loss) transferred to Balance Sheet	227.83	256.70

FINANCIAL SUMMARY

Company earned gross revenue Rs. 2126.96 lacs for the financial year under review as compared to Rs. 5692.30 lacs for the previous financial year. Company earned profit of Rs. 227.83 lacs after tax as compared to Rs. 256.70 lacs for the previous year.

OPERATION AND FUTURE OUTLOOK

During the year some of the major over-leveraged companies in the infrastructure, power generation and steel sector were referred to National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code (IBC). Overall the sectors that company operates in remained depressed, adversely impacting the business of the Company. Resolution under IBC and effective monitoring of credit quality by Banks is expected to provide stable and favorable markets from FY'19 onwards.

In response to recent declines and higher volatility in steel and raw material prices, the Company is in process to implement a number of cost-saving measures intended to improve operating income as well as measures to enhance cash generation from the business.

CAPITAL & RESERVES

During the year there is no change in the capital of the Company. Company has not transferred any amount to the General Reserve. Balance of profit has been

transferred to Reserve and Surplus.

DIVIDEND

In view of inadequate profit during the year, Board of Directors has not recommended Dividend for distribution.

CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of the Company during the financial year.

BOARD MEETINGS

During the financial year, 05 (Five) meetings of Board of Directors of the Company held including one Meeting of the Independent Directors.

AUDIT COMMITTEE

The composition of Audit Committee comprises, 3(three) members, Mr. N. Awatar, Independent Director and Mr Arvind Gupta, Independent Director and Mr. R. P. Goyal, Director. Mr. N. Awatar is Chairman of the Committee. Audit Committee have powers and authority as provided under the provisions of Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations 2015, in accordance with the terms of reference specified by the Board of Directors from time to time. Board has accepted all recommendations of the Committee made during the year. During the year 4(four) meeting of audit committee held and committee has reviewed related party transactions periodically.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form MGT-9 under Companies Act, 2013 ("Act") and rules made thereunder is at Annexure -1 attached to Board's Report.

AUDITORS

The Companies (Amendment) Act, 2017, has amended Section 139(1) of the Companies Act, 2013 effective from 7th May, 2018 whereby first proviso to Section 139(1) is omitted which provided for ratification of re-appointment of Auditors by members at every Annual General Meeting.

In view of the same, the Board of Directors have proposed the approval of the members for re-appointment of M/s. Mehra Goel & Co., Chartered Accountants, Firm Regd. No. 000517N, New Delhi, as Auditors of the Company, for the term of four years i.e. from the Conclusion of this Annual General Meeting till the conclusion of the 30th Annual General Meeting to be held in 2022.

SECRETARIAL AUDITOR

In terms of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Board at its meeting held on 30/05/2017 appointed M/s Sharma



NOVA IRON AND STEEL LTD.

Sarin & Associates, Practicing Company Secretary, Chandigarh as the Secretarial Auditor of the Company, to conduct the Secretarial Audit for the financial year 31/03/2018 and to submit Secretarial Audit Report in Form No. MR-3. A copy of the Secretarial Audit Report is at Annexure-2 attached to Board Report.

AUDITORS' REPORTS

Auditors have not made any qualification/adverse remarks on the Financial Statement for the year ended 31st March 2018. The observations, if any, are self-explanatory and calls for no comments.

There is no qualification, reservation or adverse remark made by the Secretarial Auditor in their Secretarial Audit Report for the financial year ended 31.03.2018.

COST AUDIT

Company is not required to appoint Cost Auditor since the turnover of the Company is below prescribed limit. However Company is maintaining Cost Records.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Company's Board is duly constituted which is in compliance with the requirements of the Act, and SEBI (LODR) Regulation, 2015.

Since last Financial year, the following changes have taken place in the Directorship/KMPs of the Company.

Sh. Sanjay Singal (DIN 00006579), Non-Executive Director is due to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. A brief profile along with necessary disclosures of Sh. Sanjay Singal has been annexed to the Notice convening the ensuing AGM.

None of the Directors has incurred disqualification under Section 164 of the Act or liable to cease director under section 167 of the Act.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Act, with regard to Directors' Responsibility Statement, your Directors hereby confirm that:

- (a) in the preparation of the annual accounts, for the year ended 31.03.2018 the applicable Ind-AS have been followed to the extent of its applicability along with proper explanation relating to material departures.
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year;
- (c) the Directors have taken proper and sufficient care of the maintenance of adequate accounting

records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) the Directors have prepared the annual accounts on a going concern basis.
- (e) the internal financial controls to be followed by the company were laid down and such internal financial controls were adequate and were operating effectively.
- (f) proper systems to ensure compliance with the provisions of all applicable laws were devised.

DIRECTOR IDENTIFICATION NUMBER (DIN)

Present Directors have obtained Director Identification Number (DIN) under Director Identification Rules, 2006 which is valid DIN under Companies (Appointment and Qualification of Directors) Rules, 2014.

NOMINATION AND REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

Board of Directors of the Company has approved a policy for nomination and remuneration for directors, KMP and other employees containing inter alia criteria for determining qualifications, positive attributes, independence of a director, payment of Managerial remuneration, and other related matters is at Annexure-3 attached to the Board's Report which can be assessed at Company's weblink; <http://www.novaironsteel.com/pdfs/Remuneration%20Policy.pdf>.

PARTICULARS RELATING TO TECHNOLOGY ABSORPTION, CONSERVATION OF ENERGY & FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to Section 134(3)(m) of the Act regarding conservation of Energy, Technology Absorption, foreign exchange earnings and outgo is enclosed at Annexure - 4 attached to Board's Report.

INTERNAL AUDITORS AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Company has appointed M/s Rajesh Aggarwal & Associates, Practicing Chartered Accountant as Internal Auditor. Internal control framework of the Company is adequate and commensurate with the nature of the business and size of the Company. The internal auditors monitor and evaluate the efficacy and adequacy of Internal Financial Control system in the company, its compliance with operating system, accounting procedures and policy. Internal Auditors submit his report to Audit committee half yearly.

PARTICULARS OF LOAN, GUARANTEE, INVESTMENT OR PROVIDING SECURITY

During the financial year, Company has neither given



NOVA IRON AND STEEL LTD.

Loan nor given guarantee nor provided security or made investment u/s 186 of the Act. (Please refer note 4 attached to financial statements of the Company for the year ended 31/03/2018 in respect of investments of the Company).

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the particulars of contract and arrangement entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain contract/arrangement at arm's length are disclosed in Form No. AOC-2 at Annexure - 5 attached to Board's Report. Pursuant to regulation 23(4) of SEBI (LODR) Regulations 2015, company has taken the approval of shareholders in 25th AGM for material related party transactions. (Please refer note 34 of attached financial statement of related party transaction)

EMPLOYEES STOCK OPTION

Company has not issued Sweat Equity Shares or ESOP (Employees Stock Option) to its employees.

LISTING

The Equity shares of the company are listed at Bombay Stock Exchange. The Company has paid listing fees to the Stock Exchange for the year 2017-18.

BUY BACK OF SHARES

During the year, Company has not made buy back of its shares nor it has given any loan for purchase of its own shares.

MATERIAL CHANGE(S)

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this Report.

RISK MANAGEMENT POLICY

Board of Directors has adopted a Risk Management Policy/Plan for the Company, whereby, risks are broadly categorized. The Policy outlines the parameters of identification, assessment, monitoring and mitigation of various risks which are key to business objectives which is also available at Company's weblink: <http://www.novaironsteel.com/pdfs/Risk%20Management%20Policy.pdf>.

PERFORMANCE EVALUATION OF BOARD

During the year under report Board of Directors evaluated performance of Committees and all the individual Directors including Independent Directors and concluded by affirming that the Board summarizing as a whole as well as all of its Directors, individually and the Committees of the Board continued to good governance and contribute its best in the overall growth of the organisation. Independent

Directors also held separate meeting to evaluate annual performance of Chairman and executive directors and expressed satisfaction on their performance.

DEPOSITS

During the year under report, company has not accepted any deposits under Chapter V of the Act, from the public and as such no amount of principal or interest was outstanding on the date of Balance Sheet. Information under Rule 8(5)(v)(vi) of Companies (Accounts), Rules 2014 be treated as Nil.

SEGMENT REPORTING

The Company is primarily engaged in the business of manufacturing / trading of Iron & Steel, Metals, Securities & Natural Resources business and also engaged in Trading in commodities. Accordingly segment report has been disclosed at note 31 of attached financial statement.

SIGNIFICANT AND MATERIAL ORDERS

During the year there was no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

PARTICULARS RELATING TO REMUNERATION OF EMPLOYEES OF THE COMPANY

Details pursuant to section 197(12) of the Act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is at Annexure -6 attached to the Board' Report. During the year no employee has remuneration equal to or more than prescribed limit under Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, hence information under these rules be treated as NIL. Pursuant to MCA Notification dated 30.06.2016 detail of top ten employees as attached to Board Report is at Annexure-7

CODE OF CONDUCT

Declaration pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015 in respect of compliance with code of conduct by Whole Time Director/CEO is at Annexure-8 attach to the Board Report.

CORPORATE SOCIAL RESPONSIBILITY POLICY

Company has constituted Corporate Social Responsibility (CSR) Committee. Mr. R.P. Goyal, Director, Mr. H.C. Verma, Whole Time Director and Mr. Narsingh Awatar, Independent Director are members of the Committee. Mr. R.P. Goyal is the Chairman of the Committee. On the recommendation of CSR Committee, CSR Policy of the Company has been approved by the Board which is uploaded at Company's weblink: <http://www.novaironsteel.com/pdfs/CSR%20Policy.pdf>. The Annual Report on CSR activities as per Companies (Corporate Social Responsibility



NOVA IRON AND STEEL LTD.

Policy) Rules, 2014 is at Annexure -9 attached to the Board's Report. Company was not required to spend any amount on CSR Activities during the year since company has incurred net average loss in last three years of the company.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Company do not have Subsidiary or Associates company. Company has one Joint Venture. A report on performance and financial position of Joint Venture company included in the consolidated financial statement in form AOC-1 annexed to the Board' Report at Annexure-10.

VIGIL MECHANISM /WHISTLE BLOWER POLICY

Company has in place a composite 'Vigil Mechanism' Policy/Whistle Blower Policy available to the employees and directors to blow the whistle/ highlight any fraud, irregularity, wrongdoing etc. which is also available at weblink: <http://www.novaironsteel.com/pdfs/Vigil%20Mechanism.pdf>. Audit Committee periodically reviewed Vigil Mechanism.

CORPORATE GOVERNANCE

A report on Corporate Governance in compliance of conditions of Corporate Governance in terms of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is at Annexure-11.

A certificate of Statutory Auditors and a certificate from Whole Time Director/CEO of the Company regarding is at Annexure-12 and 13 respectively attached to Board's Report in compliance of SEBI (LODR) Regulations, 2015.

GENERAL

(i) ENVIRONMENT & OTHER APPLICABLE LAW

The Company is committed to the protection of environment and is not involved in any activity hazardous to environment. The Company adheres to the provisions of the applicable provisions of environment laws.

(ii) HEALTH & SAFETY

In order to build a sustainable work place environment, a common health and safety management system is being implemented. All efforts are being made to enhance safety standards and processes in order to minimize safety risks in all our operations.

(iii) SEXUAL HARASSMENT OF WOMEN

The Company has zero tolerance towards sexual harassment at the workplace. During the Financial Year 2017-18, the Company has received no complaints of sexual harassment since there is no female employee.

(iv) INDUSTRIAL RELATIONS

Relations between the Management and its Employees/ Workmen have been cordial and management expressed their appreciation for the co-operation and dedication of the employees/workmen at all levels of the Company.

ACKNOWLEDGEMENTS

Your Directors convey their sincere thanks to the Bankers, various departments in Central and State Governments and all others associated with the Company for their co-operation, continued support and confidence reposed by them in the Company.

For and on behalf of the Board

(Sanjay Singal)

Chairman

DIN:00006579

Place: New Delhi

Date: 13/08/2018



NOVA IRON AND STEEL LTD.

ANNEXURE-1

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2018
[Pursuant to section 92(3) of the Companies Act, 2013 and
Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

(i) CIN	L02710CT1989PLC010052	(ii) Registration Date	01/05/1989
(iii) Name of Company	Nova Iron & Steel Limited	(iv) Category / Sub-Category of the Company	Company limited by shares/ Indian Non- government Company.
(v) Address of the Registered office and contact details	Village-Dagori, Tehsil Belha, Bilaspur, Chhattisgarh -495224 Tel:07752-285217, Fax:07752-285213	(vi) Whether listed company	Yes
(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services Private Limited, D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi 1100020, Tel+91 011 40450193 to 97		

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.	Iron & Steel / Trading in Commodity & Security	271	85.28

III. PARTICULARS OF HOLDING, SUBSIDIARY AND JOINT VENTURE, ASSOCIATE COMPANIES

S. No	Name and address of the company	CIN/GLN	Holding/ subsidiary /Associate	% of equity shares held	Applicable section
1	Bijahan Coal Private Limited	U10101CH2015PTC035511	Joint Venture	5%	2(6) of Companies Act, 2013

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Equity Shares held at the beginning of the year				No. of Equity Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Equity Shares	Demat	Physical	Total	% of Total Equity Shares	
A. PROMOTERS									
(1) Indian									
(a) Individual/HUF	0	0	0	0	4340000	0	4340000	12.01	12.01
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt.	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	25228821	0	25228821	69.81	20888821	0	20888821	57.80	-12.01
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any other...	-	-	-	-	-	-	-	-	-
Sub- Total (A) (1) :-	25228821	0	25228821	69.81	25228821	0	25228821	69.81	0



NOVA IRON AND STEEL LTD.

(2) FOREIGN									
(a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
(b) Other- Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any other.....	-	-	-	-	-	-	-	-	-
Sub- Total(A) (2) :-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+A(2)	25228821	0	25228821	69.81	25228821	0	25228821	69.81	0
B. Public Shareholding									
1. INSTITUTIONS									
a) Mutual Funds	3600	497736	501336	1.39	3600	472728	476328	1.32	-0.07
b) Banks /FI	0	144	144	0	0	144	144	0	0
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub- Total (B) (1) :-	3600	497880	501480	1.39	3600	472872	476472	1.32	-0.07
2. NON-INSTITUTIONS									
(a) BODIES CORP.									
(i) Indian	1928683	20880	1949563	5.39	1919029	20880	1939909	5.37	-0.02
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) INDIVIDUALS									
(i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	2008806	5656778	7665584	21.21	1979612	5621882	7601494	21.03	-0.18
(ii) Individual Shareholders holding nominal share Capital in excess of Rs. 1 Lakh	579574	44112	623686	1.73	655214	65568	720782	1.99	0.26
(c) Others (Specify) Non Residents	24098	146256	170354	0.47	27386	144624	172010	0.48	0.01
Sub- Total (B) (2) :-	4541161	5868026	10409187	28.80	4581241	5852954	10434195	28.87	0.07
Total Shareholding (B)= (B)(1)+(B)(2)	4544761	6365906	10910667	30.19	4584841	6325826	10910667	30.19	0
C. Shares held by custodian for GDRs & ADRS	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	29773582	6365906	36139488	100	29813662	6325826	36139488	100.00	0



NOVA IRON AND STEEL LTD.

(ii) Shareholding of Promoters

No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Equity share holding during the year
		No. of Equity Shares	%of total Equity Shares of the company	%of Equity Shares Pledged/encumbered to total Equity shares	No. of Equity Shares	%of total Equity Shares of the company	%of Equity Shares Pledged/encumbered to total Equity shares	
1	Bhushan Power & Steel Ltd.	14269146	39.48	-	9269146	25.65	-	-13.83
2	Ambey Steel and Power Pvt. Ltd.	10959675	30.33	-	10959675	30.33	-	0
3	Aniket Singal	0	0	-	4340000	12.01	-	12.01
4	Shivalikview Steel Trading Private Limited	0	0	-	94000	0.26	-	0.26
5	Vintage Steel Private Limited	0	0	-	94000	0.26	-	0.26
6	Olympian Steel Industries Limited	0	0	-	94000	0.26	-	0.26
7	Titanic Steel Industries Limited	0	0	-	94000	0.26	-	0.26
8	Aromatic Steel Private Limited	0	0	-	94000	0.26	-	0.26
9	Aarti Iron & Power Limited	0	0	-	94000	0.26	-	0.26
10	Rockland Steel Trading Private Limited	0	0	-	94000	0.26	-	0.26
11	RGF Holiday Resorts Private Limited	0	0	-	1000	0.002	-	0.002
12	RGF Real Estate Private Limited	0	0	-	1000	0.002	-	0.002
	Total	25228821	69.81		25228821	69.81	-	0

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

Sr. no.	Name of the Promoters	At the Beginning of The year		Date wise increase / decrease in shareholding specifying reasons for increase /decrease (e.g. allotment /transfer/bonus/sweat equity etc)			Cumulative Shareholding during the year		At the end of the year (or on the date of separation, if separated during the year)	
		No of Equity Shares	%age to total Eq. Shares	As on Benpos Date	No of Equity Shares	Reasons	No of Equity Shares	%age to total Eq. Shares	No of Equity Shares	%age to total Eq. Shares
1	Bhushan Power & Steel Ltd	14269146	39.48	21/07/2017	5000000	Transfer	9269146	25.65	9269146	25.65
2	Ambey Steel and Power Pvt. Ltd.	10959675	30.33	-	-	-	-	-	10959675	30.33
3	Aniket Singal	0	0	30/12/2017	4340000	Transfer	4340000	12.01	4340000	12.01
4	Shivalikview Steel Trading Private Limited	0	0	30/12/2017	94000	Transfer	94000	0.26	94000	0.26



NOVA IRON AND STEEL LTD.

5	Vintage Steel Private Limited	0	0	30/12/2017	94000	Transfer	94000	0.26	94000	0.26
6	Olympian Steel Industries Limited	0	0	30/12/2017	94000	Transfer	94000	0.26	94000	0.26
7	Titanic Steel Industries Limited	0	0	30/12/2017	94000	Transfer	94000	0.26	94000	0.26
8	Aromatic Steel Private Limited	0	0	30/12/2017	94000	Transfer	94000	0.26	94000	0.26
9	Aarti Iron & Power Limited	0	0	30/12/2017	94000	Transfer	94000	0.26	94000	0.26
10	Rockland Steel Trading Private Limited	0	0	30/12/2017	70500	Transfer	70500	0.20		
				19/01/2018	23500	Transfer	94000	0.26	94000	0.26
11	RGF Holiday Resorts Private Limited	0	0	30/12/2017	1000	Transfer	1000	0.002	1000	0.002
12	RGF Real Estate Private Limited	0	0	12/01/2018	1000	Transfer	1000	0.002	1000	0.002

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of Shareholder	At the beginning of the year		Date wise increase/decrease in shareholding specifying reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)			Cumulative shareholding during the year		At the end of year (or on the date of separation, if separated during the year)	
		No of Equity Shares	% to total Equity Shares	As on Benpos Date	No of Equity Shares	Reasons	No of Equity Shares	% to total Equity Shares	No of Equity Shares	% to total Equity Shares
	For Each of the Top 10 Shareholders									
1	Shrim Investment Solutions Private Ltd.	1478384	4.09	-	-	-	-	-	1478384	4.09
2.	Somya Traders Pvt Ltd	204474	0.56	-	-	-	-	-	204474	0.56
3	Raj Kumar Kedia	181237	0.50	-	-	-	-	-	181237	0.50
4	Indian Bank	147816	0.41	16/06/2017	-2184	Transfer	145632	0.40	145632	0.40
5	Stock Holding Corp of India Ltd	96672	0.27	-	-	-	-	-	96672	0.27
6.	Shrim Investment Solutions Private Limited	91646	0.25	-	-	-	-	-	91646	0.25
7	Canara Bank	88776	0.24	28/02/2018	-1200	Transfer	87576	0.24	87576	0.24
8	Bank of India	83664	0.23	31/01/2018	-21456	Transfer	62184	0.17		
				28/02/2018	-168	Transfer	62016	0.17	62016	0.17
9.	Gurminder Pal Singh Arneja	47280	0.13	-	-	-	-	-	47280	0.13
10.	Stock Holding Corp of India Ltd.	41952	0.12	-	-	-	-	-	41544	0.11

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Shareholder	At the Beginning of the year		Date wise increase / decrease in shareholding specifying reasons for increase /decrease (e.g. allotment /transfer/bonus/sweat equity etc)			Cumulative Shareholding during the year		At the end of the year (or on the date of separation, if separated during the year)	
		No of Equity Shares	%age to total Eq. Shares	As on Benpos Date	No of Equity Shares	Reasons	No of Equity Shares	%age to total Eq. Shares	No of Equity Shares	%age to total Eq. Shares
	For each of the Directors and KMP									
1	Sanjay Singal	0	0	0	0	0	0	0	0	0
2	Aniket Singal	0	0	30/12/2017	4340000	Transfer	4340000	12.01	4340000	12.01
3	H.C. Verma	0	0	0	0	0	0	0	0	0
4	R.P. Goyal	0	0	0	0	0	0	0	0	0
5	Arvind Gupta	0	0	0	0	0	0	0	0	0



NOVA IRON AND STEEL LTD.

6	Narsingh Awatar	0	0	0	0	0	0	0	0	0
7	M. Ramchandran	144	0	0	0	0	0	0	144	0
8	Sumiran Aggarwal	0	0	0	0	0	0	0	0	0
9	Ajoy Shah	0	0	0	0	0	0	0	0	0
10	Dheeraaj Kumar	0	0	0	0	0	0	0	0	0

V. INDEBTEDNESS

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

	Secured Loans Excluding deposits (Rs.)	Unsecured Loans (Rs.)	Deposits(Rs.)	Total Indebtedness (Rs)
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	178,77,88,945.00	NIL	178,77,88,945.00
ii) Interest due but not paid*	NIL	19,01,63,460.00	NIL	19,01,63,460.00
iii) Interest accrued but not due	NIL	0.00	NIL	0.00
Total (i+ii+iii)	NIL	197,79,52,405.00	NIL	197,79,52,405.00
Change in Indebtedness during the financial year				
i) Addition	NIL	51,49,01,894.00	NIL	51,49,01,894.00
ii) Reduction	NIL	9,92,01,756.00	NIL	9,92,01,756.00
Net Change	NIL	41,57,00,138.00	NIL	41,57,00,138.00
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	207,24,88,946.00	NIL	207,24,88,946.00
ii) Interest due but not paid *	NIL	32,11,63,598.00	NIL	32,11,63,598.00
iii) Interest accrued but not due	NIL	0.00	NIL	0.00
Total(i+ii+iii)	NIL	239,36,52,544.00	NIL	239,36,52,544.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTd/ Manager	Total Amount (Rupees)
		Hardev Chand Verma (WTD)	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of Salary under Section 17 (3) Income Tax, 1961	2375000	2375000
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	Total(A)	*2375000	2375000
	Ceiling as per the Act	Remuneration payable by company having no profit or inadequate profit as per Section II of Part II of Schedule V of Companies Act, 2013 Rs. 84 lakhs.	



NOVA IRON AND STEEL LTD.

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Sanjay Singal	Aniket Singal	R.P. Goyal	N. Awatar	Arvind Gupta	M. Ramchandran	Sumiran Aggarwal	
1	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	NIL	NIL	NIL	12000	12000	2000	5000	31000
	Total(1)	-	-	-	12000	12000	2000	5000	31000
2	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	-	-	-	-	-	-	-	-
	Total(2)	-	-	-	-	-	-	-	-
	Total(B)=(1+2)	-	-	-	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	12000	12000	2000	5000	31000
	Overall Ceiling as per the Act	Remuneration payable by company having no profit or inadequate profit as per Section II of Part II of Schedule V of Companies Act, 2013 Rs. 84 lakhs.							

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961	-	399000	508200	907200
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	399000	508200	907200

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)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL



NOVA IRON AND STEEL LTD.

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

Place: New Delhi
Date: 13/08/2018

(Sanjay Singal)
Chairman
DIN 00006579

Annexure 2

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

[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,
NOVA IRON AND STEEL LIMITED

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **NOVA IRON AND STEEL LIMITED**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate conducts/Statutory Compliances and expressing our opinion thereon.

Based on our verification of the NOVA IRON AND STEEL LIMITED, Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the Audit period covering the Financial Year ended on 31st March, 2018 complied with the Statutory Provisions Listed hereunder and the Company has proper Board-processes and Compliance-Mechanism in place to the extent, in the manner and subject to the Reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by NOVA IRON AND STEEL LIMITED for the Financial Year ended on 31st March, 2018, according to the applicable Provisions, if any:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; No such transaction during the financial year 2017-18.
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; No such transaction during the financial year 2017-18.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; No such transaction during the financial year 2017-18.
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; No such transaction during the financial year 2017-18.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; No such transaction during the financial year 2017-18.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; No such transaction during the financial year 2017-18.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and No such transaction during the financial year 2017-18.
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; No such transaction during the financial year 2017-18.
- (vi) Other laws as may be applicable specifically to the Company:-



NOVA IRON AND STEEL LTD.

- (i) The Electricity Act, 2003;
- (ii) The Limestone And Dolomite Mines Labour Welfare Fund Act, 1972;
- (iii) Tax laws (Income Tax, Goods and Service Tax, and Excise Act,)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable;
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Including the Women Director. The changes in the Composition of the Board of Directors that took place during the period under review were carried out in Compliance with the Provisions of the Act.

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure Compliance with Applicable Laws, Rules, Regulations and Guidelines.

We further report that property Land, Plant and Equipment includes land measuring 72.95 acre valued at Rs 194.34 Lacs bought by the Company in the name of third parties. Transfer of the same in the company's name is yet to be initiated.

We further report that during the audit period the Company has not done any of the following activities:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations.

Place: Chandigarh

Date: 13/08/2018

For Sharma Sarin & Associates

PARTNER
P.D. SHARMA
FCS 2285, CP No. 2692

ANNEXURE 3

NOMINATION AND REMUNERATION POLICY (FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES)

1. Regulatory Requirement

Pursuant Section 178 and other applicable provisions of Companies Act, 2013, (Act) and rules made thereunder and SEBI (LODR) Regulations 2015, the Nomination and Remuneration Committee ("Committee") shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

The Policy has been framed by the Nomination and Remuneration Committee of the Board of Directors and based on its recommendation, approved by the Board of Directors of the Company. The policy may be reviewed by the Nomination and Remuneration Committee of the Board of Directors.

2. Purpose

Remuneration Policy ("Policy") provides a framework for remuneration to be paid to the members of the Board of Directors ("Board") and Key Managerial Personnel ("KMP") of the Company (collectively referred to as "Executives"). The expression KMP shall have the same meaning as defined under the provisions of Act. The Policy also provides a framework for identification of persons who are qualified to become directors.

3. Objectives

- 3.1 The remuneration policy seeks to enable the company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry practices and relevant Indian corporate regulations.
- 3.2 The remuneration policy will ensure that the interests of Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.



NOVA IRON AND STEEL LTD.

- 3.3 The remuneration policy will ensure that remuneration to Executives involves a balance between fixed pay and incentive (by way of increment/bonus/ promotion/any other form) reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
4. Principles of Remuneration and Criteria for determining Remuneration
- 4.1 The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and KMP of the quality required to run the company successfully;
- 4.2 Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 4.3 Remuneration to directors, key managerial personnel and senior management involves a balance between short and long term performance objectives appropriate to the working of the company and its goals
The criteria for determining the remuneration shall be broadly guided by:
- 4.4 Skills,
- 4.5 Requisite qualification, commensurate with the Job profile
- 4.6 characteristics and
- 4.7 experience in business, government, academics, technology, human resources, social responsibilities, finance, law etc. and in such other areas as may be considered relevant or desirable to conduct the Company's business in a holistic manner and as may be decided by Committee.
- 4.8 Director should possess high level of personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.
- 4.9 Directors must be willing to devote time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management working.
- 4.10 In case of other employees other than director, KMP, the criteria will be decided by the HR department.
5. **Remuneration to Executives**
- 5.1 Executives may be paid remuneration by way of fixed salary and allowances as per Company rules subject to the provisions of Companies Act, 2013
- 5.2 Personal benefits Executives may have access to benefits/perquisites as per the rules and regulations of the Company. Executives may also be entitled to retirement benefits such as provident fund, gratuity and/or such other benefits as per the rules of the Company.
- 5.3 The Remuneration of other employees other than Executives will be decided by the HR department of the Company in accordance with the skill, qualification and etc.
6. **Remuneration to non-executive Directors**
- 6.1 Non - Executive Directors may be paid remuneration by way of sitting fee and reimbursement of expenses for participation in the Board and other meetings and commission and/or such other payments as may be permitted by the law applicable to such payments. Such payments shall be subject to the provisions of Companies Act, 2013.
7. **Amendments to this Policy**
- The Nomination and Remuneration Committee is entitled to amend this policy including any amendment or discontinuation of one or more incentive programs introduced in accordance with this Policy.

(Sanjay Singal)
Chairman
DIN 00006579

Place: New Delhi
Date: 13/08/2018

ANNEXURE - 4

INFORMATION AS PER SECTION 134(3) (M) OF COMPANIES ACT, 2013 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2018

CONSERVATION OF ENERGY:

1	Steps taken or impact on conservation of energy	All business units are continuously putting in their efforts to improve energy usage efficiencies and increase contributions from renewable sources of energy. Energy saving initiatives throughout the plants helped the Company in reducing energy cost.
---	---	--



NOVA IRON AND STEEL LTD.

2	Steps taken by the company for utilizing alternate sources of energy	Use of natural light by placing transparent roof and side glass windows in day time for panel manufacturing unit to reach green building concepts
3	Capital investment on energy conservation equipments	Nil

TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:

1.	Efforts in brief made towards technology absorption, adaptation and innovation.	In the past five years no new technology has been adopted
2.	Benefits derived as a result of above efforts e.g. product improvement, cost reduction, product development, import substitution etc.	Not Applicable
3.	In case of import technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.	
a.	Technology Imported	Not Applicable
b.	Year of Import	Not Applicable
c.	Has Technology been fully absorbed.	Not Applicable
d.	If not fully absorbed, areas where this has not taken place reason there of and future plan of action.	Not Applicable

FOREIGN EXCHANGE EARNINGS AND OUTGO:

1	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	Presently Company is not exporting its products in international market. Used : NIL Earned : NIL
---	--	--

Place: New Delhi
Date: 13/08/2018

(Sanjay Singal)
Chairman
DIN: 00006579

ANNEXURE – 5

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

S.N	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	a	b	c	d	e	f	g	h
	Not Applicable							



NOVA IRON AND STEEL LTD.

2. Details of material contracts or arrangements or transactions at arm's length basis

Sr. No.	Particulars	Detail
(a)	Name(s) of the related party and nature of relationship	Bhushan Power & Steel Limited Common Director holding more than 2% of paid up capital
(b)	Nature of contracts / arrangements / transactions	Sale/Purchase/Arrangements
(c)	Duration of the contracts/arrangements/transactions	running contract normally for one year
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	At market price as applicable to non related customers. Rs. 275 crore
(e)	Date(s) of approval by the Board, if any	30.05.2016
(f)	Amount paid as advances, if any	Nil

Place: New Delhi
Date: 13/08/2017

(Sanjay Singal)
Chairman
DIN: 00006579

ANNEXURE - 6

DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Relevant clause u/r 5(1)	Prescribed Requirement	Particulars
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Ratio of the remuneration of Shri Hardev Chand Verma, Whole Time Director to the median remuneration of the employees – 27.15:1
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Company Secretary- 9.67% Whole Time Director - 100.00%
(iii)	The percentage increase in the median remuneration of employees in the financial year	Nil
(iv)	The number of permanent employees on the rolls of Company	230
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average increase in remuneration of Managerial Personnel (except WTD)– nil – Average increase in remuneration of employees other than the Managerial Personnel – nil
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company	The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of section 178 of the Companies Act, 2013.

Place: New Delhi
Date: 13/08/2018

(Sanjay Singal)
Chairman
DIN: 00006579



NOVA IRON AND STEEL LTD.

ANNEXURE-7

**Pursuant to Rule 5(2) of Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014
Detail of top ten employees in terms of Remuneration drawn**

Name	Salary Per month In Rs.	Designation	Nature of employment whether contractual or otherwise	qualification and experience of the employee	date of commencement of employment	the age of such employee	the last employment held by such employee before joining the company	the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above and	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager.
Mr. H.C. Verma	250000	Director	Contractual	Graduation	30.05.2014	65	Bhushan Power & Steel Ltd	NIL	N.A.
Mr. Jyoti Shankar Sahay	160000	E.D.	Contractual	B.Sc. (Mechanical)	05.09.2011	65	Bhushan Power & Steel Ltd	NIL	N.A.
Mr. Naresh Kumar	68300	A.G.M.	Contractual	Diploma (Mechanical)	15.07.2008	40	Bhushan Power & Steel Ltd	NIL	N.A.
Mr. Shrawan Kumar Kumbhkar	65000	Manager	Contractual	Diploma (Electrical)	05.06.2014	37	Bhushan Power & Steel Ltd	NIL	N.A.
Mr. Anil Kumar Sharma	52650	A.G.M.	Contractual	M.Sc. (Chemistry)	29.09.2011	51	Bhushan Power & Steel Ltd	NIL	N.A.
Mr. Ajoy Shah	42350	CFO	Contractual	C.A.	06.04.2012	35	Vidya & Co. (Kolkata)	NIL	N.A.
Mr. Dineswar Singh	44165	Dy. Manager	Contractual	Diploma (Electrical)	10.04.2012	41	Raipur Power & Steel Ltd (Durg)	NIL	N.A.
Mr. Surendra Ku. Verma	44020	Sr. Manager	Contractual	B.Sc. (PCB)	01.12.2014	45	Bhushan Power & Steel Ltd	NIL	N.A.
Mr Mohit Ghai	40700	Dy. Manager	Contractual	B.Tech (Mechanical)	28.07.2012	32	ISGEC (Noida)	NIL	N.A.
Mr. Ashutosh Diwakriti	40000	Asst. Manager	Contractual	Diploma (Mechanical)	26.06.2007	37		NIL	N.A.

Place: New Delhi
Date: 13/08/2018

(Sanjay Singal)
Chairman
DIN: 00006579

Annexure- 8

Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Code of Conduct

I hereby confirm that the Company has received declaration of Compliance of Code of Conduct as applicable to them from the senior management personnel of the Company and the Members of the Board in respect of the Financial Year ended 31st March, 2018.

Place: New Delhi
Date: 13/08/2018

(H.C. Verma)
Whole Time Director
DIN 00007681



NOVA IRON AND STEEL LTD.

ANNEXURE – 9

ANNUAL REPORT ON CSR PURSUANT TO RULES 8 & 9 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014

S N	Particulars	Remarks
1	A brief outline of the company's CSR policy including overview of projects or programme proposed to be undertaken and a reference to web-link to CSR policy and projections or programme.	CSR policy, reflecting ethos of the company, broad areas interest and overview of activities, proposes rural focus and woman empowerment can be reached at http://www.novaironsteel.com/pdfs/csr%20policy.pdf Policy state the list of activities/projects undertaken/to be undertaken in future.
2	The composition of the CSR Committee	Constitution of the Committee comprises One independent director and two executive directors
3	Average Net Profit of the company for the last three financial years	Nil.
4	Prescribed CSR expenditure (2% of the amount as in item 3 above)	Nil.
5	Details of CSR spent for the financial year	
	a total amount to be spent for the financial year	Nil
	b amount spent , if any.	Nil
	c Manner in which the amount spent during the financial year is detailed below	Not Applicable
6	In case the company has failed to spend the 2% of Average Net Profit (INR) of last 3 financial years, the company shall provide the reasons for not spending the amount in its board report	Not Applicable
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company	The members of the CSR Committee declare that company has formulated CSR policy in compliance with CSR objectives and Policy of the Company and its implements and monitoring is in accordance with policy.

For Nova Iron and Steel Limited

Place: New Delhi
Date: 13/08/2018

(R. P. Goyal)
Chairman (CSR Committee)
DIN 00006595

(Sanjay Singal)
Chairman
DIN: 00006579



NOVA IRON AND STEEL LTD.

ANNEXURE-10

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014).

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)
Company has no subsidiary, hence the information under this part is – NIL

Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Joint Venture	Bijahan Coal Private Limited
1. Latest audited Balance Sheet date	31/03/2018
2. Date on which the Joint Venture was associated or acquired	04/05/2015
3. Share of Joint Venture held by the company on the year end	
No.	500
Amount of Investment in Joint Venture	5000
Extent of Holding (in percentage)	5%
4. Description of how there is significant influence	Joint Control
5. Reason why the Joint venture is not consolidated	N.A.
6. Networth attributable to shareholding as per latest audited Balance Sheet	3357.00
7. Loss for the year	4500.00
i. Considered in Consolidation	225.00
ii. Not Considered in Consolidation	4275.00

- Names of associates or joint ventures which are yet to commence operations – Bijahan Coal Private Limited
- Names of associates or joint ventures which have been liquidated or sold during the year - Nil

For Mehra Goel & Co.
Chartered Accountants
Firm Regd. No.00517N

Sanjay Mehra
Partner
Membership No.085389

(H.C. Verma)
Whole Time Director
DIN00007681

(R.P.Goyal)
Director
DIN00006595

Place: New Delhi
Date: 13/08/2018

(Ajoy Shah)
Chief Financial Officer

(Dheeraj Kumar)
Company Secretary



NOVA IRON AND STEEL LTD.

ANNEXURE- 11

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy

The Company is committed to good Corporate Governance practices. Your Directors endeavour to adhere to the Standards set out by the Securities & Exchange Board of India (SEBI). Your Company is, therefore, complying in all material respects the mandatory requirements as explained hereunder.

2. Board of Directors

a) Composition

In compliance of SEBI (LODR) Regulations 2015, Board consists of eight Directors, comprising one executive and seven non-executive Directors out of which four are independent Directors including one woman independent Director. Chairman of the Company is non-executive Director.

b), c), d) Meetings and attendance records of each Director

During the year five meetings of Board of Directors were held on 30/05/2017, 12/08/2017, 13/11/2017 and 12/02/2018 and a separate Meeting of the Independent Directors was held on 10/03/2018. The intervening period between the two Board Meetings was well within the maximum prescribed period.

Attendance record of Directors at Board/ Committee/ General Meetings and details of directorship/ committee membership/Chairmanship during the year ended 31st March 2018 are given below:-

Sr. No.	Name of Director	Category	Attendance Particulars			No. of Other Directorship and Committee Member/ Chairmanship			Remarks
			No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM	Other Directorships	Committee Members(**)	Committee Chairmanships (**)	
1.	Sanjay Singal	Non-Independent	4	1	No	7	1	1	
2.	Aniket Singal	Non-Independent	4	1	No	0	0	0	
3.	Hardev Chand Verma	Non-Independent	4	4	No	1	3	1	
4	R.P.Goyal	Non-Independent	4	1	No	6	9	5	
5.	N.Awatar	Independent	5	5	Yes	3	4	2	
6.	M.Ramachandran	Independent	5	2	No	6	0	0	
7.	Arvind Gupta	Independent	5	5	No	0	4	0	
8.	Sumiran Aggarwal	Independent	5	5	No	1	4	0	

(**) Committee here means Audit Committee, Nomination and Remuneration Committee, Share Transfer Committee, Stakeholder Relationship Committee and CSR Committee.

e) Disclosure of relationships between directors inter-se:

Mr. Aniket Singal, Non-Executive Director on the Board of Directors is the son of Shri Sanjay Singal, Non-Executive Chairman of the Company. The Non-Executive Directors had no pecuniary relationship or transactions with the Company in their personal capacity during the year under review.

f) Number of shares and convertible instruments held by non-executive directors: Mr. Aniket Singal – 4340000 shares

g) Familiarisation Programme for Independent Directors

All Independent Directors are apprised/familiarized about the company, its business, industry etc and roles, rights, responsibilities of independent Directors, nature of the industry in which the company operates, business model of the



NOVA IRON AND STEEL LTD.

company, etc. from time to time. Detailed agenda is provided to all the Directors to take informed decisions and perform its functions and fulfill its role effectively. The details of such familiarisation Programmes are disclosed at weblink <http://www.novaironsteel.com/pdfs/Familiarisation%20Programme%20for%20Independent%20Director.pdf>.

Committees of Board of Directors

3. Audit Committee:

(a) Brief description of terms of reference

The terms of reference of the Audit Committee as defined under the relevant provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015 are as under:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (5) of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Review and monitor the Auditor's independence, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the company with related parties.
8. Scrutiny of inter-corporate loans and investments.
9. Valuation of undertakings or assets of the company, wherever it is necessary.
10. Evaluation of internal financial controls and risk management systems.
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
13. Discussion with internal auditors any significant findings and follow up thereon.
14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the board.
15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
17. Reviewing the functioning of Whistle Blower mechanism in the Company.



NOVA IRON AND STEEL LTD.

18. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
19. Considering such other matters the Board may specify.
20. Reviewing other areas that may be brought under the purview of role of Audit Committee as specified in SEBI (LODR) Regulations, 2015 and the Companies Act, as and when amended.

(b) Composition, name of members and chairperson

The Company has an Audit Committee and at present the composition of the Committee consists 3 members namely Mr. N Awatar, Independent Director, Mr R. P. Goyal, Director and Mr Arvind Gupta, Independent Director as its members. Mr. N Awatar is Chairman of the Committee and he is independent Director. He is a senior practicing Chartered Accountant.

(c) Meeting and attendance during the year

The committee met four times during the year i.e. on 30/05/2017, 12/08/2017, 13/11/2017 and 12/02/2018 and attendance is as under.

Name	Designation	Meeting Attended (No. of Meeting(s) held: 4)
Mr. N. Awatar	Chairman	04
Mr. R.P. Goyal	Member	00
Mr. Arvind Gupta	Member	04

Representative(s) of the Statutory Auditors normally attends meetings of Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

(a) Brief description of terms of reference

The terms of reference decided by the Board for the functioning of Nomination and Remuneration Committee, inter alia, to determine Company's remuneration policy, parameters for appointment of directors, key managerial personnel and determine remuneration structure performance based as well as the nomination and also covers such functions and scope as prescribed under section 178 of the Companies Act, 2013 read with allied Rules framed thereunder and Regulation 19 of SEBI (LODR) Regulations, 2015.

(b) Composition, name of members and chairperson

Nomination and Remuneration Committee consists Mr. N Awatar, Mr. Arvind Gupta and Mrs. Sumiran Aggarwal, independent directors as members of the Committee. Mr. N Awatar is the Chairman of the Committee.

(c) Meeting and attendance during the year

The committee has met one time on 12/08/2017 during the year

(d) Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Committee of the Board has laid out the evaluation criteria for performance evaluation of the Board, its Committees and all the independent directors, in adherence to SEBI (LODR), Regulations 2015. The performance evaluation criteria includes attendance of directors, active participation in discussion, discussion of the item at length with import latest knowledge of industry and business etc.

5. Remuneration of Directors:

(a) All pecuniary relationship or transactions of the non-executive directors

Mr. Aniket Singal, Non-Executive Director on the Board of Directors is the son of Shri Sanjay Singal, Non-Executive Chairman of the Company. The Non-Executive Directors had no pecuniary relationship or transactions with the Company in their personal capacity during the year under review.

(b) Criteria of making payments to non-executive directors

Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees; regulated by the Nomination and Remuneration Committee of the Board. The policy provide the criteria and qualification for appointment of Directors, KMP, remuneration to them. The Policy is also available on the website of the



NOVA IRON AND STEEL LTD.

Company www.novaironsteel.com in the investor section. (Also refer Annexure – 3 of Board's Report).

The remuneration to the Whole-time Director(s) is paid on the scale determined by the Nomination and Remuneration Committee within the limits approved by the Shareholders at the General Meeting. The Non-Executive, Independent Directors, are entitled to sitting fees for attending meetings of the Board, its Committees.

c) Disclosure with respect to remuneration:

SN	Name of Director	Element of Remuneration Package	Details of fixed component	Sitting fee Paid/ Payable	Service Contract , Notice period , severance fee	Stock option details , if any	No of shares held be non - executive directors
1	Mr. H.C. Verma (Whole Time Director)	2375000	Fixed	-	Contract for three years. Notice period three months. Salary in lue of notice short of agreed period.	NIL	N.A.
2	Mr. Sanjay Singal (Non-Executive Director)	-	-	-	-	-	4340000
3	Mr. Aniket Singal (Non-Executive - Director)	-	-	-	-	-	-
4	Mr. R.P. Goyal (Non-Executive Director)	-	-	-	-	-	-
5	Mr. N. Awatar (Independent Director)	-	-	12000	-	-	-
6	Mr. Arvind Gupta (Independent Director)	-	-	12000	-	-	-
7	Mr. M Ramchandran (Independent Director)	-	-	2000	-	-	144
8	Mrs. Sumiran Aggarwal (Woman Independent Director)	-	-	5000	-	-	-

6 STAKEHOLDER RELATIONSHIP COMMITTEE

(a) Name of non-executive director heading the committee:

The Committee consists Mr. R.P. Goyal, Director Mr. N. Awatar, Independent Director and Mr. Arvind Gupta, Independent Director as members of the committee. Mr. R.P. Goyal is Chairman of the Committee. During the year under review four Meetings of Stakeholders Relationship Committee were held on 15.04.2017, 15.07.2017, 16.10.2017, and 15.01.2018.

(b) Name and designation of compliance officer:

Mr. Dheeraj Kumar, Company Secretary is the Compliance Officer.

(c) (d),(e) Number of shareholders complaints received so far, Number not solved to the satisfaction of shareholder and Number of pending complaints:

During the year 148 Nos. of complaints were received from various shareholders and all of them have been replied/resolved to the satisfaction of the complainants. As on date there is no complaint pending.

SHARE TRANSFER COMMITTEE

Share Transfer Committee has been constituted to consider and approve transfer of shares lodged for transfer with RTA. The Share Transfer Committee meetings are being held every fortnight. Mr. Sanjay Singal, Director, Mr. R. P. Goyal, Director and Mr. Arvind Gupta, Independent Director are the Members of the Committee. Mr. Sanjay Singal is the Chairman of the Committee.



NOVA IRON AND STEEL LTD.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Corporate Social Responsibility Committee constituted pursuant to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and CSR Committee recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act and amount of expenditure to be incurred on such activities/programs and to monitor the Corporate Social Responsibility Policy from time to time. Mr. H. C. Verma, Whole Time Director Mr. R. P. Goyal, Director and Mr. Narsing Awatar, Independent Director are the Members of the Committee. Mr. R.P. Goyal is the Chairman of the Committee.

The Corporate Social Responsibility Policy of the Company is available on the weblink of the Company <http://www.novaironsteel.com/pdfs/CSR%20Policy.pdf>.

7. GENERAL BODY MEETINGS

Sr. No.	Last three AGM	2014-15	2015-16	2016-17
(a)	Location and time, where last three annual general meetings held;	29.09.2015, 02.30 pm at Registered office	28.09.2016, 11.00 am at Registered office	27/09/2017 at 11:00am at Registered office
(b)	Whether any special resolution passed in the previous three annual general meeting	(i) Revision of period of appointment of Mr. H.C. Verma, Whole Time Director (ii) Approval of Related Party Transactions	(i) Approval of Related Party Transactions	(i) Re-appointment of Sh. H.C. Verma as Whole Time Director and revision in remuneration (ii) Re-appointment of Sh. Narsingh Awatar as Independent Director (iii) Re-appointment of Sh. Manickam Ramchandran as Independent Director (iv) Re-appointment of Sh. Arvind Gupta as independent Director (v) Approval of material related party transactions
(c)	Whether any special resolution passed last year through postal ballot- details of voting pattern	No		
(d)	Person who conducted the postal ballot exercise	NA		
(e)	Whether any special resolution is proposed to be conducted through postal ballot	NA		
(f)	Procedure for postal ballot	NA		

8. MEANS OF COMMUNICATION:

(a) Quarterly Results:

Prior intimation of Board Meeting where to consider and approve Unaudited/Audited Financial Results of the Company is given to the Stock Exchanges and also disseminated on the website of the Company at www.novaironsteel.com

(b) Newspapers wherein results normally published:

The Company normally publishes quarterly, half yearly and annual financial results in Financial Express, English daily, in Jansatta, a Hindi daily and Amrit Sndesh, regional daily widely circulated.

(c) Any website, where displayed:

Company's website www.novaironsteel.com

(d) Official news release:

Official new releases including news on financial results of the company are sent to the Stock Exchange and the same are simultaneously hosted on the website of the Company.

(e) Presentations made to institutional investors or to the analysts:

All price sensitive information is promptly intimated to the Stock Exchanges before releasing to the Media, other stakeholders and uploading on Company website.

9. GENERAL SHAREHOLDERS INFORMATION:

- | | | | |
|----|---|---|--|
| a) | Annual General Meeting for the year ended 31st March 2018 | : | 27th September, 2018 at 11.00 AM at registered office. |
| b) | Financial year | : | 1st April to 31st March |

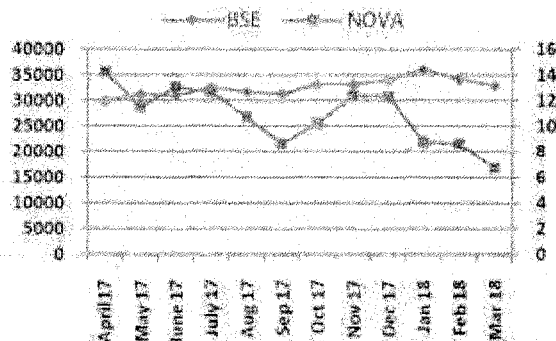


NOVA IRON AND STEEL LTD.

- c) Dividend payment date : No dividend is recommended for the financial year ended 31st March 2018
- Dates of Book Closure : 21st September 2018 to 27th September 2018
- d) The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of stock exchange(s) : Bombay Stock Exchange Payment of Annual Listing fee upto 2017-18 has been paid
- e) Stock Code : 513566
- f) Market Price date- high, low during each month in last financial year:

Month	High (Rs. Per share)	Low (Rs. Per share)	Volume (No. of Shares)
April 2017	16.06	11.60	62831
May 2017	15.36	11.40	25072
June 2017	15.50	10.45	23603
July 2017	14.00	11.29	22701
August 2017	13.30	8.86	22925
September 2017	11.25	8.57	29647
October 2017	10.19	7.80	18953
November 2017	14.70	9.70	79379
December 2017	13.60	11.80	4657
January 2018	12.69	8.64	9982
February 2018	8.80	7.78	16841
March 2018	10.96	6.73	65548

- g) Performance in comparison to broad-bases BSE sensx :



- h) In case the securities are suspended from trading, the director report shall explain the reason thereof; : NA
- i) Registrar and share transfer agents : M/s Skyline Financial Services Private Limited
D-153A, 1st Floor, Okhla Industrial Area, Phase-1,
New Delhi -110020.
Ph : 011-40450193 to 97 Fax : 011-30857562
- j) Share transfer system : Board has delegated the authority for approving transfer, transmission etc. of the Company's securities to Share Transfer Committee. The decisions of Share Transfer Committee are placed at the next Board Meeting. The transfer requests are normally processed within 15 days of receipt of documents, if documents are found in order. Shares under objections are returned within two weeks. Transfer of shares held in physical form can be lodged with Registrar & Share Transfer Agent at the above mentioned address.



NOVA IRON AND STEEL LTD.

k) Distribution of shareholding :

Range	No. of Share holders	No. of Shares	%age
1-500	157972	6586379	18.22
501-1000	462	328082	0.91
1001-2000	236	322735	0.89
2001-3000	95	232741	0.64
3001-4000	30	105346	0.29
4001-5000	21	98253	0.27
5001-10000	29	189626	0.52
10001 & above	58	28276326	78.24
Total	158903	36139488	100.00

(l) Dematerialization of shares and liquidity :

Demat facility for demat of shares is available of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As at 31st March, 2018, 29813662 Equity shares out of 36139488 Equity Shares of the Company, forming 82.50% of the Company's paid up capital are held in the dematerialized form. The Company's shares are liquid and actively traded on the BSE.

m) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity :

Nil

n) Commodity price risk or foreign exchange risk and hedging activities :

Nil

o) Plant locations :

Village Dagori-495224 Belha, Distt Bilaspur, Chhattisgarh

p) Address for correspondence :

First Floor, F-Block, International Trade Tower, Nehru Place, New Delhi 110019

10. OTHER DISCLOSURES:

a) Related party transactions

The particulars of transactions between the company and its related parties as per the Indian Accounting Standard 24 "Related Party Disclosures" are disclosed in Notes to Financial Statements. However these transactions are not likely to have any conflict with the Company's interest. All related party transactions are on arms' length price, and are in the ordinary course of business. The company has adopted the Related Party Transaction policy which is also available on the website of the Company at weblink:<http://www.novaironsteel.com/pdfs/Related%20Party%20Transaction%20policy.pdf>

b) Compliances

The Company has complied with the material requirements of the Stock Exchanges, SEBI and other Statutory Authorities on matters related to capital markets. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authorities relating to the above.

c) Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee.

Refer to details of establishment of Vigil/Whistle Blower Policy of Board's Report. The Policy empower any person associated with the organisation to file a grievance if he/ she notices any irregularity. No person has been denied access to the Audit Committee for any grievance.



NOVA IRON AND STEEL LTD.

(d) Detail of compliance with mandatory and non-mandatory requirements:

The Company has fully complied with the mandatory requirements of SEBI (LODR) Regulations, 2015.

Adoption of Non-Mandatory requirements under SEBI (LODR) Regulations, 2015 are reviewed by the Board from time to time.

(e) Web link where policy for determining material subsidiaries is disclosed: Company does not have a Material Subsidiary as defined under Regulation 16(1)(c) of the SEBI (LODR) Regulations, 2015. Company shall formulate a policy to determine material subsidiary as and when considered appropriate in the future.

(f) Web link where policy on dealing with related party transaction:

weblink: <http://www.novaironsteel.com/pdfs/Related%20Party%20Transaction%20policy.pdf>

(g) Disclosure of commodity price risks and commodity hedging activities:

Not Applicable

Auditor Certification on Corporate Governance

The Company has obtained a Certificate as stipulated in SEBI (LODR) Regulations, 2015 regarding compliance of conditions of Corporate Governance and is enclosed as Annexure at 12.

Whole Time Director and CFO Certification

As required under SEBI (LODR) Regulation, 2015, the Certificate of Whole Time Director/ Chief Financial Officer of the Company regarding Financial Statements for the year ended 31/03/2018 is at Annexure-13.

Disclosure with respect to demat suspense account/unclaimed suspense account: NIL

Company's Policy on Prohibition of Insider Trading

The Company has formulated a Policy for Prohibition of Insider Trading to deter the insider trading in the securities of the Company based on the unpublished price sensitive information. The policy envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company. The full text of the policy is available on the weblink <http://www.novaironsteel.com/pdfs/Insider%20Trading%20Policy.pdf>.

Other Useful Information for Shareholders

Updation of E-mails for receiving notice/documents in e-mode:

The Ministry of Corporate Affairs (MCA) has through its circular issued in 2011, allowed service of documents by companies including Notice calling General Meeting(s), Annual Report etc., to their shareholders through electronic mode.

In accordance of the same, company has been sending notice calling General Meetings, Annual Report and other documents in electronic mode to the shareholders on their email addresses who has registered their email address with the Company/RTA and they may inform the company/RTA in case the shareholders wish to receive the above documents in physical form.

The shareholders who have not registered their email addresses with the Company are requested to kindly register their e-mail addresses with the Company.

Dematerialisation of Shares

Members are advised to consider dematerialization of their shareholding so as to avoid inconvenience involved in the physical shares such as mutilation, possibility of loss/misplacement, delay in transit etc. ISIN No. for dematerialisation of Equity Shares is INE 608C01026 and Security Symbol in BSE is NOVIS.

Update your Correspondence Address/Bank Mandate/Email Id

To ensure all communication benefits received promptly, all shareholders holding shares in physical, demat form are requested to notify to the Company or their respective DPs, change in their address/bank details/email id instantly by written request under the signatures of sole/first joint holder.

Quote Folio No./DP ID No.

Shareholders/Beneficial Owners are requested to quote their Folio Nos./DP ID Nos., as the case may be, in all correspondence with the Company and their E-mail IDs, Contact/Fax numbers for prompt reply to their correspondence.

Place: New Delhi
Date: 13/08/2018

(Sanjay Singal)
Chairman
DIN: 00006579



NOVA IRON AND STEEL LTD.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report is an integral part of the Board' Report.

Industry Structure and Development

According to International Monetary Fund (IMF), the global economy is experiencing a recovery. With favorable market sentiment and accommodative financial conditions, global growth is expected to grow at 3.9% rate in both 2018 and 2019. IMF has estimated India's economic growth at 6.7% in FY'18 and projected a growth of 7.4% for FY'19 on hopes of further boost to investment and increased private consumption. The Indian economy, despite rebound in global economy witnessed slowdown in the first half due to inter alia the effect of demonetization, Goods and Services Tax (GST) implementation and Non-Performing Assets (NPA) overhang in Banks. Central Statistics office (CSO) has estimated India's growth at 6.6% in FY'18 lower than 7.1% in FY'17.

During the year some of the major over-leveraged companies in the infrastructure, power generation and steel sector were referred to National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code (IBC). Overall the sectors that company operates in remained depressed, adversely impacting the business of the Company. Resolution under IBC and effective monitoring of credit quality by Banks is expected to provide stable and favorable markets from FY'19 onwards.

Meanwhile, the Company is reorienting its business structure and pursuing new business avenues of trade in commodities etc., which will improve the performance of the Company.

Opportunity

Significant opportunities of growth exists over the next few years in key sectors such as Steel, Ports, Mining and Power for equipment and life cycle services. Encouraging public, private partnership in execution of projects. Liberalizing FDI norm and encouraging capital market. Rationalization of taxation both direct and indirect.

The Government of India has ushered in various reforms in agriculture, manufacturing and services sectors to help the economy realize its full potential. Stability in the political environment and the Governments pro-reform approach continued to strengthen the confidence of entrepreneurs and investors. The Government 'Make in India' initiative has also encouraged domestic entrepreneurs to match global best practices and also attracted FDI. The Make in India initiative is expected to help the country emerge as a hub for global manufacturing bellwethers.

Threat

Emergence of Global players delivering extended range of products endowed with latest technology. Litigation erupted for various terms of tender documents. Rising cost of input coupled with scarcity in supply. Volatility in prices of crude oil in international market. Volatility in foreign exchange currency. Weak rupee against USD.

Segment wise performance

The Company is engaged in the manufacturing/trading of Iron & Steel, Metals business which is considered the only business segment. The turnover of the Company is Rs. 1967.76 lacs.

Outlook

Demand revival, resolution of stressed assets referred to National Company Law Tribunal (NCLT) leading and consolidation is expected to boost capacity utilization. New capacities ramp-up are expected in FY'19 to meet the demand growth.

Economic activity is projected to pick up pace in 2019, especially in emerging markets and developing economies. India is also leading producer of sponge iron with host of coal based units, located in the mineral-rich states of the country. India's production of crude steel in FY'18, increased over FY'17.

Company has established sponge Iron plant 1.5 MTPA, Captive Power Plant 12 MW. Company is under process to establishment of 15MW CFBC Boiler, at village dagori, Ameri, Akbari, Satighat, Tehsil Bihar, Distt Bilaspur, Chhattisgarh.

The rapid growth and digital revolution and Government of India's smart city project has promoted the company to start working towards new revenue streams. This will enable the company to carry on its business economically and efficiently.

Others:

For Risk and Concern, Inter Control System and their Adequacy, Financial Performance with respect to operation performance, Material Development in Human Resources/Industrial Relations front, including number of people employed please refer to Board Report.



NOVA IRON AND STEEL LTD.

Annexure 12

CERTIFICATE
*Under Schedule V(E) of
the SEBI (LODR) Regulations 2015*

**To the Members of
Nova Iron & Steel Limited**

We have examined the relevant record of Nova Iron & Steel Limited for the purpose of certifying the compliance of conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015 for the year ended 31st March 2018.

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 Corporate Governance.

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance, as stipulated in SEBI (LODR) Regulations, 2015 for the year ended 31st March, 2018.

(M.S. KADIAN)
Practicing Company Secretary
Membership No. 2416
C.P No. 3629

Place: Chandigarh
Date: 13/08/2018

Annexure-13

CERTIFICATION OF WHOLE TIME DIRECTOR AND CFO
(Under Regulation 17(8) of SEBI (LODR) Regulations, 2015

To
The Board of Directors
Nova Iron & Steel Limited

We hereby Certify that --

We have reviewed the financial statements and the cash flow statement for the year 2017-18 and to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b. to the best of our knowledge and belief, no transactions entered into by the Company during the year 2017-18 are fraudulent, illegal or violative of the Company's code of conduct;
- c. We accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the auditors and the Audit Committee, deficiencies, if any, in the design or operation of the internal control, of which We are aware of and steps have taken or propose to take to rectify these deficiencies.
- d. We have also indicated to the Auditors and the Audit Committee -
 - There has not been any Significant changes in internal control over the financial reporting during the year
 - There has not been any Significant changes in accounting policies during the year except in respect of depreciation and the same have been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

Place: New Delhi
Dated: 13/08/2018

Ajoy Shah
Chief Financial Officer

H.C. Verma
Whole Time Director
DIN 00007681



NOVA IRON AND STEEL LTD.

INDEPENDENT AUDITOR'S REPORT

To the Members of
M/s. Nova Iron and Steel Ltd.

Report on the Standalone Ind-As Financial Statements

We have audited the accompanying Standalone Ind-AS Financial Statements of **M/s Nova Iron and Steel Ltd.** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind-AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind-AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

Auditor's Responsibility

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

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the order issued under Section 143(11) of the Act

We conducted our audit of the Standalone Ind-AS Financial Statements in accordance with the Standards on Auditing specified u/s 143(10) of the Act. These Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind-AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Ind-AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the

risks of material misstatement of the Standalone Ind-AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of Ind-AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the Standalone Ind-As Financial Statements.

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

Emphasis of Matter

- (a) Land under Property Plant and Equipment includes land measuring 72.95 acre amounting to at Rs 194.34 Lacs bought by the company in the name of third parties. Transfer of the same in the company's name is yet to be initiated. (Refer Note No. 49 of Financial Statement).
- (b) Audited Accounts as per IND AS Were prepared for the year ending March 31st 2017 for consolidation purpose while the final accounts adopted in AGM were on IGAAP. (Refer Note No. 50 of Financial Statement).

Our opinion is not qualified in respect of the afore matter

Other Matter

The Standalone Ind as financial statement of the Company for the year ended 31st March 2017 is prepared in accordance with Companies (Accounting standards) Rules, 2006, were audited by another firm of Chartered Accountants under the Companies Act, 2013 who vide their report dated 29th May 2017, expressed an unmodified opinion on those financial statements.

Our opinion is not qualified in respect of the aforesaid matter

Opinion

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

Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditors Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of the section 143(11) of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in the paragraphs 3 and 4 of the said Order, to the extent applicable.
- (ii) As required by Section 143 (3) of the Act, based on our audit we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;



NOVA IRON AND STEEL LTD.

- b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, Other Comprehensive Income, the Cash Flow and Statement of Changes in Equity dealt with by this report, are in agreement with the books of account;
 - d. in our opinion, the aforesaid Standalone Ind-AS Financial Statement comply with the Indian Accounting Standards specified under section 133 of the Act.
 - e. on the basis of the written representation received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our Separate Report in "Annexure B";
 - g. with respect to the other matters to be included in Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us;
 - i. The Company has disclosed the impacts of pending litigations on its financial position in its Standalone Ind-AS Financial Statements as on 31st March, 2018. (Refer to note no 35)
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - ii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable and adequate having regard to the size of the company and nature of its business. A portion of the fixed assets were physically verified by the management during the year. According to the information & explanation given to us no material discrepancies between the books records and the physical fixed assets have been noticed.
 - (a) According to the information and explanation given to us during the course of our audit the title deeds of immovable properties are held in the name of the company Except Registration of Freehold land amounting to Rs 1,94,34,130 is not in the name of the company
 - ii. In respect of Inventory:

The inventory of the Company in its possession has been physically verified by the management at reasonable intervals. In our opinion the frequency of verification is reasonable.

In our opinion and according to the information and explanations given to us, discrepancies noticed on physical verification have been properly dealt with in the books of account.
 - iii. In our opinion and according to information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013.
 - iv. In our opinion and according to information and explanations given to us, during the year the company has not given any loan, made any investments, given any guarantees, or provided any securities covered under section 185 and 186 of the Companies Act, 2013.
 - v. To the best of our knowledge and according to information and explanations given to us, the company has not accepted any deposits during the year and therefore the provisions of clause 3 (v) of the order are not applicable to the company.
 - vi. To the best of our knowledge, the Central Government has prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013, which have been maintained by the company and these have been broadly reviewed by us and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not, nor we are required, carried out any detailed examination of such accounts and records.
 - vii. In respect of statutory dues :
 - (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally

For Mehra Goel & Co.
Chartered Accountants
FRN : 000517N

Place : New Delhi
Date : 29.05.2018

Sanjay Mehra
Partner
M.N. : 085389

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE IND - AS FINANCIAL STATEMENTS OF M/S. NOVA IRON & STEEL LTD.

(Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2018)

- i. In respect of companies fixed assets:



NOVA IRON AND STEEL LTD.

regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31st, 2018 for a period of more than six months from the date they become payable, Except the cases listed below:

Name of the statute	Amount (In Rs.)	Current Status
Entry Tax (Including Interest Due)	3,42,44,722	Not yet paid
Service Tax	21,40,012	Not yet paid
Employee State Insurance	5,20,554	Paid On 8th & 9th May 2018
Provident Fund	15,91,250	Paid On 8th & 9th May 2018

- (b) According to records of the Company, there are no undisputed dues outstanding of Custom Duty, Service Tax, Cess etc. on account of any dispute, except Sales Tax(VAT), Income Tax and Excise Duty, Entry Tax as per details given below:-

Name of the statute	Nature of dues	Net of amount paid (Rs. In Lacs)	Period to which amount related	Forum where dispute is pending
Excise Duty	Modvat Credit Disallowed	72.62 Plus Penalty	A.Y. 2004-05	Appeal filed with Custom Excise & Service Tax Appellate Tribunal, New Delhi.
Excise Duty	Demand	2.90	A.Y. 2007-08	Commissioner Central Excise.
Excise Duty	Demand	57.58	Oct - 1999 To March - 2004	Commissioner of Central Excise - Raipur.
Excise Duty	Demand	126.70	April - 2007 To July - 2011	Commissioner of Central Excise - Raipur.
Excise Duty	Modvat Credit Disallowed And Penalty Imposed	39.45	March - 2014 & January - 2015	Commissioner Appeal - Raipur
Excise Duty	Demand on under valuation And Penalty Imposed	81.61	Oct - 2011 To June - 2012	Commissioner Appeal - Raipur
Income Tax	Demand	18.70	A.Y. 1994-95	Appeal Pending before ITAT.
Income Tax	Demand	143.38	A.Y. 2007-08	Appeal Pending before ITAT.
VAT	Demand	2.23	A.Y. 2004-05	Commissioner of Commercial Tax.
VAT	Demand	0.25	A.Y. 2006-07	Revision Pending with Asstt. Commissioner of Commercial Tax.
VAT	Demand	530.60	A.Y. 2003-04	Revision filed before Addl. Comm. Commercial Tax was filed and order was issued in favour of the Company Case remanded back to A.C. Commercial Tax.
VAT	Demand	594.08	A.Y. 2004-05	Revision filed before Addl. Comm. Commercial Tax was filed and order was issued in favour of the Company Case remanded back to A.C. Commercial Tax.
Entry Tax	Tax Demand	5.05	A.Y. 2006-07	Revision Pending with Addl. Commissioner of Commercial Tax

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted

in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

- ix. To the best of our knowledge and according to information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the period under review and hence reporting under clause 3 (ix) is not applicable to the company.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. To the best of our knowledge and according to information and explanations given to us, the company is not a Nidhi Company and hence reporting under clause 3 (xii) is not applicable to the company.
- xiii. To the best of our knowledge and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013, where applicable and the details have been disclosed in the Financial Statements, as required by the applicable Indian accounting standards.
- xiv. During the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, during the year under review the company has not entered into any non-cash transactions with directors or persons connected to them, and hence provisions of Section 192 of the Companies Act 2013, are not applicable to the Company.
- xvi. In our opinion and according to the information and explanation given to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For Mehra Goel & Co.
Chartered Accountants
FRN : 000517N

Sanjay Mehra
Partner
M.N. : 085389

Place : New Delhi
Date : 29.05.2018



NOVA IRON AND STEEL LTD.

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND-AS FINANCIAL STATEMENTS OF NOVA IRON AND STEEL STANDALONE INDAS LTD.

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

We have audited the internal financial controls over financial reporting of NOVA IRON AND STEEL LTD. ("the Company") as of March 31, 2018 in conjunction with our audit of the Standalone Ind-As financial statements of the Company for the year ended on that Standalone Ind as date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

**For Mehra Goel & Co.
Chartered Accountants
FRN : 000517N**

**Sanjay Mehra
Partner
M.N. : 085389**

**Place : New Delhi
Date : 29.05.2018**



NOVA IRON AND STEEL LTD.

BALANCE SHEET AS AT 31st MARCH, 2018

PARTICULARS	Note No.	As at 31.03.2018	As at 31.03.2017
ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant & Equipment	3	61 91 80 308	62 93 30 790
(b) Capital Work In Progress	3	262 09 95 410	237 05 66 424
(c) Financial Assets			
Non - Current Investments	4	1 43 89 689	27 83 000
(d) Income Tax Asset (Net)	5	5 93 156	2 11 074
(e) Deferred Tax Assets (Net)	6	1 69 39 443	1 46 44 202
(f) Other Non Current Assets	7	11 75 51 232	4 36 46 509
Total Non-Current Assets		338 96 49 238	306 11 81 999
CURRENT ASSETS			
(a) Inventories	8	3 87 23 841	6 13 84 838
(b) Financial Assets			
(i) Trade Receivables	9	8 42 86 924	22 63 681
(ii) Cash & Cash Equivalents	10	14 91 819	55 26 010
(iii) Other Current Assets	11	7 93 51 550	7 35 28 709
Total Current Assets		20 38 54 134	14 27 03 238
TOTAL ASSETS		359 35 03 372	320 38 85 237
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	12	36 13 94 880	36 13 94 880
(b) Other Equity	13	- 6 67 38 150	- 9 74 11 765
TOTAL EQUITY		29 46 56 730	26 39 83 115
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Provisions	14	1 45 09 857	1 15 19 419
(b) Other Non Current Liabilities	15	6 75 57 059	8 37 23 658
		8 20 66 916	9 52 43 077
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	16	239 36 52 543	197 79 52 406
(ii) Trade Payables	17	4 28 85 060	5 53 22 207
(b) Provisions	18	34 72 825	20 67 424
(c) Other Liabilities	19	77 28 28 298	80 93 17 008
(d) Current Tax Liabilities (Net)	20	39 41 000	-
		321 67 79 726	284 46 59 045
TOTAL EQUITY & LIABILITIES		359 35 03 372	320 38 85 237

See Accompanying Notes to Financial Statements forming an integral part of the Financial Statements

As per our report of even date attached

For & on behalf of the Board

For Mehra Goel & Co.,
Chartered Accountants
Firm Regn. No. 000517N

(H.C.Verma)
Whole Time Director
DIN : 00007681

(Ajoy Shah)
Chief Financial Officer

(Sanjay Mehra)
Partner
Membership No. 085389

(R.P.Goyal)
Director
DIN : 00006595

(Dheeraj Kumar)
Co.Secretary

Place : New Delhi
Date : 29.05.2018



NOVA IRON AND STEEL LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

PARTICULARS	Note No.	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
I. Revenue from Operations	21	19 67 75 684	56 76 21 153
II. Other Income	22	1 59 20 051	16 08 921
III. Total Revenue (I + II) :		21 26 95 735	56 92 30 074
IV. Expenses:			
Cost of Material Consumed	23	-	37 37 58 289
Changes in Inventories of Finished Goods, Stock-in-Trade and WIP	24	2 43 82 007	68 76 572
Excise Duty on Sales	-	7 09 209	3 49 30 945
Employee Benefit Expense	25	4 46 31 293	4 19 23 372
Finance Costs	26	6 77 76 709	6 66 26 820
Depreciation	27	1 01 80 288	1 18 59 078
Other Expenses	28	4 23 10 898	7 75 84 556
Expenditure Incurred Under Trial Run Capitalised	-	-	- 7 11 63 024
Total Expenses :		18 99 90 404	54 23 96 608
V. Profit Before Tax (III - IV)		2 27 05 331	2 68 33 466
VI. Tax Expenses:			
Current Tax		39 41 000	-
Tax for Earlier Years		-	-
Mat Credit Entitlement		- 39 41 000	-
Deferred Tax Assets (+) / Liability (-)		77 785	- 11 63 286
Profit For the Year		2 27 83 116	2 56 70 180
VII. Other Comprehensive Income			
Items that will not be reclassified subsequently to Profit and Loss	29	96 44 043	-
Income Tax relating to Items that will not be reclassified to Profit & Loss	-	- 17 23 544	-
Items that will be reclassified to Statement of Profit and Loss		-	-
Income Tax relating to Items that will be reclassified to Statement of Profit & Loss		-	-
VIII. Total Other Comprehensive income, net of Tax		78 90 499	-
IX. Total Comprehensive Income :		3 06 73 615	2 56 70 180
X. Earning Per Share (Face Value Rs. 10/-) Basic and Diluted	30	0.63	0.71
See Accompanying Notes to Financial Statements forming an integral part of the Financial Statements			
As per our report of even date attached		For & on behalf of the Board	
For Mehra Goel & Co., Chartered Accountants Firm Regn. No. 000517N		(H.C.Verma) Whole Time Director DIN : 00007681	(Ajoy Shah) Chief Financial Officer
(Sanjay Mehra) Partner Membership No. 085389		(R.P.Goyal) Director DIN : 00006595	(Dheeraj Kumar) Co.Secretary
Place : New Delhi Date : 29.05.2018			



NOVA IRON AND STEEL LTD.

Notes Forms Parts of Standalone Financial Statements Statement of changes in equity for the year ended 31st March 2018

(I) Equity Share Capital				(Amount in Rs.)		
Particulars	As at 1st April 2016	During the year	As at 31st March 2017	During the year	As at 31st March 2018	
Equity share of Rs.10 each	36 13 94 880	-	36 13 94 880	-	36 13 94 880	

(II) Other Equity	
Particulars	Total Amount
As at 1st April 2016	-12 30 81 945
Changes in accounting policy / prior period errors	-
Restated balance as at 1st April 2016	-12 30 81 945
Profit / Loss for the year	2 56 70 180
Other Comprehensive income for the year	-
As at 31st March 2017	-9 74 11 765
Changes in accounting policy / prior period errors	-
Restated balance as at 31st March 2017	-9 74 11 765
Profit / Loss for the year	2 27 83 116
Other Comprehensive income for the year	78 90 499
As at 31st March 2018	-6 67 38 150

As per our report of even date attached	For & on behalf of the Board	
For Mehra Goel & Co., Chartered Accountants Firm Regn. No. 000517N	(H.C.Verma) Whole Time Director DIN : 00007681	(Ajoy Shah) Chief Financial Officer
(Sanjay Mehra) Partner Membership No. 085389	(R.P.Goyal) Director DIN : 00006595	(Dheeraj Kumar) Company Secretary

Place : New Delhi
Date : 29.05.2018



NOVA IRON AND STEEL LTD.

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

(Amount in Rs.)

		For The Year Ended 31.03.2018	For The Year Ended 31.03.2017
A. Cash Flow from Operating Activities			
Net Profit / Loss (-) before Tax as per Statement of Profit & Loss account		2 27 05 331	2 68 33 466
Adjustments for:			
Depreciation	1 01 80 288		1 18 59 078
Interest Expenses (Net)	6 74 47 446	7 76 27 734	6 60 45 784
Operating Profit / Loss (-) before Working Capital Changes		10 03 33 065	10 47 38 328
Adjustment for:			
Increase (-) / Decrease in trade and other receivables	- 9 19 07 612		2 54 16 090
Increase (-) / Decrease in inventories	2 26 60 997		22 14 83 919
Increase / Decrease (-) in trade and other payables	- 6 04 71 808	- 12 97 18 423	- 1 90 01 640
Net Cash (Used In) from Operating Activities : A		- 2 93 85 359	33 26 36 697
B. Cash Flow from Investing Activities			
Purchase of Property, Plant & Equipment	- 29 806		- 1 57 227
Purchase of Investment	- 7 24 42 731		- 49 96 614
Increase (-) / Decrease in Capital Work in Progress	- 25 04 28 986		- 30 91 67 096
Interest Received	3 29 263	- 32 25 72 260	5 81 036
Net Cash (Used In) from Investing Activities : B		- 32 25 72 260	- 31 37 39 902
C. Cash Flow from Financing Activities			
Interest Paid		- 6 77 76 709	- 6 66 26 820
Proceeds from Short Term Borrowings (Net)		41 57 00 137	4 91 87 592
Net Cash (Used In) from Financing Activities : C		34 79 23 428	- 1 74 39 228
Net Increase in Cash and Cash Equivalents : (A-B-C) :		- 40 34 191	14 57 568
Cash and Cash Equivalents at the Beginning of the Year :		55 26 010	40 68 442
Cash and Cash Equivalents at the End of the Year :		14 91 819	55 26 010

As per our report of even date attached

For & on behalf of the Board

For Mehra Goel & Co.,
Chartered Accountants
Firm Regn. No. 000517N

(H.C.Verma)
Whole Time Director
DIN : 00007681

(Ajoy Shah)
Chief Financial Officer

(Sanjay Mehra)
Partner
Membership No. 085389

(R.P.Goyal)
Director
DIN : 00006595

(Dheeraj Kumar)
Co.Secretary

Place : New Delhi
Date : 29.05.2018



NOVA IRON AND STEEL LTD.

NOTES FORMING PARTS OF IND AS FINANCIAL STATEMENTS :

Note - 1. General Information :

Nova Iron & steels Limited ("the company") is engaged in the manufacturing / trading of Iron & Steel, Metals, Securities & Natural Resources business. The company address of principal place of business is Village-Dagori, Tehsil-Belha, Distt. - Bilaspur (Chhatisgarh) 495224.

Note - 2. Significant Accounting Policies :

a) Statement of Compliance

The IndAs Financial Statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the section 133 of the companies Act, 2013 ("the Act") read with the companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

b) Basis of preparation and presentation

The Ind As financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services. The principal accounting policies are set out below:-

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.

c) Use of estimates and judgments

The preparation of Ind As financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods affected.

d) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenue when the amount of revenue and its related cost

can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transactions and the specifics of each arrangement.

Sale of goods

Revenue from sales of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, inclusive of excise duty, net of returns and allowances, trade discounts, cash discount, volume rebates and value added taxes and GST.

Income from services

Income from services is recognized by reference to the stage of completion of the transaction at the end of the reporting period.

Dividend and interest income

Dividend income from investments is recognized when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

For all financial instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the Statement of profit or loss. Interest income in respect of financial instruments measured at fair value through profit or loss is included in other income.

e) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.



NOVA IRON AND STEEL LTD.

The Company as lessee

Rental expense from operating leases is recognized as expenses in the Profit & Loss account on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognized in the period in which such benefits accrue.

f) Foreign Currencies

Functional and presentation currency

Items included in the Ind As financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit or loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in other comprehensive income or the statement of profit and loss is also recognised in other comprehensive income or the statement of profit and loss respectively).

g) Borrowing Costs

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

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

All other borrowing costs are recognised in statement of profit or loss in the period in which they are incurred.

Borrowing costs consist of interest, which is computed as

per effective interest method, and other costs that an entity incurs in connection with the borrowing of funds.

h) Employee benefits

Short - term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related services are recognised in the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

Other long-term employee benefit obligations

Liabilities for leave encashment and compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows which is expected to be paid using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Post-employment obligations

Defined benefit plans

The Company has defined benefit plans namely gratuity for employees.

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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

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

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

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss



NOVA IRON AND STEEL LTD.

as past service cost.

Defined contribution plans

The Company has defined contribution plans for post-employment benefit namely Employee Provident Fund Scheme administered through Provident Fund Commissioner and the Company's contribution thereto is charged to profit or loss every year. The Company has no further payment obligations once the contributions have been paid. The Company's contribution to State Plans namely Employees' State Insurance Fund and Employees' Pension Scheme are charged to the Statement of Profit and Loss every year.

Termination benefits

A liability for the termination benefit is recognised when the Company can no longer withdraw the offer of the termination benefit.

i) Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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

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

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

enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

j) Property, Plant and Equipment (PPE)

Property, Plant and Equipment (PPE) are stated at cost of acquisition or construction, net of accumulated depreciation and accumulated impairment losses, if any. The cost of tangible asset includes purchase cost (net of rebates and discounts) including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. The other repairs and maintenance of revenue nature are charged to Statement of Profit & Loss during the reporting period in which they have incurred.

Transition to IND AS

On transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment recognised as at 1st April 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

The Depreciation on fixed assets is provided on Written Down Value Method in accordance with applicable Schedule of the Companies Act, 2013.

The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

k) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost of acquisition and are stated net of accumulated amortization and accumulated impairment losses, if any.



NOVA IRON AND STEEL LTD.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

Transition to INDAS

On transition to Ind AS, the Company has elected to continue with the carrying value of its Intangible Asset recognised as at 1st April 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Asset.

Amortization methods and useful lives

The Cost of Intangible assets are amortized on a straight line basis over their estimated useful life which is as follows. Residual Value is considered as Nil in the below cases:

Nature of Assets	Life
Technical knowhow	3 years
Computer software	3 years

The amortization period and method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

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

Impairment of Tangible and Intangible assets

At the end of each reporting period, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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

(l) Capital work in progress

Administration and general overhead expenses attributable to construction of fixed assets incurred till they are ready for their intended use are identified and allocated on a systematic basis of cost of related assets.

m) Inventories

Inventories are valued at the lower of cost or net realizable value, less any provisions for obsolescence. Cost is determined on the following basis :-

Raw Material is recorded at cost on a first-in, first-out (FIFO) basis.

Stores & spares are recorded at cost on a weighted average cost formula.

Finished goods and work-in-process are valued at raw material cost + cost of conversion and attributable proportion of manufacturing overhead incurred in bringing inventories to its present location and condition.

By products and scrap are valued at net realizable value.

Machinery spares (other than those qualify to be capitalized as PPE and depreciated accordingly) are charged to profit and loss on consumption.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

n) Provisions and contingencies

Provisions : Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are determined based on best management estimate required to settle the obligation at balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

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

Contingent asset being a possible asset that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, is not recognized but disclosed in the financial statements.

o) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and



NOVA IRON AND STEEL LTD.

financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

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

Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost using the effective interest method or fair value, depending on the classification of the financial assets

Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristic test: the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling

financial assets.

- Cash flow characteristic test: the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

p) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment.

q) Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, cheques and balances with bank. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft is shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

r) Impairment of Financial Assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- The twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

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

Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign



NOVA IRON AND STEEL LTD.

currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship. Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

s) Financial liabilities and equity instruments

Classification of debt or equity

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through statement of profit & loss.

Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit Loss.

Foreign exchange gains or losses

For financial liabilities that are denominated in a foreign

currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in Statement of Profit and Loss.

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

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

t) Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.



NOVA IRON AND STEEL LTD.

NOTE 3 - PROPERTY, PLANT & EQUIPMENTS

(Amount in Rs.)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipments	Railway Siding	Office Equipments	Furniture & Fixtures	Vehicles	Total
Cost as at 1st April, 2017	46 38 29 408	4 17 75 783	42 22 28 851	176 70 16 552	2 14 77 461	1 64 30 226	2 48 55 084	1 00 06 228	276 76 19 593
Additions	-	-	-	-	-	29 806	-	-	29 806
Disposals	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Cost as at 31st March, 2018	46 38 29 408	4 17 75 783	42 22 28 851	176 70 16 552	2 14 77 461	1 64 60 032	2 48 55 084	1 00 06 228	276 76 49 399
Accumulated depreciation as at 1st April, 2017	-	17 96 524	33 75 41 178	173 27 49 680	1 81 10 096	1 52 46 343	2 39 10 147	89 34 834	213 82 88 803
Charge for the year	-	5 12 667	49 81 905	32 44 076	8 36 256	2 26 824	1 31 139	2 47 422	1 01 80 288
Disposals	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 31st March, 2018	-	23 09 191	34 25 23 083	173 59 93 756	1 89 46 352	1 54 73 167	2 40 41 286	91 82 256	214 84 69 091
Net carrying amount as at 31st March, 2018	46 38 29 408	3 94 66 592	7 97 05 768	3 10 22 796	25 31 109	9 86 865	8 13 798	8 23 972	61 91 80 308
Net carrying amount as at 31st March, 2017	46 38 29 408	3 99 79 259	8 46 87 673	3 42 66 872	33 67 365	11 83 883	9 44 937	10 71 394	62 93 30 790

Capital Work-in-Progress:

Opening Balance as a 1st April, 2017	2 37 05 66 424
Add: Additions	25 04 28 986
Less: Capitalised during the year	-
Closing Balance as at 31st March 2018	2 62 09 95 410



NOVA IRON AND STEEL LTD.

PARTICULARS	(Amount in Rs.)	
	As at 31st March 2018	As at 31st March 2017
NOTE 4 : NON CURRENT INVESTMENTS :		
Non Trade, Unquoted (At Cost)		
Adarsh Info Tech. P. Ltd., Chandigarh	1 13 75 886	22 38 000
2,23,800 Eq. Shares (Prev. Year 2,23,800 Eq. Shares) of Rs. 10/- each		
Prudent Transport Co. Ltd., Chandigarh	30 08 803	5 40 000
18,000 Eq. Shares (Prev. Year 18,000 Eq. Shares) of Rs. 30/- each		
- Joint Venture (at Cost)		
Bijahan Coal P. Ltd., Chandigarh	5 000	5 000
500 Eq. Shares (Prev. Year 500 Eq. Shares) of Rs. 10/- each fully paid up		
TOTAL :	1 43 89 689	27 83 000
(Aggregate Amount of Unquoted Investments : Rs. 1,43,89,689)		
NOTE 5 : INCOME TAX ASSET (NET) :		
Advance Tax (Net)	5 93 156	2 11 074
TOTAL :	5 93 156	2 11 074
NOTE 6 : DEFERRED TAX ASSETS (NET) :		
The break up of deferred tax assets and liabilities into major components arising on account of timing differences at the year end are as below:-		
Opening Deferred Tax Assets	37 51 616	49 14 902
Deferred Tax Assets on account of :		
Related to fixed assets	8 70 816	10 53 163
Amortisation of Expenses	-	-
Disallowance under the Income Tax Act 1961		
Accrued Compensation to Employees	-	-
Deferred Tax Liabilities on account of :		
Allowance under the Income Tax Act 1961	9 48 601	- 1 10 123
Deferred Tax Assets (+) / Liabilities (-) During the Year (Op. + Cl.)	77 785	- 11 63 286
Deferred Tax Liabilities on items Recognised in OCI	- 17 23 544	-
Mat Recoverable	1 48 33 586	1 08 92 586
NET DEFERRED TAX ASSETS :	1 69 39 443	1 46 44 202
Reconciliation of tax expense and the accounting profit multiplying by India's Domestic Tax Rate:		
Accounting Profit before income tax	2 27 05 331	26 83 34 466
Applicable statutory income tax rate	30.90%	30.90%
Tax at applicable tax rate	70 15 947	82 91 541
Brought forward loss adjustment	69 38 162	94 54 287
Total Tax expenses (includes differed tax)	77 785	-11 63 286



NOVA IRON AND STEEL LTD.

(Amount in Rs.)

PARTICULARS	As at 31st March 2018	As at 31st March 2017
NOTE 7 : OTHER NON CURRENT ASSETS :		
Capital Advances	10 52 11 538	3 27 68 807
Security Deposits		
With Government Departments	1 05 43 587	90 38 408
Others	38 791	81 978
Sub Total :	1 05 82 378	91 20 386
Balance With Excise Dept	17 57 316	17 57 316
TOTAL :	11 75 51 232	4 36 46 509
NOTE 8 : INVENTORIES :		
Raw Materials (at cost)	27 85 847	27 85 847
Finished Goods (at lower of cost or net relisable value)	5 10 077	33 29 792
Scrap & Waste (at net relisable value)	1 04 940	2 16 67 232
Stores and Spares (at cost)	3 48 08 057	3 31 46 421
Diesel (at cost)	1 31 042	62 216
Packing Material (at cost)	3 83 878	3 93 330
TOTAL :	3 87 23 841	6 13 84 838
NOTE 9 : TRADE RECEIVABLES :		
Unsecured and considered good		
Trade Receivables	8 42 86 924	22 63 681
TOTAL :	8 42 86 924	22 63 681
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member is Nil. (P.Y. Nil)		
NOTE 10 : CASH & CASH EQUIVALENTS :		
Cash on Hand	1 51 380	2 11 829
Cheques , Drafts on Hand	32 142	28 00 642
Balances with Scheduled Banks		
In Current Accounts	13 08 297	24 84 089
Other Bank Balance		
Deposit with more than 12 Months Maturity	-	29 450
(Including Interest Accrued)		
(Previous Year Rs. 29450/- under bank lien)		
TOTAL :	14 91 819	55 26 010
NOTE 11 : OTHER CURRENT ASSETS :		
(A) Unsecured and considered good		
Advances to Suppliers	2 54 70 054	2 60 43 127
Advances to Employees	1 75 748	2 40 990
Other Advances :		
Interest Recoverable	3 86 145	3 57 212
Prepaid Expenses	8 58 617	16 45 944
Balance of Statutory / Government Authorities	5 24 60 986	4 52 41 436
TOTAL :	7 93 51 550	7 35 28 709
(B) With reference to the Loans and advances due from directors or other officers of the company.	Nil	Nil



NOVA IRON AND STEEL LTD.

(Amount In Rs.)		
Particulars	As at 31st March 2018	As at 31st March 2017
NOTE 12 : SHARE CAPITAL :		
(A) Authorised Capital :		
16,00,00,000 Equity Shares of Rs. 10/- each	160 00 00 000	160 00 00 000
(B) Issued, Subscribed and Paid Up Capital :		
3,61,39,488 Equity Shares of Rs. 10/- each (Previous Year 3,61,39,488 No. of Equity Shares of Rs. 10/- each)	36 13 94 880	36 13 94 880
(C) Reconciliation of number of Equity Shares outstanding at the Beginning and at the end of the reporting period:		
Equity Shares:	As at 31st March 2018	As at 31st March 2017
	No. of Shares	No. of Shares
Outstanding at the beginning of the year	3 61 39 488	3 61 39 488
Add: Further Issued during the year	Nil	Nil
Outstanding at the closing of the year	3 61 39 488	3 61 39 488
	Amount (Rs.)	Amount (Rs.)
Outstanding at the beginning of the year	36 13 94 880	36 13 94 880
Add: Further Issued during the year	Nil	Nil
Outstanding at the closing of the year	36 13 94 880	36 13 94 880
(D) There is no (previous year-no) rights, preference and restriction attaching to each class of shares including restriction on company / or the distribution of dividend and repayment of capital.		
(E) There are nil number of shares (previous year nil) in respect of each class in the company held by its holding/ultimate holding their submission / associates.		
(F) Details of Shareholders holding more than 5% shares in the Company :	As at 31st March 2018	As at 31st March 2017
Equity Shares of Rs. 10 each , fully paid up	No. of Shares	No. of Shares
M/s. Bhushan Power & Steel Ltd.	92 69 146	1 42 69 146
M/s. Ambey Steel & Power Pvt. Ltd.	1 09 59 675	1 09 59 675
Sh. Aniket Singal	43 40 000	-
	2 45 68 821	2 52 28 821
	% Held	% Held
M/s. Bhushan Power & Steel Ltd.	25.65	39.48
M/s. Ambey Steel & Power Pvt. Ltd.	30.33	30.33
Sh. Aniket Singal	12.01	-
	67.99	69.81
(G) The company has only one class of equity shares having a par value of Rs. 10/-Per share. Each holder of Equity share is entitled to one vote per share. In the event of Liquidation, the Equity Share holder are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in the proportion to their shareholding.		
(H) Bonus Shares / Buy Back/ Shares for cosideration other than cash allotted as fully paid up pursuant to contracts during past five years : NIL		
(I) There are no securities (Previous Year - No) convertible into Equity / Preferential Shares.		
(J) There are no calls unpaid (Previous Year - No) including calls unpaid by Directors and Officers as on Balance Sheet dated.		
(K) Details of Forfeited shares :	No. of Shares / Value	No. of Shares / Value
Equity Share of Rs. 10/- each	Nil	Nil



NOVA IRON AND STEEL LTD.

(Amount In Rs.)		
PARTICULARS	As at 31st March 2018	As at 31st March 2017
NOTE 13 : OTHER EQUITY :		
Retained Earnings		
Balance at beginning of the year	- 9 74 11 765	-12 30 81 945
Add : Profit / Loss (-) for the Year	2 27 83 116	2 56 70 180
Sub Total :	- 7 46 28 649	- 9 74 11 765
Other Comprehensive Income :		
Opening Balance	-	-
Fair Valuation of Investment	92 85 351	-
Remeasurements of employee benefit obligations	- 13 94 852	-
Closing Balance :	78 90 499	-
Closing Balance at the year end	- 6 67 38 150	- 9 74 11 765
NOTE 14 : PROVISIONS :		
Non Current		
Provision for Gratuity	1 19 60 029	92 10 377
Provision for Compensated Absences	25 49 828	23 09 042
TOTAL :	1 45 09 857	1 15 19 419
NOTE 15 : OTHER NON CURRENT LIABILITIES :		
Interest on Entry Tax Payable	91 32 454	91 32 454
Service Tax Payable	21 40 012	21 40 012
Entry Tax Payable	2 51 12 268	2 51 12 268
Water Charges Payable	2 48 22 009	4 60 29 127
Security Deposits	63 50 316	13 09 797
TOTAL :	6 75 57 059	8 37 23 658
NOTE 16 : BORROWINGS :		
Unsecured:		
Loans From related Parties	151 58 79 348	140 74 73 341
Loans From Other Parties	87 77 73 195	57 04 79 065
TOTAL :	239 36 52 543	197 79 52 406
(a) The Loans from related parties are at 12% and From other parties Loans is 8.00% and 8.50 % P.A Interest respectively (Unsecured). All the term loan are repayable of Demand.		
NOTE 17 : TRADE PAYABLES :		
Trade Payables	4 28 85 060	5 53 22 207
TOTAL :	4 28 85 060	5 53 22 207
The Company has not received any information from the vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid as at the year end together with interest paid / payable under this have not been given.		



NOVA IRON AND STEEL LTD.

(Amount In Rs.)

PARTICULARS	As at 31st March 2018	As at 31st March 2017
NOTE 18 : PROVISIONS :		
Provision for Gratuity	21 68 632	13 15 354
Provision for Compensated Absences	13 04 193	7 52 070
TOTAL :	34 72 825	20 67 424
NOTE 19 : OTHER CURRENT LIABILITIES :		
Other Payables		
Liability for Capital Goods / Expenditure	4 74 78 332	4 53 60 029
Advance From Customer's	68 44 52 662	73 18 42 203
Excise duty Payable	-	4 16 219
Expenses Payable	88 95 425	18 21 202
Other Statutory Dues payable	2 67 84 551	2 25 84 854
Due to Directors	3 77 827	2 58 371
Employees related Payable	48 39 501	70 34 130
TOTAL :	77 28 28 298	80 93 17 008
NOTE 20 : CURRENT TAX LIABILITIES :		
Provision for Income Tax (net of advance income tax)	39 41 000	-
TOTAL :	39 41 000	-
PARTICULARS	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
NOTE 21 : REVENUE FROM OPERATIONS		
Sales (including excise duty)*	32 41 153	35 11 18 208
Other Operating Income #	19 35 34 531	21 65 02 945
TOTAL :	19 67 75 684	56 76 21 153
* Excluding Goods & Service Tax		
* Post the applicability of goods and service tax (GST) with effect from July 01, 2017, revenue from operations is disclosed net of GST. Accordingly the revenue from operations and other expenses for the year ended on March 31, 2018 are not comparable with the previous periods presented in the financial statements.		
# Refer Note No 46		
NOTE 22 : OTHER INCOME		
Interest Income	3 29 263	5 81 036
Miscellaneous Income	1 55 90 788	10 27 885
TOTAL :	1 59 20 051	16 08 921
NOTE 23 : COST OF MATERIALS CONSUMED:		
Opening Stock	-	21 95 86 756
Add : Purchases	-	15 69 57 380
	-	37 65 44 136
Less : Closing Stock	-	27 85 847
TOTAL :	-	37 37 58 289



NOVA IRON AND STEEL LTD.

PARTICULARS	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
NOTE 24 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROGRESS AND STOCK IN TRADE:-		
Inventory at the beginning of the year		
Finished Goods	33 29 792	2 19 59 865
Stock in Process	-	16 10 400
Scrap	2 16 67 232	83 03 331
	2 49 97 024	3 18 73 596
Less : Inventory at the end of the year		
Finished Goods	5 10 077	33 29 792
Stock in Process	-	-
Scrap	1 04 940	2 16 67 232
	6 15 017	2 49 97 024
INCREASE (-) / DECREASE IN INVENTORIES	2 43 82 007	68 76 572
NOTE 25 : EMPLOYEE BENEFITS EXPENSES:		
Salaries & Wages	5 23 38 949	5 26 03 984
Contribution to Provident and Other Funds	44 50 198	37 21 805
Staff Welfare Expenses	7 04 396	8 59 437
	5 74 93 543	5 71 85 226
Less : Transferred to Projects Under Commissioning	1 28 62 250	1 52 61 854
TOTAL :	4 46 31 293	4 19 23 372
NOTE 26 : FINANCE COSTS:		
Interest Expense	20 91 79 820	21 08 86 049
Less : Transferred to Projects Under Commissioning	14 14 03 111	14 42 59 229
TOTAL :	6 77 76 709	6 66 26 820
NOTE 27 : DEPRECIATION :		
Depreciation	1 01 80 288	1 18 59 078
TOTAL :	1 01 80 288	1 18 59 078



NOVA IRON AND STEEL LTD.

(Amount in Rs.)

PARTICULARS	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
NOTE 28 : OTHER EXPENSES:		
Comseuption of stores	7 79 517	83 31 661
Excise Duty Provided on Stock (Net)	- 4 16 219	- 15 69 817
Packing & Forwarding Charges	10 36 057	97 92 914
Power & Fuel	1 87 12 883	3 45 58 098
Water Charges	1 46 23 532	2 20 34 250
Payment to Auditors		
Audit Fees	2 75 000	1 75 000
Tax Audit Fees	25 000	25 000
Company Law Matters	-	1 00 000
Out of Pocket Expenses	43 918	34 754
Sub Total :	3 43 918	3 34 754
Repairs and Maintenance		
Machinery	5 18 833	5 70 665
Vehicles	17 62 408	20 09 571
Building	5 80 908	5 53 040
Legal & Professional Charges	22 54 948	18 00 822
Rates & Taxes	11 15 722	34 97 217
Travelling & Conveyance Expenses	6 07 908	8 63 977
Advertisement Expenses	81 552	1 32 952
Printing & Stationery	18 67 600	23 93 933
Postage ,Telegram & Telephone Exp	27 01 995	25 87 747
Other Miscellaneous Expenses	20 32 574	22 179
Prior Period Expenses	-	1 09 598
Bank Charges	1 04 406	1 10 221
Director's Sitting Fee	29 000	17 000
Commision & Brokerage	1 57 999	8 90 949
Rebate & Discounts	-	2 32 809
Exchange Fluctuations	-	6 40 792
General Expenses	2 47 269	3 30 046
Lease Rent	15 16 420	20 01 788
	5 06 59 230	9 22 47 167
Less : Transferred to Projects Under Commissioning	83 48 332	1 46 62 611
TOTAL :	4 23 10 898	7 75 84 556



NOVA IRON AND STEEL LTD.

(Amount in Rs.)

PARTICULARS	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
NOTE 29 : ITEMS THAT WILL NOT BE RE-CLASSIFIED TO STATEMENT OF PROFIT & LOSS :		
Change in fair value of Investment	1 16 06 689	-
Re-measurement gains / (losses) on defined benefit	- 19 92 646	-
TOTAL :	96 14 043	-
NOTE 30 : EARNING PER SHARE (EPS) :		
Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.		
Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares, unless the effect of potential dilutive equity shares is antidilutive.		
The following reflects the income and share data used in the basic and diluted EPS computations:		
Profit / (loss) after tax for Calculation of Basic EPS	2 27 83 116	2 56 70 180
Add : Adjustment for Potential Shares	-	-
Profit / (loss) after tax for Calculation of Diluted EPS	2 27 83 116	2 56 70 180
Weighted average number of equity shares in calculating basic EPS	3 61 39 488	3 61 39 488
Effect of dilution :	-	-
Total weighted average number of shares in calculating diluted EPS	3 61 39 488	3 61 39 488
Nominal value of each ordinary equity share (Rs.)	10	10
Basic Earning per share	0.63	0.71
Diluted Earning per share	0.63	0.71
NOTE 31 : SEGMENT INFORMATION :		
The company is primarily engaged in the business of manufacturing / trading of Iron & Steel, Metals, Securities & Natural Resources business and also engaged in investment in commodities / Securities. So accordingly segment report has been disclosed is as under :		
Segment Revenue		
(a) Manufacturing	2 89 72 312	37 90 14 031
(b) Investment in commodities / Securities	16 78 03 372	18 86 07 122
(c) Others	1 59 20 051	16 08 921
Total	21 26 95 735	56 92 30 074
Segment Results		
(a) Manufacturing	- 16 10 18 092	- 16 33 82 577
(b) Investment in commodities / Securities	16 78 03 372	18 86 07 122
(c) Others	1 59 20 051	16 08 921
Profit Before Tax	2 27 05 331	2 68 33 466
Segment Assets		
(a) Manufacturing	351 15 01 837	3 20 38 85 237
(b) Investment in commodities / Securities	8 20 01 535	-
(c) Others	-	-
Total Asset	359 35 03 372	3 20 38 85 237
Segment Liability		
(a) Manufacturing	329 88 46 642	2 93 99 02 122
(b) Investment in commodities / Securities	-	-
(c) Others	-	-
Total Liability	329 88 46 642	2 93 99 02 122
Capital employed	29 46 56 730	26 39 83 115



NOVA IRON AND STEEL LTD.

(Amount in Rs.)

PARTICULARS		For the Year Ended 31.03.2018	For the Year Ended 31.03.2017	
NOTE 32 : INVENTORY : Consumption of Raw Materials & Components has been computed by adding Purchases to the Opening Inventory and deducting Closing Inventory as verified physically by Management.				
NOTE 33 : PAYMENT TO AUDITOR (EXCLUDING SERVICE TAX / GST) :				
Audit Fee		2 75 000	1 75 000	
Taxation Matter		25 000	25 000	
Company Law Matters		-	1 00 000	
Out of Pocket Expenses		43 918	34 754	
TOTAL :		3 43 918	3 34 754	
NOTE 34 : RELATED PARTY TRANSACTIONS : The list of related parties as identified by the management is as under :				
(I).	Key Managerial Personnel / Director 1 Sh. Sanjay Singal 2 Sh. Aniket Singal 3 Sh. H.C. Verma 4 Sh. Ravi Prakash Goyal 5 Sh. Ajoy Shah 6 Sh. Dheeraj Kumar	Relationship Director Director Whole Time Director Director Chief Financial Officer Company Secretary		
(II).	List of related Companies 1 M/s Ambey Steel & Power Pvt. Ltd. 2 M/s Bhushan Power & Steel Ltd 3 M/s Bijahan Coal Private Limited	Promoter Company Promoter Company Joint Venture		
(III).	Following transactions were carried out with related parties in the ordinary course of business for the Year Ended 31st March 2018.			
	Name of the Related Party / Relation	Nature of Transactions	As at 31st March 2018	As at 31st March 2017
1	M/s Bhushan Power & Steel Ltd. (Promoter Co.)	Sale of Scrap & Others	2 95 43 073	3 81 33 519
2	M/s Bhushan Power & Steel Ltd. (Promoter Co.)	Purchase of Store & Machinery	13 57 204	86 55 035
3	M/s Bhushan Power & Steel Ltd. (Promoter Co.)	Loan Repaid	-	6 05 15 681
4	M/s Bhushan Power & Steel Ltd. (Promoter Co.)	Interest on Loan	15 10 06 674	16 56 49 328
5	Sh. H.C. Verma (Whole Time Director)	Director Remuneration*	23 75 000	15 00 000
6	Sh. Ajoy Shah (Chief Financial Officer)	Salary	5 08 200	5 08 200
7	Sh. Dheeraj Kumar (Company Secretary)	Salary	3 99 000	3 81 000
	Closing Balances			
1	Bhushan Power & Steel Ltd.	Loan Balance	151 58 79 348	140 74 73 341
2	Bhushan Power & Steel Ltd.	Advance From Customer	68 39 37 109	73 13 26 650
3	Sh. H.C. Verma (Whole Time Director)	Director Remuneration*	3 77 827	2 58 371
Terms and conditions of transactions with related parties The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no				



NOVA IRON AND STEEL LTD.

guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

* Remuneration paid to KMP's does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

(Amount in Rs.)		
PARTICULARS	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
NOTE 35 : CONTINGENT LIABILITIES & COMMITMENTS & ASSETS		
(TO THE EXTENT NOT PROVIDED FOR)		
(A) Contingent liabilities.		
Claims against the Company not acknowledged as debts(*)	80 85 961	79 22 98 654
Income Tax demands under appeal	1 62 08 225	1 62 08 225
Demand showing as per income tax site (**)	12 40 270	-
Excise & Service Tax demand under dispute	3 80 86 076	3 95 78 903
Sales Tax (2004-05) Demand under Dispute	2 23 000	2 23 000
(B) Commitments		
Estimated amounts of contracts remaining to be executed on Capital account and not Provided for	7 88 95 115	22 67 43 288
Other Commitments :		
(*) The Company also, has its own claims / counter claims against these parties as per terms of their respective contracts. In effect the Management does not expect any major liability devolve upon the Company on account of these cases.		
The Income - Tax assessments of the Company have been completed upto Assessment Year 2014-2015. The disputed demand outstanding up to the said Assessment Year is Rs 162.08 lacs. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.		
Besides the above, the amount in respect of claims of interest etc. claimed by the parties cannot be quantified.		
(**) The above demand has been shown based on the Income Tax site for the A.Y. 1995-96 of Rs. 11,72,234, A.Y. 1997-98 of Rs. 312 and A.Y. 1998-99 of Rs. 67,724.		
NOTE 36 : FINANCE LEASE :		
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Company has acquired a lease for a period of 99 years which has been acquired over the period of lease.		
NOTE 37 : EMPLOYEE BENEFITS		
(i) Defined Contribution Plans, as per Ind - AS 19 Employee Benefits :		
Contribution to Defined Contribution Plan, as recognised as expense is as under:		
Contribution to Provident Fund & Other Funds	44 50 198	37 21 805
*Included in Contribution to provident and other funds under Employee Benefits expense (Refer note no. 22)		
(ii) Defined Benefit Plans, as per Ind AS 19 Employee Benefits :		
The Company has defined benefit plans namely leave encashment / compensated absence and gratuity. The liability for both the liabilities is computed using the projected unit credit method by a qualified actuary. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.		



NOVA IRON AND STEEL LTD.

PARTICULARS	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
	Gratuity		Leave encashment	
Net employee benefit expense (recognized in Employee Cost) :				
Current Service Cost	13 29 738	11 78 310	12 79 679	15 92 120
Past Service Cost	-	-	-	-
Net Interest Cost on net defined benefit liability	7 36 801	6 61 405	2 14 278	1 95 943
Re -measurement (or Actuarial) (gain) / loss	-	-	- 6 20 496	- 14 11 842
Net Benefit expense recognized in statement of profit and loss	20 66 539	18 39 715	8 73 461	3 76 221
Amount recognised in Other Comprehensive Income :				
Actuarial (gain) / loss recognized in the year	2 06 558	- 19 92 646	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-	-	-
Components of defined benefit costs recognised in other comprehensive income	2 06 558	- 19 92 646	-	-
Movement in the present value of the defined benefit obligation :				
Present value of obligation as at the beginning	1 05 25 731	94 48 638	30 61 112	27 99 190
Current service cost	13 29 738	11 78 310	12 79 679	15 92 120
Interest cost	7 36 801	6 61 405	2 14 278	1 95 943
Re-measurement (or Actuarial) (gain) / loss)	19 92 646	- 2 06 558	- 6 20 496	- 14 11 842
Benefits paid	- 4 56 255	- 5 56 064	- 80 552	- 1 14 299
Past service cost	-	-	-	-
Present Value of Obligation as at the end	1 41 28 661	1 05 25 731	38 54 021	30 61 112
Current Liability (Short term)	21 68 632	13 15 354	13 04 193	7 52 070
Non-Current Liability (Long term)	1 19 60 029	92 10 377	25 49 828	23 09 042
Changes in the plan assets :				
Fair Value of Plan Assets as at the beginning	-	-	-	-
Interest Income	-	-	-	-
Employer's Contribution	-	-	-	-
Benefits Paid	-	-	-	-
Return on plan assets , excluding amount recognised in net interest expense	-	-	-	-
Fair Value of Plan Assets as at the end	-	-	-	-
Reconciliation of Fair Value of Assets and Obligations				
Fair value of plan assets as at closing of the year	1 41 28 661	1 05 25 731	38 54 021	30 61 112
Present value of obligation as at closing of the year	1 41 28 661	1 05 25 731	38 54 021	30 61 112
Amount recognized in Balance Sheet	1 41 28 661	1 05 25 731	38 54 021	30 61 112
PARTICULARS			For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
The principal assumptions used in determining defined benefit obligations are shown below :				
Discount rate			7.45%	7.00%
Withdrawal rate (per annum)			10.00%	10.00%
Salary growth rate			5.00%	5.00%
Mortality rate			100% of IALM(2006-08)	
Rate of Leave Availment			8.00%	8.00%
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.				
A quantitative sensitivity analysis for significant assumption as at 31 March 2018 & 31 March 2017 is as shown below:				



NOVA IRON AND STEEL LTD.

(Amount in Rs.)

PARTICULARS	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
Discount rate	Gratuity		Leave encashment	
Change in assumption	0.5 % increase	0.5 % decrease	0.5 % increase	0.5 % decrease
Impact on defined benefit obligation	- 4 25 121	4 47 356	- 3 36 534	- 3 73 067
Salary growth rate	0.5 % increase	0.5 % decrease	0.5 % decrease	0.5 % decrease
Change in assumption				
Impact on defined benefit obligation	4 55 851	- 4 36 812	3 78 388	- 3 44 566
The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.				
The following payments are expected contributions to the defined benefit plan in future years:				
PARTICULARS			For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
Within the next 12 months (next annual reporting period)			34 72 825	20 67 424
Between 2 and 5 years			64 32 397	50 47 878
Between 5 and 10 years			80 75 460	64 71 541
NOTE 38 : FAIR VALUES				
Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:				
PARTICULARS	As At 31st March 2018	As At 31st March 2017	As At 31st March 2018	As At 31st March 2017
Level of Fair Valuation - Level 2	Carrying Value		Fair Value	
Financial assets				
Investment	143 84 689	27 78 000	143 84 689	27 78 000
Financial liabilities				
Borrowings:	-	-	-	-
Amortised Cost:	-	-	-	-
There have been no transfers between level 1 & 3 during the period.				
The management assessed that cash and cash equivalents, trade receivables, short term loans and advances, short term borrowings, trade payables and short term financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.				
The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.				
The following methods and assumptions were used to estimate the fair values:				
The fair value of Investment being unquoted, have been done on NAV method based on the last available audited accounts.				
NOTE 39 : CAPITAL MANAGEMENT				
For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.				
The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total debt to equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.				
PARTICULARS	As At 31st March 2018		As At 31st March 2017	
Borrowings				
Long Term	-		-	
Short Term	239 36 52 543		197 79 52 406	
Less: Cash and cash equivalents	- 14 91 819		- 55 26 010	
Net debts	239 21 60 724		197 24 26 396	
Equity	29 46 56 730		26 39 83 115	
Debt / Equity Ratio	8.12		7.47	



NOVA IRON AND STEEL LTD.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

NOTE 40 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES :

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables, security deposits and employee liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include security deposits, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management has assigned the responsibility to oversee the management of these risks to its treasury team. The treasury team assesses the financial risks and takes appropriate action to mitigate those risks. The treasury team provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings and security deposits.

The sensitivity analyses in the following sections relate to the position as at 31 March 2018 and 31 March 2017.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, other post-retirement obligations and other provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2018 and 31 March 2017.

Interest rate risk :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any non current obligations with floating rate of interest. The Company has floating rate of interest in respect of current borrowings.

(Amount in Rs.)

PARTICULARS	As At 31 st March 2018		As At 31 st March 2017	
	Inc . / Dec. in basis points	Effect on profit before taxes	Inc . / Dec. in basis points	Effect on profit before taxes
Interest rate Sensitivity Analysis :				
The following table demonstrates the sensitivity to a reasonable possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before taxes is affected through the impact on floating rate borrowings, as follows :				
Long Term Borrowings	50	-	50	-
Long Term Borrowings	- 50	-	- 50	-
Short Term Borrowings	50	- 1 10 09 464	50	- 1 10 99 266
Short Term Borrowings	- 50	1 10 09 464	- 50	1 10 99 266
The Positive amount represents increase in profits while a negative amount represents decrease in profits.				
The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.				



NOVA IRON AND STEEL LTD.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's does not have any foreign currency exposure

Foreign currency sensitivity

The company does not have any foreign currency risk so foreign currency sensitivity clause not applicable

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade receivables

Customer credit risk is being driven by Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of credit losses. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the notes. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

in view of subsequent realisation the management believes that the trade receivables on 31 March 2018 and 31 March 2017 are not subject to any further credit risk. Accordingly, no new credit losses are being accounted for.

Balances with banks

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2018 and 31 March 2017 is the carrying amounts of balances with banks.

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of long term bank loans, short term borrowings and finance leases etc. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(Amount in Rs.)

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
For the Year ended 31.03.2018						
Long term borrowings (including Current Maturities)	-	-	-	-	-	-
Short term borrowings	239 36 52 543	-	-	-	-	239 36 52 543
Trade payables	-	4 28 85 060	-	-	-	4 28 85 060
Other liabilities	-	77 28 28 298	-	-	-	77 28 28 298
	239 36 52 543	81 57 13 358	-	-	-	320 93 65 901
For the Year ended 31.03.2017						
Long term borrowings (including Current Maturities)	-	-	-	-	-	-
Short term borrowings	197 79 52 406	-	-	-	-	197 79 52 406
Trade payables	-	5 53 22 207	-	-	-	5 53 22 207
Other financial liabilities	-	80 93 17 008	-	-	-	80 93 17 008
	197 79 52 406	86 46 39 215	-	-	-	284 25 91 621



NOTE 41:	<p>SIGNIFANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS</p> <p>The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.</p> <p>Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.</p> <p>A. Judgments</p> <p>In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:</p> <p>Operating lease commitments – Company as lessee</p> <p>The Company has entered into leasing arrangements wherein the Company is required to pay monthly lease rentals. The Company has determined, based on an evaluation of the terms and conditions of the arrangements e.g. lease term, lease rental income, fair value of the land, transfer / retention of significant risks and rewards of ownership of land determined the lease as operating leases.</p> <p>Finance lease Company as Lessee</p> <p>Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.</p> <p>B. Estimates and assumptions</p> <p>The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.</p> <p>(i) Gratuity benefits</p> <p>The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.</p> <p>In determining the appropriate discount rate, management considers the interest rates of government bonds, and extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about the assumptions used, including a sensitivity analysis, are given in Note 33.</p> <p>(ii) Impairment of financial assets</p> <p>The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the company's past history and other factors at the end of each reporting period.</p> <p>(iii) Estimates related to useful life of tangible assets</p> <p>Depreciation on tangible assets is calculated on a straight-line basis over the useful lives estimated by the management. These rates are in line with the lives prescribed under Schedule II of the Companies Act, 2013.</p> <p>The management has re-estimated useful lives and residual values of all its assets. The management based upon the nature of asset, the operating condition of the asset, the estimated usage of the asset, past history of replacement and anticipated technological changes, believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment.</p>
NOTE : 42	During the year no dividend is paid nor proposed by the company
NOTE : 43	<p>Events after the reporting period</p> <p>There are no reportable events that occurred after the end of the reporting period.</p>
NOTE : 44	Other Additional information pursuant to the provisions of Para 5 of part II of Schedule III to the Companies Act, 2013 are not applicable / nil.



NOVA IRON AND STEEL LTD.

NOTE : 45	In the opinion of the Board, all assets other than fixed assets and non-current investment have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.						
NOTE : 46	Revenue from operation Includes other operating revenue of Rs 16,78,03,372(P.Y 18,86,07,122) representing income from dealing in commodities and securities which is income other than manufacturing activities.						
NOTE : 47	During current reporting period, company has carried out capital work in progress ,expenses related to that has been capitalised. The commercial production is yet to be commenced.						
NOTE : 48	<p>Amendments to existing standards that are not yet effective and have not been adopted by the company.</p> <p>Ind AS 115 - Revenue from Contract with Customers :</p> <p>On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.</p> <p>The standard permits two possible methods of transition:</p> <ul style="list-style-type: none"> • Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors. • Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach). <p>The Company is evaluating the requirements of the amendment and its effect on the financial Statements.</p> <p>Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:</p> <p>On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.</p> <p>The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.</p>						
Note : 49	Land under Property Plant and Equipment includes land measuring 72.95 acre amounting to Rs 194.34 Lacs bought by the company in the name of third parties. Transfer of the same in the company's name is yet to be initiated .						
Note : 50	Audited accounts as per IND AS Were prepared for the year ending March 31st 2017 for consotidation purpose while the final accounts adopted in AGM were on IGAAAP.						
Note : 51	The Company's manufacturing operation are shut down since July 2016 for Upgradation .Presently capital work in progress relating to upgradation and addition to manufacturing facilities is being undertaken.						
Note : 52	The Financial statements were approved for issue by the board of directors on 29th May 2018.						
Note : 53	Previous year figures have been regrouped/reclassified wherever considered necessary.						
<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>As per our report of even date attached</p> <p>For Mehra Goel & Co., Chartered Accountants Firm Regn. No. 000517N</p> <p>(Sanjay Mehra) Partner Membership No. 085389</p> <p>Place : New Delhi Date : 29.05.2018</p> </td> <td style="width: 50%; vertical-align: top;"> <p>For & on behalf of the Board</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;"> <p>(H.C.Verma) Whole Time Director DIN : 00007681</p> </td> <td style="width: 50%;"> <p>(Ajoy Shah) Chief Financial Officer</p> </td> </tr> <tr> <td> <p>(R.P.Goyal) Director DIN : 00006595</p> </td> <td> <p>(Dheeraj Kumar) Co.Secretary</p> </td> </tr> </table> </td> </tr> </table>		<p>As per our report of even date attached</p> <p>For Mehra Goel & Co., Chartered Accountants Firm Regn. No. 000517N</p> <p>(Sanjay Mehra) Partner Membership No. 085389</p> <p>Place : New Delhi Date : 29.05.2018</p>	<p>For & on behalf of the Board</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;"> <p>(H.C.Verma) Whole Time Director DIN : 00007681</p> </td> <td style="width: 50%;"> <p>(Ajoy Shah) Chief Financial Officer</p> </td> </tr> <tr> <td> <p>(R.P.Goyal) Director DIN : 00006595</p> </td> <td> <p>(Dheeraj Kumar) Co.Secretary</p> </td> </tr> </table>	<p>(H.C.Verma) Whole Time Director DIN : 00007681</p>	<p>(Ajoy Shah) Chief Financial Officer</p>	<p>(R.P.Goyal) Director DIN : 00006595</p>	<p>(Dheeraj Kumar) Co.Secretary</p>
<p>As per our report of even date attached</p> <p>For Mehra Goel & Co., Chartered Accountants Firm Regn. No. 000517N</p> <p>(Sanjay Mehra) Partner Membership No. 085389</p> <p>Place : New Delhi Date : 29.05.2018</p>	<p>For & on behalf of the Board</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;"> <p>(H.C.Verma) Whole Time Director DIN : 00007681</p> </td> <td style="width: 50%;"> <p>(Ajoy Shah) Chief Financial Officer</p> </td> </tr> <tr> <td> <p>(R.P.Goyal) Director DIN : 00006595</p> </td> <td> <p>(Dheeraj Kumar) Co.Secretary</p> </td> </tr> </table>	<p>(H.C.Verma) Whole Time Director DIN : 00007681</p>	<p>(Ajoy Shah) Chief Financial Officer</p>	<p>(R.P.Goyal) Director DIN : 00006595</p>	<p>(Dheeraj Kumar) Co.Secretary</p>		
<p>(H.C.Verma) Whole Time Director DIN : 00007681</p>	<p>(Ajoy Shah) Chief Financial Officer</p>						
<p>(R.P.Goyal) Director DIN : 00006595</p>	<p>(Dheeraj Kumar) Co.Secretary</p>						



NOVA IRON AND STEEL LTD.

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. Nova Iron and Steel Ltd.

Report on the Ind - AS Consolidated Financial Statements

We have audited the accompanying Consolidated Ind -AS Financial Statements of M/s Nova Iron and Steel Ltd. ("the Holding Company") and jointly controlled entity M/s Bijahan Coal Private Limited comprising of Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow for the year then ended and the Consolidated Statement of Changes in Equity and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind - AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind -AS 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 and Changes in equity of the Holding company including its Jointly controlled entity in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015(as amended) under section 133 of the act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind - AS financial statements. The respective Board of Directors of the Holding Company and its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding Company and its Jointly Controlled Entity respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind -AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the order issued under Section 143(11) of the Act

We conducted our audit of the Consolidated Ind -AS Financial Statements in accordance with the Standards on Auditing specified u/s 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 Ind -AS Financial Statements are free from material

misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Ind -AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Ind -AS 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 Consolidated Ind -AS 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 Jointly controlled entity has an adequate internal financial controls 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 Ind -AS 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 (b) of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated Ind - AS financial statements.

Basis for Qualified Opinion

For the previous year ended 31st March 2017 the company had not prepared consolidated financial statements as per Ind - AS. Hence previous year figures have been reclassified and restated in terms of Ind-As 8. (Refer Note No 52 of financial Statement).

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated Ind - AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Holding Company and its Jointly Controlled Entity as at 31st March, 2018, and their consolidated profit(Including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Emphasis of Matter

- (a) Land under Property Plant and Equipment includes land measuring 72.95 acre valued at Rs 194.34 Lacs bought by the Holding Company in the name of third parties. Transfer of the same in the Holding Company's name is yet to be initiated. (Refer Note No 49 of financial Statement).
- (b) Standalone accounts as per Ind - AS were prepared for the year ending March 31st 2017 for consolidation purpose while the final accounts adopted in AGM were on IGAAP. (Refer Note No 50 of financial Statement).

Our opinion is not qualified in respect of the aforesaid matter

Other Matter

- (a) The Standalone Ind -AS financial statements of the Holding Company and its jointly controlled entity for the year ended 31st March 2017 is prepared in accordance with



NOVA IRON AND STEEL LTD.

Companies (Accounting standards) Rules, 2006, were audited by another firm of Chartered Accountants under the Companies Act, 2013 who vide their report dated 29th May 2017, expressed an unmodified opinion on those financial statements.

- (b) We did not audit the financial statements/financial information of jointly controlled entities, M/s Bijahan Coal Private limited whose financial statements reflect total assets of Rs.1,02,401, total liabilities of Rs 35,260, net assets of Rs 67,141 as at 31st March, 2018, total revenues of Rs. 29,113 and net profit of Rs 4,500 for the year ended on that date, as considered in the consolidated financial statements. The consolidated Ind - AS financial statements also include the Holding Company's share of net profit of Rs 225 for the year ended 31st March 2018 as considered in the consolidated Ind AS financial statement, in respect of Jointly controlled entity whose financial statements has not been audited by us. These financial statements / financial information 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 jointly controlled entity, 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 jointly controlled entity, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind - AS 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

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

(i) As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

- We have sought and, except for the possible effect of the matter described in the Basis for Qualified Opinion above, 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 Ind AS financial statements.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
- Except for the matter described in the Basis for Qualified Opinion paragraph above, the reports on the accounts of the Holding Company, and its jointly controlled entity incorporated in India, audited under Section 143 (8) of the Act by the other auditors, as applicable, and have been properly dealt with in preparing this report.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (Including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial

statements.

- In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated Ind - AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the consolidated Ind AS financial statement.
- On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its jointly controlled entity incorporated in India, none of the directors of Holding Company, its jointly controlled entity incorporated in India is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, the operating effectiveness of such controls, refer to our separate Report in Annexure A. As per Jointly controlled entity audit report, reporting under clause (1) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is not applicable.
- with respect to the other matters to be included in 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;
- The consolidated Ind-AS financial statements disclosed the impacts of pending litigations on its financial position in its Ind -AS Financial Statements as on 31st March, 2018. (Refer to note no 34)
- The Holding Company's and its Jointly Controlled entity did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company's and its jointly controlled entity during the year 31st March 2018.

**For Mehra Goel & Co.
Chartered Accountants
FRN : 000517N**

**Sanjay Mehra
Partner
M.N. : 085389**

**Place : New Delhi
Date : 29.05.2018**



NOVA IRON AND STEEL LTD.

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF NOVA IRON AND STEEL LTD.

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of (hereinafter referred to as "the Holding Company"). As per Jointly controlled entity audit report Reporting under clause (1) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is not applicable.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

**For Mehra Goel & Co.
Chartered Accountants
FRN : 000517N**

**Sanjay Mehra
Partner
M.N. : 085389**

**Place : New Delhi
Date : 29.05.2018**



NOVA IRON AND STEEL LTD.

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2018

(Amount In Rs.)			
Particulars	Note No.	As at 31.03.2018	As at 31.03.2017
ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant & Equipment	3	61 91 80 308	62 93 30 790
(b) Capital Work In Progress	3	262 09 95 410	237 05 66 424
(c) Financial Assets			
Non - Current Investments	4	1 43 88 046	27 81 132
(d) Income Tax Asset (Net)	5	5 93 156	2 11 074
(e) Deferred Tax Assets (Net)	6	1 69 39 443	1 46 44 202
(f) Other Non Current Assets	7	11 75 51 232	4 36 46 509
Total Non-Current Assets		338 96 47 595	306 11 80 131
CURRENT ASSETS			
(a) Inventories	8	3 87 23 841	6 13 84 838
(b) Financial Assets			
(i) Trade Receivables	9	8 42 86 924	22 63 681
(ii) Cash & Cash Equivalents	10	14 91 819	55 26 010
(iii) Other Current Assets	11	7 93 51 550	7 35 28 709
Total Current Assets		20 38 54 134	14 27 03 238
TOTAL ASSETS		359 35 01 729	320 38 83 369
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	12	36 13 94 880	36 13 94 880
(b) Other Equity	13	- 6 67 39 793	- 9 74 13 633
TOTAL EQUITY		29 46 55 087	26 39 81 247
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Provisions	14	1 45 09 857	1 15 19 419
(b) Other Non Current Liabilities	15	6 75 57 059	8 37 23 658
		8 20 66 916	9 52 43 077
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	16	239 36 52 543	197 79 52 406
(ii) Trade Payables	17	4 28 85 060	5 53 22 207
(b) Provisions	18	34 72 825	20 67 424
(c) Other Liabilities	19	77 28 28 298	80 93 17 008
(d) Current Tax Liabilities (Net)	20	39 41 000	-
		321 67 79 726	284 46 59 045
TOTAL EQUITY & LIABILITIES		359 35 01 729	320 38 83 369
See Accompanying Notes to Financial Statements forming an integral part of the Financial Statements			
As per our report of even date attached		For & on behalf of the Board	
For Mehra Goel & Co., Chartered Accountants Firm Regn. No. 000517N		(H.C.Verma) Whole Time Director DIN : 00007681	
(Sanjay Mehra) Partner Membership No. 085389 Place : New Delhi Date : 29.05.2018		(Ajoy Shah) Chief Financial Officer (Dheeraj Kumar) Co.Secretary	
		(R.P.Goyal) Director DIN : 00006595	



NOVA IRON AND STEEL LTD.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note No.	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
I. Revenue from Operations	21	19 67 75 684	56 76 21 153
II. Other Income	22	1 59 20 051	16 08 921
III. Total Revenue (I +II) :		21 26 95 735	56 92 30 074
IV. Expenses:			
Cost of Material Consumed	23	-	37 37 58 289
Changes in Inventories of Finished Goods, Stock-in-Trade and WIP	24	2 43 82 007	68 76 572
Excise Duty on Sale	-	7 09 209	3 49 30 945
Employee Benefit Expense	25	4 46 31 293	4 19 23 372
Finance Costs	26	6 77 76 709	6 66 28 820
Depreciation	27	1 01 80 288	1 18 59 078
Other Expenses	28	4 23 10 898	7 75 84 556
Expenditure Incurred Under Trial Run Capitalised	-	-	- 7 11 63 024
Total Expenses :		18 99 90 404	54 23 96 608
Share of Profit/Loss(-) of Joint Venture		225	-1313
V. Profit Before Tax (III - IV)		2 27 05 556	2 68 32 153
VI. Tax Expenses:			
Current Tax		39 41 000	-
Tax for Earlier Years		-	-
Mat Credit Entitlement		- 39 41 000	-
		77 785	- 11 63 286
Profit For the Year		2 27 83 341	2 56 68 867
VII. Other Comprehensive Income			
Items that will not be reclassified subsequently to Profit and Loss	29	96 14 043	-
Income Tax relating to items that will not be reclassified to Profit & Loss	-	- 17 23 544	-
Items that will be reclassified to Statement of Profit and Loss		-	-
Income Tax relating to items that will be reclassified to Statement of Profit & Loss		-	-
VIII. Total Other Comprehensive income, net of Tax		78 90 499	-
IX. Total Comprehensive Income :		3 06 73 840	2 56 68 867
X. Earning Per Share (Face Value Rs. 10/-) Basic and Diluted	30	0.63	0.71

See Accompanying Notes to Financial Statements forming an Integral part of the Financial Statements

As per our report of even date attached

For & on behalf of the Board

For Mehra Goel & Co.,
Chartered Accountants
Firm Regn. No. 000517N

(H.C.Verma)
Whole Time Director
DIN : 00007681

(Ajoy Shah)
Chief Financial Officer

(Sanjay Mehra)
Partner
Membership No. 085389

(R.P.Goyal)
Director
DIN : 00006595

(Dheeraj Kumar)
Co.Secretary

Place : New Delhi
Date : 29.05.2018



NOVA IRON AND STEEL LTD.

Notes Forms Parts of Consolidated Financial Statements
Consolidated Statement of changes in equity for the year ended 31st March 2018

(i) Equity Share Capital				(Amount in Rs.)		
	Particulars	As at 1st April 2016	During the year	As at 31st March 2017	During the year	As at 31st March 2018
	Equity share of Rs.10 each	36 13 94 880	-	36 13 94 880	-	36 13 94 880
(ii) Other Equity						
	Particulars	Total Amount				
	As at 1st April 2016	-12 30 82 500				
	Changes in accounting policy / prior period errors	-				
	Restated balance as at 1st April 2016	-12 30 82 500				
	Profit / Loss for the year	2 56 68 867				
	Other Comprehensive income for the year	-				
	As at 31st March 2017	-9 74 13 633				
	Changes in accounting policy / prior period errors	-				
	Restated balance as at 31st March 2017	-9 74 13 633				
	Profit / Loss for the year	2 27 83 341				
	Other Comprehensive income for the year	78 90 499				
	As at 31st March 2018	-6 67 39 793				
As per our report of even date attached						
For & on behalf of the Board						
For Mehra Goel & Co., Chartered Accountants Firm Regn. No. 000517N						
(Sanjay Mehra) Partner Membership No. 085389		(H.C.Verma) Whole Time Director DIN : 00007681		(Ajoy Shah) Chief Financial Officer		
Place : New Delhi Date : 29.05.2018		(R.P.Goyal) Director DIN : 00006595		(Dheeraj Kumar) Company Secretary		



NOVA IRON AND STEEL LTD.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

		(Amount in Rs.)	
Particulars		For The Year Ended 31.03.2018	For The Year Ended 31.03.2017
A. Cash Flow from Operating Activities			
Net Profit / Loss (-) before Tax as per Statement of Profit & Loss account		2 27 05 556	2 68 32 154
Adjustments for:			
Depreciation	1 01 80 288		1 18 59 078
Interest Expenses (Net)	6 74 47 446		6 60 45 784
Share of Profit (-)/Loss of Jointly controlled entity	-225	7 76 27 509	1 313
Operating Profit / Loss (-) before Working Capital Changes		10 03 33 065	10 47 38 329
Adjustment for:			
Increase (-) / Decrease in trade and other receivables	- 9 19 07 612		2 54 16 090
Increase (-) / Decrease in inventories	2 26 60 997		22 14 83 919
Increase / Decrease (-) in trade and other payables	- 6 04 71 808	- 12 97 18 423	- 1 90 01 647
Net Cash (Used In) from Operating Activities : A		- 2 93 85 359	33 26 36 691
B. Cash Flow from Investing Activities			
Purchase of Property, Plant & Equipment	- 29 806		- 1 57 227
Increase (-) / Decrease in Capital Advances	- 7 24 42 731		- 49 96 614
Increase (-) / Decrease in Capital Work in Progress	- 25 04 28 988		- 30 91 67 096
Interest Received	3 29 263	- 32 25 72 260	5 81 036
Net Cash (Used In) from Investing Activities : B		- 32 25 72 260	- 31 37 39 902
C. Cash Flow from Financing Activities			
Interest Paid		- 6 77 76 709	- 6 66 26 820
Proceeds from Short Term Borrowings (Net)		41 57 00 137	4 91 86 592
Net Cash (Used In) from Financing Activities : C		34 79 23 428	- 1 74 40 228
Net Increase in Cash and Cash Equivalents : (A-B-C) :		- 40 34 191	14 57 562
Cash and Cash Equivalents at the Beginning of the Year :		55 26 010	40 68 448
Cash and Cash Equivalents at the End of the Year :		14 91 819	55 26 010
As per our report of even date attached		For & on behalf of the Board	
For Mehra Goel & Co., Chartered Accountants Firm Regn. No. 000517N		(H.C.Verma) Whole Time Director DIN : 00007681	
(Sanjay Mehra) Partner Membership No. 085389 Place : New Delhi Date : 29.05.2018		(Ajoy Shah) Chief Financial Officer (R.P.Goyal) Director DIN : 00006595 (Dheeraj Kumar) Co.Secretary	



NOVA IRON AND STEEL LTD.

NOTES FORMS CONSOLIDATED IND-AS PARTS OF FINANCIAL STATEMENTS :

Note - 1. Company Information and Basics of Consolidation:

- I) Nova Iron & steels Limited ("the company") is engaged in the manufacturing / trading of Iron & Steel, Metals, Securities & Natural Resources business. The company address of principal place of business is Village-Dagori, Tehsil -Belha, Bilaspur - Chhatisgarh, 495224.
- II. The Consolidated Ind - As Financial Statements (CFS) relates to Nova Iron & Steels Ltd. and Its Jointly Controlled entity M/s Bijahan Coal Private Limited. The Accounts are prepared on historical cost convention in accordance with the applicable Ind - As and other applicable relevant statutes.
- III. The Ind - As Financial Statement of Joint Venture have been combined by applying proportionate consolidation method on a line by line basis on items of assets , liabilities , income and Expenses after eliminating proportionate share of unrealized profits or losses in accordance with Ind -As 28 on " Investment in Associates and Joint Ventures".
- IV. The consolidated Ind AS Financial St atements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Ind -As Financial Statements except as otherwise disclosed in the Notes to Accounts.

Note - 2. Significant Accounting Policies :

a) Statement of Compliance

The consolidated Ind-As Financial Statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the section 133 of the companies Act, 2013 ("the Act") read with the companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

b) Basis of preparation and presentation

The consolidated Ind-As financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services. The principal accounting policies are set out below:-

All assets and liabilities have been classified as current or non-current according to the holding company and its jointly controlled entity operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the holding company and its jointly controlled entity has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.

c) Use of estimates and judgments

The preparation of consolidated Ind-As financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these consolidated financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods affected.

d) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The holding company and its jointly controlled entity recognizes revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the holding company and its jointly controlled entity activities as described below. The holding company and its jointly controlled entity bases its estimates on historical results, taking into consideration the type of customer, the type of transactions and the specifics of each arrangement.

Sale of goods

Revenue from sales of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, inclusive of excise duty, net of returns and allowances, trade discounts, cash discount, volume rebates and value added taxes and Goods and Services Tax.

Income from services

Income from services is recognized by reference to the stage of completion of the transaction at the end of the reporting period.

Dividend and interest income

Dividend income from investments is recognized when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the holding company and its jointly controlled entity and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and



NOVA IRON AND STEEL LTD.

the amount of income can be measured reliably.

For all financial instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the Statement of profit or loss is included in other income.

e) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

Rental expense from operating leases is recognized as expenses in the Profit & Loss account on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognized in the period in which such benefits accrue.

f) Foreign Currencies

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit or loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in other comprehensive income or the statement of profit and loss is also recognised in other comprehensive income or the statement of profit and loss respectively).

g) Borrowing Costs

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

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

All other borrowing costs are recognised in statement of profit or loss in the period in which they are incurred.

Borrowing costs consist of interest, which is computed as per effective interest method, and other costs that an entity incurs in connection with the borrowing of funds.

h) Employee benefits

Short-term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related services are recognised in the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

Other long-term employee benefit obligations

Liabilities for leave encashment and compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows which is expected to be paid using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.



NOVA IRON AND STEEL LTD.

Post-employment obligations

Defined benefit plans

The holding company and its jointly controlled entity has defined benefit plans namely gratuity for employees.

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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

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

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

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The holding company and its jointly controlled entity has defined contribution plans for post-employment benefit namely Employee Provident Fund Scheme administered through Provident Fund Commissioner and the Company's contribution thereto is charged to profit or loss every year. The holding company and its jointly controlled entity has no further payment obligations once the contributions have been paid. The Company's contribution to State Plans namely Employees' State Insurance Fund and Employees' Pension Scheme are charged to the Statement of Profit and Loss every year.

Termination benefits

A liability for the termination benefit is recognised when the holding company and its jointly controlled entity can no longer withdraw the offer of the termination benefit.

i) Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The holding company and its jointly controlled entity current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the holding company and its jointly controlled entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.



NOVA IRON AND STEEL LTD.

j) Property, Plant and Equipment (PPE)

Property, Plant and Equipment (PPE) are stated at cost of acquisition or construction, net of accumulated depreciation and accumulated impairment losses, if any. The cost of tangible asset includes purchase cost (net of rebates and discounts) including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the holding company and its jointly controlled entity and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. The other repairs and maintenance of revenue nature are charged to Statement of Profit & Loss during the reporting period in which they have incurred.

Transition to INDAS

On transition to Ind AS, the holding company and its jointly controlled entity has elected to continue with the carrying value of its property, plant and equipment recognised as at 1st April 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment

Depreciation methods, estimated useful lives and residual value

The Depreciation on fixed assets is provided on Written Down Value Method in accordance with applicable Schedule of the Companies Act, 2013.

The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

k) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost of acquisition and are stated net of accumulated amortization and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

Transition to INDAS

On transition to Ind AS, the holding company and its jointly controlled entity has elected to continue with the carrying value of its Intangible Asset recognised as at 1st April 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Asset.

Amortization methods and useful lives

The Cost of Intangible assets are amortized on a straight line basis over their estimated useful life which is as follows. Residual Value is considered as Nil in the below cases :

Nature of Assets	Life
Technical knowhow	3 years
Computer software	3 years

The amortization period and method are reviewed at least at each consolidated financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

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

Impairment of Tangible and Intangible assets

At the end of each reporting period, the holding company and its jointly controlled entity reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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

l) Capital work in progress

Administrative and general overhead expenses attributable to construction of fixed assets incurred till they are ready for their intended use are identified and allocation on a systematic basis of cost of related assets.

m) Inventories

Inventories are valued at the lower of cost or net realizable value, less any provisions for obsolescence. Cost is determined on the



NOVA IRON AND STEEL LTD.

following basis :-

Raw Material is recorded at cost on a first-in, first-out (FIFO) basis.

Stores & spares are recorded at cost on a weighted average cost formula.

Finished goods and work-in-process are valued at raw material cost + cost of conversion and attributable proportion of manufacturing overhead incurred in bringing inventories to its present location and condition.

By products and scrap are valued at net realizable value.

Machinery spares (other than those qualify to be capitalized as PPE and depreciated accordingly) are charged to profit and loss on consumption.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

n) Provisions and contingencies

Provisions : Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are determined based on best management estimate required to settle the obligation at balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the holding company and its jointly controlled entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent asset being a possible asset that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, is not recognized but disclosed in the financial statements.

o) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

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

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost using the effective interest method or fair value, depending on the classification of the financial assets

Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The holding company and its jointly controlled entity classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: the objective of the holding company and its jointly controlled entity business model is to hold the financial asset to collect the contractual cash flows.



NOVA IRON AND STEEL LTD.

- Cash flow characteristic test: the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- Cash flow characteristic test: the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

p) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment.

q) Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, cheques and balances with bank. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft is shown within other consolidated financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

r) Impairment of Financial Assets

The holding company and its jointly controlled entity assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- The twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

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

Derecognition of financial assets

A financial asset is derecognised only when

- The holding company and its jointly controlled entity has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship. Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

s) Financial liabilities and equity instruments

Classification of debt or equity

Debt or equity instruments issued by the holding company and its jointly controlled entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the holding company and its jointly controlled entity are recognised at the proceeds received, net of direct issue costs.



NOVA IRON AND STEEL LTD.

Consolidated Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through statement of profit & loss.

Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the holding company and its jointly controlled entity prior to the end of financial year which are unpaid.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

The difference between the carrying amount of a consolidated financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit Loss.

Foreign exchange gains or losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in Statement of Profit and Loss.

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

Derecognition of financial liabilities

The holding company and its jointly controlled entity derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

t) Dividends

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

NOTE 3 - PROPERTY, PLANT & EQUIPMENTS

(Amount in Rs.)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipments	Railway Siding	Office Equipments	Furniture & Fixtures	Vehicles	Total
Cost as at 1st April, 2017	46 38 29 408	4 17 75 783	42 22 28 851	176 70 16 552	2 14 77 461	1 64 30 226	2 48 55 084	1 00 06 228	276 76 19 593
Additions	-	-	-	-	-	29 806	-	-	29 806
Disposals	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Cost as at 31st March, 2018	46 38 29 408	4 17 75 783	42 22 28 851	176 70 16 552	2 14 77 461	1 64 60 032	2 48 55 084	1 00 06 228	276 76 49 399
Accumulated depreciation as at 1st April, 2017	-	17 96 524	33 75 41 178	173 27 49 680	1 81 10 096	1 52 46 343	2 39 10 147	89 34 834	213 82 88 803
Charge for the year	-	5 12 667	49 81 905	32 44 076	8 36 256	2 26 824	1 31 139	2 47 422	1 01 80 288
Disposals	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 31st March, 2018	-	23 09 191	34 25 23 083	173 59 93 756	1 89 46 352	1 54 73 167	2 40 41 286	91 82 256	214 84 69 091
Net carrying amount as at 31st March, 2018	46 38 29 408	3 94 66 592	7 97 05 768	3 10 22 796	25 31 109	9 86 865	8 13 798	8 23 972	61 91 80 308
Net carrying amount as at 31st March, 2017	46 38 29 408	3 99 79 259	8 46 87 673	3 42 66 872	33 67 365	11 83 883	9 44 937	10 71 394	62 93 30 790

Capital Work-in-Progress:

Opening Balance as at 1st April, 2017	2 37 05 66 424
Add: Additions	25 04 28 986
Less: Capitalised during the year	-
Closing Balance as at 31st March 2018	2 62 09 95 410



NOVA IRON AND STEEL LTD.

Particulars	(Amount in Rs.)	
	As at 31st March 2018	As at 31st March 2017
NOTE 4 : NON CURRENT INVESTMENTS :		
Non Trade, Unquoted (At Cost)		
Adarsh Info Tech. P. Ltd., Chandigarh	1 13 75 886	22 38 000
2,23,800 Eq. Shares (Prev. Year 2,23,800 Eq. Shares) of Rs. 10/- each		
Prudent Transport Co. Ltd., Chandigarh	30 08 803	5 40 000
18,000 Eq. Shares (Prev. Year 18,000 Eq. Shares) of Rs. 30/- each		
Joint-Venture		
Bijahan Coal P Ltd, Chandigarh	3 357	3 132
500 Eq. Shares(Prev. year-500, Eq. shares) of Rs. 10/- each fully paid up		
TOTAL :	1 43 88 046	27 81 132
(Aggregate Amount of Unquoted Investments : Rs. 1,43,88,046)		
NOTE 5 : INCOME TAX ASSET (NET) :		
Advance Tax (Net)	5 93 156	2 11 074
TOTAL :	5 93 156	2 11 074
NOTE 6 : DEFERRED TAX ASSETS (NET) :		
The break up of deferred tax assets and liabilities into major components arising on account of timing differences at the year end are as below:-		
Opening Deferred Tax Assets	37 51 616	49 14 902
Deferred Tax Assets on account of :		
Related to fixed assets	8 70 816	10 53 163
Amortisation of Expenses	-	-
Disallowance under the Income Tax Act 1961	-	-
Accrued Compensation to Employees	-	-
Deferred Tax Liabilities on account of :		
Allowance under the Income Tax Act 1961	9 48 601	- 1 10 123
Deferred Tax Assets (+) / Liabilities (-) During the Year (Op. + Cl.)	77 785	- 11 63 286
Deferred Tax Liabilities on items Recognised in OCI	- 17 23 544	-
Mat Recoverable	1 48 33 586	1 08 92 586
NET DEFERRED TAX ASSETS :	1 69 39 443	1 46 44 202
Reconciliation of tax expenses and the accounting profit multiplies by India's Domestic Tax Rate:		
Accounting Profit before Income Tax	2 27 05 557	26 83 21 53
Applicable statutory Income Tax Rate	30.90%	30.90%
Tax a applicable Tax rate	70 16 017	82 91 135
Brought forward Loss adjustment	64 38 232	94 54 421
Total Tax expenses (includes Differed Tax)	77 785	-11 63 286
NOTE 7 : OTHER NON CURRENT ASSETS :		
Capital Advances	10 52 11 538	3 27 68 807
Security Deposits		
With Government Departments	1 05 43 587	90 38 408
Others	38 791	81 978
Sub Total :	1 05 82 378	91 20 386
Balance With Excise Dept	17 57 316	17 57 316
TOTAL :	11 75 51 232	4 36 46 509
NOTE 8 : INVENTORIES :		
Raw Materials (at cost)	27 85 847	27 85 847
Finished Goods (at lower of cost or net relisable value)	5 10 077	33 29 792
Scrap & Waste (at net relisable value)	1 04 940	2 16 67 232
Stores and Spares (at cost)	3 48 08 057	3 31 46 421
Diesel (at cost)	1 31 042	62 216
Packing Material (at cost)	3 83 878	3 93 330
TOTAL :	3 87 23 841	6 13 84 838



NOVA IRON AND STEEL LTD.

(Amount In Rs.)		
Particulars	As at 31st March 2018	As at 31st March 2017
NOTE 9 : TRADE RECEIVABLES :		
Unsecured and considered good		
Trade Receivables	8 42 86 924	22 63 681
TOTAL :	8 42 86 924	22 63 681
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member is Nil. (P.Y. Nil)		
NOTE 10 : CASH & CASH EQUIVALENTS :		
Cash on Hand	1 53 380	2 11 829
Cheques , Drafts on Hand	32 142	28 00 642
Balances with Scheduled Banks		
In Current Accounts	13 08 297	24 84 089
Other Bank Balance		
Deposit with more than 12 Months Maturity	-	29 450
(Including Interest Accrued)		
(Previous Year Rs. 29450/- under bank lien)		
TOTAL :	14 91 819	55 26 010
NOTE 11 : OTHER CURRENT ASSETS :		
(A) Unsecured and considered good		
Advances to Suppliers	2 54 70 054	2 60 43 127
Advances to Employees	1 75 748	2 40 990
Other Advances :		
Interest Recoverable	3 86 145	3 57 212
Prepaid Expenses	8 58 617	16 45 944
Balance of Statutory / Government Authorities	5 24 60 986	4 52 41 436
TOTAL :	7 93 51 550	7 35 28 709
(B) With reference to the Loans and advances due from directors or other officers of the company.	Nil	Nil
NOTE 12 : SHARE CAPITAL :		
(A) Authorised Capital :		
16,00,00,000 Equity Shares of Rs. 10/- each	160 00 00 000	160 00 00 000
(B) Issued, Subscribed and Paid Up Capital :		
3,61,39,488 Equity Shares of Rs. 10/- each (Previous Year 3,61,39,488 No. of Equity Shares of Rs. 10/- each)	36 13 94 880	36 13 94 880
(C) Reconciliation of number of Equity Shares outstanding at the Beginning and at the end of the reporting period:		
Equity Shares:	As at 31st March 2018	As at 31st March 2017
Outstanding at the beginning of the year	No. of Shares 3 61 39 488	No. of Shares 3 61 39 488
Add: Further Issued during the year	Nil	Nil
Outstanding at the closing of the year	3 61 39 488	3 61 39 488
	Amount (Rs.)	Amount (Rs.)
Outstanding at the beginning of the year	36 13 94 880	36 13 94 880
Add: Further Issued during the year	Nil	Nil
Outstanding at the closing of the year	36 13 94 880	36 13 94 880



NOVA IRON AND STEEL LTD.

(Amount In Rs.)		
Particulars	As at 31st March 2018	As at 31st March 2017
(D) The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of Equity Share is entitled to one vote per share. In the event of Liquidation, the Equity Share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in the proportion to their share holding.		
(E) There are nil number of shares (previous year nil) in respect of each class in the company held by its holding/ultimate holding their submission / associates.		
(F) There are nil number of shares (previous year nil) reserved for issue under option and contracts/commitment for the sale of Shares / Disinvestment including the terms and amounts.		
(G) Bonus Shares / Buy Back/ Shares for consideration other than cash allotted as fully paid up pursuant to contracts during past five years: NIL		
(H) There are no securities (Previous Year - No) convertible into Equity / Preferential Shares.		
(I) There are no calls unpaid (Previous Year - No) including calls unpaid by Directors and Officers as on Balance Sheet dated.		
(J) Details of Forfeited shares :	No. of Shares / Value Nil	No. of Shares / Value Nil
Equity Share of Rs. 10/- each		
NOTE 13 : OTHER EQUITY :		
Retained Earnings		
Balance at beginning of the year	- 9 74 13 633	-12 30 82 500
Add : Profit / Loss (-) for the Year	2 27 83 341	2 56 68 867
Sub Total :	- 7 46 30 292	- 9 74 13 633
Other Comprehensive Income :		
Opening Balance	-	-
Fair Valuation of Investment	92 85 351	-
Remeasurements of employee benefit obligations	- 13 94 852	-
Closing Balance :	78 90 499	-
Closing Balance at the year end	- 6 67 39 793	- 9 74 13 633
NOTE 14 : PROVISIONS :		
Non Current		
Provision for Gratuity	1 19 60 029	92 10 377
Provision for Compensated Absences	25 49 828	23 09 042
TOTAL :	1 45 09 857	1 15 19 419
NOTE 15 : OTHER NON CURRENT LIABILITIES :		
Interest on Entry Tax Payable	91 32 454	91 32 454
Service Tax Payable	21 40 012	21 40 012
Entry Tax Payable	2 51 12 268	2 51 12 268
Water Charges Payable	2 48 22 009	4 60 29 127
Security Deposits	63 50 315	13 09 795
TOTAL :	6 75 57 053	8 37 23 656
NOTE 16 : BORROWINGS :		
Unsecured:		
Loans From related Parties	151 58 79 348	140 74 73 341
Loans From Other Parties	87 77 73 195	57 04 79 065
TOTAL :	239 36 52 543	197 79 52 406
(a) The Loans from related parties are at 12% and from other parties Loans is 8.00% and 8.50 % p.a. Interest respectively (Unsecured). All the loan are repayable of Demand.		



NOVA IRON AND STEEL LTD.

(Amount In Rs.)		
Particulars	As at 31st March 2018	As at 31st March 2017
NOTE 17 : TRADE PAYABLES :		
Trade Payables	4 28 85 060	5 53 22 207
TOTAL :	4 28 85 060	5 53 22 207
The Company has not received any information from the vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid as at the year end together with interest paid / payable under this have not been given.		
NOTE 18 : PROVISIONS :		
Provision for Gratuity	21 68 632	13 15 354
Provision for Compensated Absences	13 04 193	7 52 070
TOTAL :	34 72 825	20 67 424
NOTE 19 : OTHER CURRENT LIABILITIES :		
Other Payables		
Liability for Capital Goods / Expenditure	4 74 78 332	4 53 60 029
Advance From Customer's	68 44 52 662	73 18 42 203
Excise duty Payable	-	4 16 219
Expenses Payable	88 95 425	18 21 202
Other Statutory Dues payable	2 67 84 551	2 25 84 854
Due to Directors	3 77 827	2 58 371
Employees related Payable	48 39 501	70 34 130
TOTAL :	77 28 28 298	80 93 17 008
NOTE 20 : CURRENT TAX LIABILITIES :		
Provision for Income Tax (net of advance income tax)	39 41 000	-
TOTAL :	39 41 000	-
Particulars	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
NOTE 21 : REVENUE FROM OPERATIONS		
Sales (including excise duty)*	32 41 153	35 11 18 208
Other Operating Income #	19 35 34 531	21 65 02 945
TOTAL :	19 67 75 684	56 76 21 153
* Excluding Goods & Service Tax		
* Post the applicability of goods and service tax (GST) with effect from July 01, 2017, revenue from operations is disclosed net of GST. Accordingly the revenue from operations and other expenses for the year ended on March 31, 2018 are not comparable with the previous periods presented in the financial statements.		
# Refer Note No 46		
NOTE 22 : OTHER INCOME		
Interest Income	3 29 263	5 81 036
Miscellaneous Income	1 55 90 788	10 27 885
TOTAL :	1 59 20 051	16 08 921
NOTE 23 : COST OF MATERIALS CONSUMED:		
Opening Stock	-	21 95 86 756
Add : Purchases	-	15 69 57 380
	-	37 65 44 136
Less : Closing Stock	-	27 85 847
TOTAL :	-	37 37 58 289



NOVA IRON AND STEEL LTD.

Particulars	(Amount in Rs.)	
	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
NOTE 24 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROGRESS AND STOCK IN TRADE:-		
Inventory at the beginning of the year		
Finished Goods	33 29 792	2 19 59 865
Stock in Process	-	16 10 400
Scrap	2 16 67 232	83 03 331
	2 49 97 024	3 18 73 596
Less : Inventory at the end of the year		
Finished Goods	5 10 077	33 29 792
Stock in Process	-	-
Scrap	1 04 940	2 16 67 232
	6 15 017	2 49 97 024
INCREASE (-) / DECREASE IN INVENTORIES	2 43 82 007	68 76 572
NOTE 25 : EMPLOYEE BENEFITS EXPENSES:		
Salaries & Wages	5 23 38 949	5 26 03 984
Contribution to Provident and Other Funds	44 50 198	37 21 805
Staff Welfare Expenses	7 04 396	8 59 437
	5 74 93 543	5 71 85 226
Less : Transferred to Projects Under Commissioning	1 28 62 250	1 52 61 854
TOTAL :	4 46 31 293	4 19 23 372
NOTE 26 : FINANCE COSTS:		
Interest Expense	20 91 79 820	21 08 86 049
Less : Transferred to Projects Under Commissioning	14 14 03 111	14 42 59 229
TOTAL :	6 77 76 709	6 66 26 820
NOTE 27 : DEPRECIATION :		
Depreciation	1 01 80 288	1 18 59 078
TOTAL :	1 01 80 288	1 18 59 078
NOTE 28 : OTHER EXPENSES:		
Consumption of Stores	7 79 517	83 31 661
Excise Duty Provided on Stock (Net)	- 4 16 219	- 15 69 817
Packing & Forwarding Charges	10 36 057	97 92 914
Power & Fuel	1 87 12 883	3 45 58 098
Water Charges	1 46 23 532	2 20 34 250
Payment to Auditors		
Audit Fees	2 75 000	1 75 000
Tax Audit Fees	25 000	25 000
Company Law Matters	-	1 00 000
Out of Pocket Expenses	43 918	34 754
Sub Total :	3 43 918	3 34 754
Repairs and Maintenance		
Machinery	5 18 833	5 70 665
Vehicles	17 62 408	20 09 571
Building	5 80 908	5 53 040
Legal & Professional Charges	22 54 948	18 00 822



NOVA IRON AND STEEL LTD.

(Amount in Rs.)		
Particulars	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
Rates & Taxes	11 15 722	34 97 217
Travelling & Conveyance Expenses	6 07 908	8 63 977
Advertisement Expenses	81 552	1 32 952
Printing & Stationery	18 67 600	23 93 933
Postage, Telegram & Telephone Exp	27 01 995	25 87 747
Prior Period Expenses	-	1 09 598
Bank Charges	1 04 406	1 10 221
Director's Sitting Fee	29 000	17 000
Commission & Brokerage	1 57 999	8 90 949
Rebate & Discounts	-	2 32 809
Exchange Fluctuations	-	6 40 792
General Expenses	2 47 269	3 30 046
Lease Rent	15 16 420	20 01 788
Other Miscellaneous Expenses	20 32 574	22 179
	5 06 59 230	9 22 47 167
Less : Transferred to Projects Under Commissioning	83 48 332	1 46 62 611
TOTAL :	4 23 10 898	7 75 84 556
NOTE 29 : ITEMS THAT WILL NOT BE RE-CLASSIFIED TO STATEMENT OF PROFIT & LOSS :		
Change in fair value of Investment	1 16 06 689	-
Re-measurement gains / (losses) on defined benefit	- 19 92 646	-
TOTAL :	96 14 043	-
NOTE 30 : EARNING PER SHARE (EPS) :		
Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.		
Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares, unless the effect of potential dilutive equity shares is antidilutive.		
The following reflects the income and share data used in the basic and diluted EPS computations:		
Profit / (loss) after tax for Calculation of Basic EPS	2 27 83 341	2 56 68 867
Add : Adjustment for Potential Shares	-	-
Profit / (loss) after tax for Calculation of Diluted EPS	2 27 83 341	2 56 68 867
Weighted average number of equity shares in calculating basic EPS	3 61 39 488	3 61 39 488
Effect of dilution :	-	-
Total weighted average number of shares in calculating diluted EPS	3 61 39 488	3 61 39 488
Nominal value of each ordinary equity share (Rs.)	10	10
Basic Earning per share	0.63	0.71
Diluted Earning per share	0.63	0.71
NOTE 31 : SEGMENT INFORMATION :		
The Company is primarily engaged in the business of manufacturing / trading of Iron & Steel, Metals, Securities & Natural Resources business and also engaged in Investment in commodities/ Securities. So accordingly segment report has been disclosed is as under :		
Segment Revenue		
(a) Manufacturing	2 89 72 313	37 90 14 031
(b) Investment in commodities / Securities	16 78 03 371	18 86 07 122
(c) Others	1 59 20 051	16 08 921
Total	21 26 95 735	56 92 30 074
Segment Results		
(a) Manufacturing	- 16 10 19 247	- 16 33 61 711
(b) Investment in commodities / Securities	16 78 03 371	18 86 07 122
(c) Others	1 59 21 207	15 88 055
(c) Share of Profit & Loss(-) of Jointly controlled entity	225	- 1 313
Profit Before Tax	2 27 05 556	2 68 32 153



NOVA IRON AND STEEL LTD.

(Amount in Rs.)

Particulars	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
Segment Assets		
(a) Manufacturing	351 15 00 194	320 38 83 369
(b) Investment in commodities / Securities	8 20 01 535	-
(c) Others	-	-
Total Asset	359 35 01 729	320 38 83 369
Segment Liability		
(a) Manufacturing	329 88 46 642	293 99 02 122
(b) Investment in commodities / Securities	-	-
(c) Others	-	-
Total Liability	329 88 46 642	293 99 02 122
Capital employed	29 46 55 087	26 39 81 247

NOTE 32 : INVENTORY :

Consumption of Raw Materials & Components has been computed by adding Purchases to the Opening Inventory and deducting Closing Inventory as verified physically by Management.

NOTE 33 : RELATED PARTY TRANSACTIONS :

The list of related parties as identified by the management is as under :

	(I).	Key Managerial Personnel / Director 1 Sh. Sanjay Singal 2 Sh. Aniket Singal 3 Sh. H.C. Verma 4 Sh. Ravi Prakash Goyal 5 Sh. Ajoy Shah 6 Sh. Dheeraj Kumar	Relationship Director Director Whole Time Director Director Chief Financial Officer Company Secretary		
	(II).	List of related Companies 1 M/s Ambey Steel & Power Pvt. Ltd. 2 M/s Bhushan Power & Steel Ltd 3 M/s Bijahan Coal Private Limited	Promoter Company Promoter Company Jointly Controlled Entity		
	(III).	Following transactions were carried out with related parties in the ordinary course of business for the Year Ended 31st March 2018.			
		Name of the Related Party / Relation	Nature of Transactions	As at 31st March 2018	As at 31st March 2017
		1 M/s Bhushan Power & Steel Ltd. (Promoter Co.)	Sale of Scrap & Others	2 95 43 073	3 81 33 519
		2 M/s Bhushan Power & Steel Ltd. (Promoter Co.)	Purchase of Store & Machinery	13 57 204	86 55 035
		3 M/s Bhushan Power & Steel Ltd. (Promoter Co.)	Loan Repaid	-	6 05 15 681
		4 M/s Bhushan Power & Steel Ltd. (Promoter Co.)	Interest on Loan	15 10 06 674	16 56 49 328
		5 Sh. H.C. Verma (Whole Time Director)	Director Remuneration*	23 75 000	15 00 000
		6 Sh. Ajoy Shah (Chief Financial Officer)	Salary	5 08 200	5 08 200
		7 Sh. Dheeraj Kumar (Company Secretary)	Salary	3 99 000	3 81 000
		Closing Balances			
		1 Bhushan Power & Steel Ltd.	Loan Balance	151 58 79 348	140 74 73 341
		2 Bhushan Power & Steel Ltd.	Advance From Customer	68 39 37 109	73 13 26 650
		3 Sh. H.C. Verma (Whole Time Director)	Director Remuneration*	3 77 827	2 58 371



NOVA IRON AND STEEL LTD.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

* Remuneration paid to KMP's does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

(Amount in Rs.)		
Particulars	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
NOTE 34 : CONTINGENT LIABILITIES & COMMITMENTS & ASSETS (TO THE EXTENT NOT PROVIDED FOR)		
(A) Contingent liabilities.		
Claims against the Company not acknowledged as debts(*)	80 85 961	79 22 98 654
Income Tax demands under appeal	1 62 08 225	1 62 08 225
Excise & Service Tax Demand under Dispute	3 80 76 076	3 95 78 903
Demand showing as per Income Tax Site(**)	12 40 270	-
Sales Tax (2004-05) Demand under Dispute	2 23 000	2 23 000
(B) Commitments		
Estimated amounts of contracts remaining to be executed on Capital account and not Provided for	7 88 95 115	22 67 43 288

Other Commitments :

(*) The Company also, has its own claims / counter claims against these parties as per terms of their respective contracts. In effect the Management does not expect any major liability devolve upon the Company on account of these cases.

The Income - Tax assessments of the Company have been completed upto Assessment Year 2014-2015. The disputed demand outstanding up to the said Assessment Year is Rs 162.08 lacs. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

Besides the above, the amount in respect of claims of interest etc. claimed by the parties cannot be quantified.

(**) Above demand has been shown based on the income tax site for A.Y 1995 - 96 of Rs. 11,72,234, A.Y 1997 - 98 of Rs. 312 and A.Y 1998 - 99 of Rs. 67,724.

NOTE 35 : FINANCE LEASE :

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Company has acquired a lease for a period of 99 years which has been acquired over the period of lease.

(Amount in Rs.)		
Particulars	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
NOTE 36 : EMPLOYEE BENEFITS		
(i) Defined Contribution Plans, as per Ind - AS 19 Employee Benefits :		
Contribution to Defined Contribution Plan, as recognised as expense is as under:		
Contribution to Provident Fund & Other Funds	44 50 198	37 21 805

* Included in Contribution to provident and other funds under Employee Benefits expense (Refer note no. 22)

(ii) Defined Benefit Plans, as per Ind AS 19 Employee Benefits :

The Company has defined benefit plans namely leave encashment / compensated absence and gratuity. The liability for both the liabilities is computed using the projected unit credit method by a qualified actuary. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.



NOVA IRON AND STEEL LTD.

PARTICULARS	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
	Gratuity		Leave encashment	
Net employee benefit expense (recognized in Employee Cost) :				
Current Service Cost	13 29 738	11 78 310	12 79 679	15 92 120
Past Service Cost	-	-	-	-
Net Interest Cost on net defined benefit liability	7 36 801	6 61 405	2 14 278	1 95 943
Re -measurement (or Actuarial) (gain) / loss	-	-	- 6 20 496	- 14 11 842
Net Benefit expense recognized in statement of profit and loss	20 66 539	18 39 715	8 73 461	3 76 221
Amount recognised in Other Comprehensive Income :				
Actuarial (gain) / loss recognized in the year	2 06 558	- 19 92 646	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-	-	-
Components of defined benefit costs recognised in other comprehensive income	2 06 558	- 19 92 646	-	-
Movement in the present value of the defined benefit obligation :				
Present value of obligation as at the beginning	1 05 25 731	94 48 638	30 61 112	27 99 190
Current service cost	13 29 738	11 78 310	12 79 679	15 92 120
Interest cost	7 36 801	6 61 405	2 14 278	1 95 943
Re-measurement (or Actuarial) (gain) / loss)	19 92 646	- 2 06 558	- 6 20 496	- 14 11 842
Benefits paid	- 4 56 255	- 5 56 064	- 80 552	- 1 14 299
Past service cost	-	-	-	-
Present Value of Obligation as at the end	1 41 28 661	1 05 25 731	38 54 021	30 61 112
Current Liability (Short term)	21 68 632	13 15 354	13 04 193	7 52 070
Non-Current Liability (Long term)	1 19 60 029	92 10 377	25 49 828	23 09 042
Changes in the plan assets :				
Fair Value of Plan Assets as at the beginning	-	-	-	-
Interest Income	-	-	-	-
Employer's Contribution	-	-	-	-
Benefits Paid	-	-	-	-
Return on plan assets , excluding amount recognised in net interest expense	-	-	-	-
Fair Value of Plan Assets as at the end	-	-	-	-
Reconciliation of Fair Value of Assets and Obligations				
Fair value of plan assets as at closing of the year	1 41 28 661	1 05 25 731	38 54 021	30 61 112
Present value of obligation as at closing of the year	1 41 28 661	1 05 25 731	38 54 021	30 61 112
Amount recognized in Balance Sheet	1 41 28 661	1 05 25 731	38 54 021	30 61 112
(Amount in Rs.)				
Particulars	For the Year Ended 31.03.2018		For the Year Ended 31.03.2017	
The principal assumptions used in determining defined benefit obligations are shown below :				
Discount rate	7.45%		7.00%	
Withdrawal rate (per annum)	10.00%		10.00%	
Salary growth rate	5.00%		5.00%	
Mortality rate	100% of IALM(2006-08)			
Rate of Leave Availment	8.00%		8.00%	
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.				
A quantitative sensitivity analysis for significant assumption as at 31 March 2018 & 31 March 2017 is as shown below:				



NOVA IRON AND STEEL LTD.

PARTICULARS	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
Discount rate	Gratuity		Leave encashment	
Change in assumption	0.5 % increase	0.5 % decrease	0.5 % increase	0.5 % decrease
Impact on defined benefit obligation	- 4 25 121	4 47 356	- 3 36 534	3 73 067
Salary growth rate				
Change in assumption	0.5 % increase	0.5 % decrease	0.5 % increase	0.5 % decrease
Impact on defined benefit obligation	4 55 851	- 4 36 812	3 78 388	- 3 44 566
The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.				
The following payments are expected contributions to the defined benefit plan in future years:				
Particulars	As At 31st March 2018		As At 31st March 2017	
Within the next 12 months (next annual reporting period)	34 72 825		20 67 424	
Between 2 and 5 years	64 32 397		50 47 878	
Between 5 and 10 years	80 75 460		64 71 541	
* There are no employees in the Jointly Controlled Entry.				
NOTE 37 : FAIR VALUES				
Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:				
PARTICULARS	As At 31st March 2018	As At 31st March 2017	As At 31st March 2018	As At 31st March 2017
Level of Fair Valuation - Level 2	Carrying Value		Fair Value	
Financial assets				
Investment	1 43 84 689	27 78 000	1 43 84 689	27 78 000
Financial liabilities				
Borrowings:	-	-	-	-
Amortised Cost:	-	-	-	-
There have been no transfers between level 1 & 3 during the period.				
The management assessed that cash and cash equivalents, trade receivables, short term loans and advances, short term borrowings, trade payables and short term financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.				
The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.				
The following methods and assumptions were used to estimate the fair values:				
The fair value of Investment being unquoted, have been done on NAV method based on the last available audited accounts.				



NOVA IRON AND STEEL LTD.

NOTE 38 : CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total debt to equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(Amount in Rs.)		
Particulars	As At 31st March 2018	As At 31st March 2017
Borrowings		
Long Term	-	-
Short Term	239 36 52 543	197 79 52 406
Less: Cash and cash equivalents	- 14 91 819	- 55 26 010
Net debts	239 21 60 724	197 24 26 396
Equity	29 46 55 087	26 39 81 247
Debt / Equity Ratio	8.12	7.47

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

NOTE 39 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES :

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables, security deposits and employee liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include security deposits, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management has assigned the responsibility to oversee the management of these risks to its treasury team. The treasury team assesses the financial risks and takes appropriate action to mitigate those risks. The treasury team provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings and security deposits.

The sensitivity analyses in the following sections relate to the position as at 31 March 2018 and 31 March 2017.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, other post-retirement obligations and other provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2018 and 31 March 2017.

Interest rate risk :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any non current obligations with floating rate of interest. The Company has floating rate of interest in respect of current borrowings.

Interest rate Sensitivity Analysis :

The following table demonstrates the sensitivity to a reasonable possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before taxes is affected through the impact on floating rate borrowings, as follows:



NOVA IRON AND STEEL LTD.

(Amount in Rs.)

Particulars	As At 31st March 2018		As At 31st March 2017	
Interest rate Sensitivity Analysis :				
The following table demonstrates the sensitivity to a reasonable possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before taxes is affected through the impact on floating rate borrowings, as follows :	Inc . / Dec. in basis points	Effect on profit before taxes	Inc . / Dec. in basis points	Effect on profit before taxes
Long Term Borrowings	50	-	50	-
Long Term Borrowings	- 50	-	- 50	-
Short Term Borrowings	50	- 1 10 09 464	50	- 1 10 99 266
Short Term Borrowings	- 50	1 10 09 464	- 50	1 10 99 266
<p>The Positive amount represents increase in profits while a negative amount represents decrease in profits.</p> <p>The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.</p> <p>Foreign currency risk</p> <p>Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's does not have any foreign currency exposure</p> <p>Foreign currency sensitivity</p> <p>The company does not have any foreign currency risk so foreign currency sensitivity clause not applicable</p> <p>Credit risk</p> <p>Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.</p> <p>Trade receivables</p> <p>Customer credit risk is being driven by Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.</p> <p>An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of credit losses. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the notes. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.</p> <p>In view of subsequent realisation the management believes that the trade receivables on 31 March 2018 and 31 March 2017 are not subject to any further credit risk. Accordingly, no new credit losses are being accounted for.</p> <p>Balances with Banks</p> <p>Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.</p> <p>The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2018 and 31 March 2017 is the carrying amounts of balances with banks.</p> <p>Liquidity risk</p> <p>The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of long term bank loans, short term borrowings and finance leases etc. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.</p> <p>The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.</p>				



NOVA IRON AND STEEL LTD.

(Amount In Rs.)

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
For the Year ended 31.03.2018						
Long term borrowings (including Current Maturities)			-	-	-	-
Short term borrowings	239 36 52 543	-	-	-	-	239 36 52 543
Trade payables	-	4 28 85 060	-	-	-	4 28 85 060
Other liabilities	-	77 28 28 298	-	-	-	77 28 28 298
	239 36 52 543	81 57 13 358	-	-	-	320 93 65 901
For the Year ended 31.03.2017						
Long term borrowings (including Current Maturities)			-	-	-	-
Short term borrowings	197 79 52 406	-	-	-	-	197 79 52 406
Trade payables	-	5 53 22 207	-	-	-	5 53 22 207
Other financial liabilities	-	80 93 17 008	-	-	-	80 93 17 008
	197 79 52 406	86 46 39 215	-	-	-	284 25 91 621

NOTE 40: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Holding company and its jointly controlled entity financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Holding company and its jointly controlled entity continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

A. Judgments

In the process of applying the Holding company and its jointly controlled entity accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

Operating lease commitments – Company as lessee

The Company has entered into leasing arrangements wherein the Company is required to pay monthly lease rentals. The Company has determined, based on an evaluation of the terms and conditions of the arrangements e.g. lease term, lease rental income, fair value of the land, transfer / retention of significant risks and rewards of ownership of land determined the lease as operating leases.

Finance lease Company as Lessee

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

B. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Gratuity benefits

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



NOVA IRON AND STEEL LTD.

In determining the appropriate discount rate, management considers the interest rates of government bonds, and extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about the assumptions used, including a sensitivity analysis, are given in Note 33.

(ii) Impairment of financial assets

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Holding company and its jointly controlled entity uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the company's past history and other factors at the end of each reporting period.

(iii) Estimates related to useful life of tangible assets

Depreciation on tangible assets is calculated on a straight-line basis over the useful lives estimated by the management. These rates are in line with the lives prescribed under Schedule II of the Companies Act, 2013.

The management has re-estimated useful lives and residual values of all its assets. The management based upon the nature of asset, the operating condition of the asset, the estimated usage of the asset, past history of replacement and anticipated technological changes, believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment.

NOTE : 41 During the year no dividend is paid nor proposed by the company

NOTE : 42 Events after the reporting period

There are no reportable events that occurred after the end of the reporting period.

NOTE : 43 Other Additional information pursuant to the provisions of Para 5 of part II of Schedule III to the Companies Act, 2013 are not applicable / nil.

NOTE : 44 In the opinion of the Board, all assets other than fixed assets and non-current investment have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

NOTE : 45 Revenue from operation Includes other operating revenue of Rs 16,78,03,312 (P.Y 18,86,07,122) representing income from dealing in commodities and securities which is income other than manufacturing activities.

NOTE : 46 During current reporting period, company has carried out capital work in progress ,expenses related to that has been capitalised. The commercial production is yet to be commenced.

NOTE : 47 Statement of Net Assets, Profit or Loss attributable to Parent

			(Amount In Rs.)	
Particulars	Reporting Currency (INR)	A : Parent	B : Jointly Controlled Entity	Total
		Nova Iron & Steel Ltd.	Bijahan Coal P. Ltd.	
As % of Consolidated assets	Net Assets : (Total Assets - Total	100.00	-	100.000
Amount (Rs.)	Liabilities)	29 46 55 087	-	29 46 55 087
As % of Consolidated Profit or Loss	Share in Profit or (Loss)	99.999	0.001	100.000
Amount (Rs.)		2 27 83 116	225	2 27 83 341
As % of Consolidated Other Comprehensive Income	Share in Other Comprehensive Income	100.000	-	100.0000
Amount (Rs.)		78 90 499	-	78 90 499
As % of Total Comprehensive Income	Share in Total Comprehensive Income	99.999	0.001	100.000
Amount (Rs.)		3 06 73 615	225	3 06 73 840

NOTE : 48 Amendments to existing standards that are not yet effective and have not been adopted by the company.

Ind AS 115 - Revenue from Contract with Customers :

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of



NOVA IRON AND STEEL LTD.

	<p>promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.</p> <p>The standard permits two possible methods of transition:</p> <ul style="list-style-type: none">• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors• Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) <p>The Company is evaluating the requirements of the amendment and its effect on the financial Statements.</p> <p>Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:</p> <p>On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.</p> <p>The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.</p>									
Note : 49	Land under Property Plant and Equipment includes land measuring 72.95 acre amounting to Rs 194.34 Lacs bought by the company in the name of third parties. Transfer of the same in the company's name is yet to be initiated .									
Note : 50	Standalone audited accounts as per INDAS Were prepared for the year ending March 31st 2017 for consolidation purpose while the final accounts adopted in AGM were on IGAAP .									
Note : 51	The Company's manufacturing operation are shut down since July 2016 for Upgradation .Presently capital work in progress relating to upgradation and addition to manufacturing facilities is being undertaken.									
Note : 52	In case of Jointly controlled entity figures have been regrouped to make them comparable for consolidation purpose where ever considered necessary.For the previous year ended 31st March 2017 the company had not prepared consolidated financial statements as per Ind AS . Hence previous year figures have being reclassified and restated in terms of Ind AS 8 .									
Note : 53	Previous year figures have been regrouped/ reclassified wherever considered necessary.									
<table><tr><td>As per our report of even date attached</td><td colspan="2">For & on behalf of the Board</td></tr><tr><td>For Mehra Goel & Co., Chartered Accountants Firm Regn. No. 000517N</td><td>(H.C.Verma) Whole Time Director DIN : 00007681</td><td>(Ajoy Shah) Chief Financial Officer</td></tr><tr><td>(Sanjay Mehra) Partner Membership No. 085389</td><td>(R.P.Goyal) Director DIN : 00006595</td><td>(Dheeraj Kumar) Co.Secretary</td></tr></table>		As per our report of even date attached	For & on behalf of the Board		For Mehra Goel & Co., Chartered Accountants Firm Regn. No. 000517N	(H.C.Verma) Whole Time Director DIN : 00007681	(Ajoy Shah) Chief Financial Officer	(Sanjay Mehra) Partner Membership No. 085389	(R.P.Goyal) Director DIN : 00006595	(Dheeraj Kumar) Co.Secretary
As per our report of even date attached	For & on behalf of the Board									
For Mehra Goel & Co., Chartered Accountants Firm Regn. No. 000517N	(H.C.Verma) Whole Time Director DIN : 00007681	(Ajoy Shah) Chief Financial Officer								
(Sanjay Mehra) Partner Membership No. 085389	(R.P.Goyal) Director DIN : 00006595	(Dheeraj Kumar) Co.Secretary								
Place : New Delhi Date : 29.05.2018										



NOVA IRON AND STEEL LTD.

NOTICE

Notice is hereby given that 26th Annual General Meeting of Nova Iron and Steel Limited will be held on Thursday the 27th day of September, 2018 at 11:00 A.M. at its Regd. Office at Village Dagori, Tehsil Belha, District Bilaspur, Chhattisgarh to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Standalone and Consolidated Financial Statements of the Company for the year ended 31st March 2018 i.e. Audited Balance Sheet as at 31st March, 2018 and the Statement of Profit & Loss and Cash Flow Statement for the year as on that date together with Auditors' Report and Board's Report thereon.
2. To appoint a Director in place of Mr. Sanjay Singal, (DIN 00006579), who retires by rotation and being eligible, has offered himself for re-appointment.
3. To re-appoint auditors and to fix their remuneration and 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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 and the Companies (Amendment) Act, 2017 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the resolution passed by the Members of the Company at 25th Annual General Meeting held on 27/09/2017, the Company re-appoint M/s Mehra Goel & Co., Chartered Accountants, firm Reg. No.000517N as Auditors of the Company from the conclusion of this meeting until the conclusion of the 30th Annual General Meeting of the company to be held in 2022, on such remuneration plus applicable taxes thereon and reimbursement of out of pocket expenses, as may be mutually agreed between the Chairman of the Company and the Auditors, from time to time."

SPECIAL BUSINESS

4. To Consider Approve Alteration of the Object Clause of the Memorandum of Association of the Company and if thought fit, to pass the following resolution as a Special Resolution:

"Resolved that pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with applicable Rules and Regulations made thereunder and the Companies (Amendment) Act, 2017 (including any statutory modification(s) or reenactment(s) thereof for the time being in force) and subject to such approvals, permissions and sanctions of appropriate authorities, departments or bodies as and to the extent necessary, consent of the members of the Company be and is hereby accorded for effecting the following alterations in the existing Object Clause of the Memorandum of Association (the "MOA") of the Company by substitution/deletion of following clauses of other object in the following manner:-

Clause No. 72 of other object by substitution/delition:

"To Carry on the business of an Investment Company and to buy, underwrite, invest in acquire, hold, trade in commodities and deal in shares debentures, stocks, debenture stock, bonds, obligations and securities of any kind issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture stock bonds obligations and securities issued or guaranteed by any Government, State, Public Body or authority, firm or person in India elsewhere."

Addition of new clause No.99 of other object:

"99. Wherever the provisions of Companies Act, 1956 is appearing in Memorandum of Articles, the Companies Act, 1956 be and is hereby substituted and be read as corresponding provisions of Companies Act, 2013."

"Resolved further that the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds or things as may be deemed necessary to give effect to this resolution."

5. To consider approval of material related party transactions and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

"Resolved that pursuant to Regulation 23 of SEBI (LODR) Regulations, 2015 and applicable provisions of Companies Act, 2013 (Act) omnibus approval of the Company be and is hereby accorded to the Board of Directors, for contracts /



NOVA IRON AND STEEL LTD.

arrangements / transactions entered/to be entered into with Related parties by the Company on such terms and conditions mutually agreed upon between the Company and a related party M/s Bhushan Power and Steel Limited, for an amount not exceeding in aggregate Rs. 500 crore (Rupees Five hundred crore only) for the financial year 2018-19 as detailed below:

Nature of Services agreed under the agreement	Proposed Values of Services to be availed (annually) (Rs. In Crores)	Basis of Charges
Sale	100	Market Price or actual expenses.
Purchase	100	Market Price or actual expenses.
Arrangement	300	Market Price or actual expenses.
Total	500	

"Resolved further that the Directors of the Company be and is hereby Severally or Jointly authorised to enter into agreement and to do all such acts, deeds and things, that may arise with regard to any transactions with the related party(ies), finalise the terms and conditions as may be considered necessary, expedient or desirable and execute agreement(s), document(s) as may be necessary or desirable, in order to give effect to this Resolution."

"Resolved further that all contracts/arrangement entered into by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution are hereby approved, ratified and confirmed in all respects."

By order of the Board
For Nova Iron and Steel Limited

Dheeraj Kumar
Company Secretary

Place: New Delhi
Date: 13/08/2018

NOTES FOR MEMBERS ATTENTION:

1. A member entitled to attend and vote at the meeting is entitled to appoint Proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty(50) and holding in aggregate not more than ten(10) percent of the total share capital of the Company. The proxy, in order to be effective, must be deposited with the Company at its Registered Office duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
2. Pursuant to the provision of Section 152 of Companies Act, 2013, Mr. Narsingh Awatar, Mr. Manickam Ramchandran, Mr. Arvind Gupta, and Mrs. Sumiran Aggarwal Independent Director of the Company are not eligible for retire by rotation.
3. The members of the Company at their 25th Annual General Meeting held on 27/09/2017, had appointed M/s. Mehra Goel & Co., Chartered Accountants, Firm Regd. No. 000517N, New Delhi, as Auditors of the Company, to hold office for the period of five years i.e. from the conclusion of the 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting to be held in 2022 and the said appointment was subject to ratification by members at every Annual General Meeting.

The Companies (Amendment) Act, 2017, has amended Section 139(1) of the Companies Act, 2013, effective from 7th May, 2018, whereby first proviso to Section 139(1) is omitted which provided for ratification of appointment of Auditors by members at every Annual General Meeting.

In view of the same, the fresh approval of the members is sought for re-appointment of M/s Mehra Goel & Co. Chartered Accounts, Firm Regd. No. 000517N, New Delhi, as Auditor of the Company, for the remaining term of four years i.e. from the conclusion of this Annual General Meeting till the conclusion of the 30th annual General Meeting to be held in 2022.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested in the resolutions set out at Item No.3 of the Notice.



NOVA IRON AND STEEL LTD.

4. Non Resident members are requested to inform immediately to RTA (a) change in residential status on relating to India for permanent settlement (b) particulars of bank account maintained in India with complete name of bank, branch address, account type, account number, if not furnished earlier.
5. M/s Skyline Financial Services Pvt. Ltd, are Registrar & Share Transfer Agents (RTA) of the Company. Any correspondence relating to shares can be made to the company's registrar at their following address:
M/s Skyline Financial Services Private Limited,
D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020,
Ph. Nos. 011-40450193 to 97, Email: rta.nova.rg@gmail.com, website: www.skylinerta.com
Members are requested to notify the change of Address if any.
6. In case of joint holders of shares attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
7. The Register of Members and the Share Transfer Books shall remain closed from 21st September 2018 to 27th September 2018 (both days inclusive).
8. Members seeking information about the accounts are requested to write at least 10 days before the date of the meeting to the Company so that it may be convenient to keep the information ready for the meeting.
9. All the documents referred to accompanying Notice are open for inspection at the registered office of the Company on all working days except Sunday between 11.00 AM to 1.00 PM upto the date of Annual General Meeting.
10. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
11. Members are requested to bring their copy of Annual Report at the Meeting and proxies should bring attendance slips duly filled in for attending the Meeting.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA.
Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to RTA. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.
14. Notice of Annual General Meeting will be sent to those shareholders/beneficial owners whose name will appear in the register of the members/list of beneficiaries received from the depositories as on 24th day of August, 2018.
15. The detail of Directors proposed to be re-appointed, under the provisions of Companies Act, 2013 and Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 at the Annual General Meeting are given below.

Sr. No.	Detail of Director to be re-appointed	
1	Name	Sh. Sanjay Singal
2	Date of Birth	19/06/1960
3	Expertise/Experience in Area	Steel Sector, Project Implementation, Planning and Policy Maker
4	Qualification	Graduation
5	Directorship in other Companies	(i) Bhushan Power and Steel Limited
		(ii) Essenn Investment Private Limited
		(iii) Rohne Coal Company Pvt Ltd
		(iv) Atma Ram House Investment Pvt Ltd
		(v) Skap Electronic Pvt. Ltd.
		(vi) Aarti Tube Private Limited
		(vii) Bijahan Coal Private Limited
6	Shareholding in the Company as on 31/03/2018	Nil



NOVA IRON AND STEEL LTD.

16. Statement pursuant to Section 102 of the Companies Act, 2013 is annexed in respect of special business.

17. Voting through electronic means

- (i) The Company is pleased to provide its members facility to exercise their to vote on resolutions proposed to be considered at the 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL):

The instructions and procedure for shareholders voting through electronically are as under:

- (ii) The voting period begins on 24.09.2018 at 10:00 AM and ends on 26.09.2018 at 5:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21.09.2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) The shareholders should log on to the e-voting website www.evotingindia.com.
- (v) Click on Shareholders.
- (vi) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vii) Next enter the Image Verification as displayed and Click on Login.
- (viii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (ix) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on address label. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
Dividend Bank A/c Details OR Date of Birth (DOB)	<p>Enter your Dividend Bank A/c Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank A/c details field as mentioned in instruction (v).

- (xi) After entering these details appropriately, click on "SUBMIT" tab.
- (xii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



NOVA IRON AND STEEL LTD.

- (xiii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiv) Click on the EVSN for the relevant Nova Iron & Steel Limited on which you choose to vote.
- (xv) 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.
- (xvi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xvii) 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.
- (xviii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xix) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xx) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xxi) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxii) Any person, who acquires shares of the Company and become Member of the Company after despatch of the Notice and holding shares as on the cut-off date i.e. 21.09.2018 may follow the same instructions as mentioned above for e-Voting.
- (xxiii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
- 18. A member can opt for only one mode of voting i.e. either through remote e-voting or at the meeting. If a member casts votes by both mode then voting done through remote e-voting shall prevail.
- 19. The member who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- 20. The scrutinizer for voting is M/s V.P. Chhabra & Associates, Practicing Company Secretary, 386-C, Rajguru Nagar, Ludhiana(Punjab).



NOVA IRON AND STEEL LTD.

STATEMENT ANNEXED PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS

ITEM NO. 4

As the Members of the Company are aware the Companies Act, 1956 has been replaced with the Companies Act, 2013 and the Ministry of Corporate Affairs has also notified the Rules pertaining to the new Companies Act. In view of the above in the Memorandum of Association of the Company the words "Companies Act, 1956" appearing in the Objects Clause need to be replaced with the words applicable provisions of "Companies Act, 2013" wherever required. The main business of the Company is to manufacture and trading of Iron and Steel Products. The rapid growth and digital revolution and Government of India's Smart City project has prompted the Company to start working towards new revenue streams which are not specifically covered under the other objects of the Company.

Hence, to enable the Company to capitalize on these business opportunities, the Board of Directors of the Company in its meeting held on 13/08/2018 has approved, subject to the consent of the shareholders, amendment in Clause 72 (Other Clause) and addition of new clause No.99 of the MOA of the Company in the manner as set out in the Special Resolution at Item no. 4 of this Notice. The Board has also approved to streamline and align the existing Object Clause of the MOA of the Company as per the provisions of the Companies Act, 2013. The proposed activities can be carried out, under the existing circumstances, conveniently and advantageously along with the existing activities of the Company. These will enable the Company to carry on its business economically and efficiently.

"The Companies (Amendment) Act, 2017, has amended Section 110(1) of the Companies Act, 2013, effective from 09/02/2018, which Provided that any item of business required to be transacted by means of postal ballot under clause (a), may be transacted at a general meeting by a company which is required to provide the facility to members to vote by electronic means under Section 108, in the manner provided in that section."

Pursuant to the provisions of Section 4, 13, 110 and all other applicable provisions, if any, of the Act, read with applicable Rules and Regulations made thereunder (including any statutory modification(s) or amendment or re-enactment(s) thereof for the time being in force), alteration of the Object Clause of the MOA of the Company requires the approval of the members by means of a Special Resolution. Copy of the existing MOA, copy indicating the proposed amendments and other allied documents, if any, being referred in this resolution would be available for inspection by the members, free of cost, at the Registered Office of the Company during 11.00 a.m. to 1.00 p.m. on all working days (Monday to Saturday), up to and including the last date of voting through e-voting.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding, if any. The Board recommends the resolution under Item No. 4 for approval of the members as a Special Resolution.

ITEM NO. 5

Pursuant to Regulation 23(4) of SEBI (LODR) Regulations, 2015. Company is require to take approve of Shareholder for material Related Party Transaction.. The Company is inter alia, engaged in the business of manufacturing, marketing, trading, purchase and sale of Iron and Steel products. The Company in the ordinary course of its business engaged in purchase and sell machines, spare parts, raw material, take loan/advances, as per agreements etc., from M/s Bhushan Power & Steel Limited, of which Company is an associate company. The Mutual Transaction in the contract of SEBI Regulation is "All material related party transactions shall require approval of the shareholders through resolution and the related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not" The said transaction are at Arm's length and not a related party transaction under section 188 of Act.

M/s Bhushan Power & Steel Limited is a 'Related Party' within the meaning Section 2 (76) of the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015.

The Company purchases raw material, machinery, spare parts and loan/advances for manufacture of products. Similarly, products manufactured by the Company are sold to M/s Bhushan Power & Steel Limited. The Board is of the opinion that the said transactions, related party transaction and are in the best interest of the Company.

Transactions for Sale and purchase, transfer or receipt of products, goods, materials, services, other obligations such as loan/advances from and sale of products to Bhushan Power & Steel Limited are deemed to be 'material' in nature as defined in Regulation 23 of SEBI (LODR) Regulations, 2015 as they may exceed 10% of the annual turnover of the Company in future. Thus, in



NOVA IRON AND STEEL LTD.

terms of explanation to Regulation 23(4) of the SEBI (LODR) Regulations 2015, these transactions require the approval of the Members. Board considered these transaction in the meeting held on 13/08/2018 and recommend for the approval of shareholders as set out in resolution at no. 5 of the Notice.

The particulars of the contracts / arrangements / transactions with related party are as under:

Particulars	Information
Name of the Related Party	Bhushan Power & Steel Limited
Name of Director(s) or Key Managerial Personnel who is related	Sanjay Singal
Nature of Relationship	Common director and holding more than 2% shares in Bhushan Power & Steel Limited
Material terms of the Contracts / arrangements / transactions	Purchase, Sale, transfer or receipt of products, goods, materials or other obligations on arm's length basis
Monetary Value	a) Not -exceeding Rs. 100 Crore towards purchases of products, materials, services etc. b) Not exceeding Rs. 100 crore towards Sale of products. c) Not exceeding Rs. 300 crore toward loan/advances.
Are the transactions in the ordinary course of business	Yes
Are the transactions on an arm's length basis	Yes
Whether the transactions would meet the arm's length standard in the opinion of the Company's Transfer Pricing Consultants	Yes
Whether the transactions have been approved by Audit Committee and the Board of Directors	Yes
Any other information relevant or important for the Members to make a decision on the proposed transactions	None

Except Mr. Sanjay Singal, Mr. Aniket Singal (Director and relative) none of the Directors and Key Managerial Personnel of the Company or their respective relatives, are concerned or interested 'financially' or 'otherwise' in the Resolution at Item No. 5 of the Notice.

By order of the Board
For Nova Iron and Steel Ltd.

Dheeraj Kumar
Company Secretary

Place: New Delhi
Dated: 13/08/2018



NOVA IRON AND STEEL LTD.

NOVA IRON AND STEEL LIMITED

Registered Office: Village-Dagori, Tehsil-Belha District-Bilaspur (Chhattisgarh)

Email: rai_nisl2007@yahoo.com, website: www.novaironsteel.com

(CIN: L02710CT1989PLC010052) Phone: 07752-285206, Fax 07752-285213

ATTENDANCE SLIP

1. Full Name of Shareholder / Proxy
2. Registered Folio No No of Shares
3. Client ID..... DP ID.....
4. If, Proxy, Full Name of Shareholder

I hereby record my presence at the 26th Annual General Meeting of the Company held at **Village Dagori, Tehsil-Belha, Distt. Bilaspur (Chhattisgarh)** PIN- 495224 on Thursday, the 27th day of September, 2018 at 11:00 a.m.

(Signature of Shareholder / Proxy)

Name of Member/Proxy

Note:

Please complete the Folio. DP ID-Client ID No. and name, sign the Attendance Slip and hand it over at the Attendance Verification counter at the entrance of the Meeting Hall.



NOVA IRON AND STEEL LTD.

NOVA IRON AND STEEL LIMITED

Registered Office: Village-Dagori, Tehsil-Belha District-Bilaspur (Chhattisgarh)
Email: rai_nisl2007@yahoo.com, website: www.novaironsteel.com
(CIN: L02710CT1989PLC010052) Phone: 07752-285206, Fax 07752-285213

MGT-11

Proxy Form

Name of the Member (s):

Registered Address:

Email id:

Folio No./Client Id:

DP ID:

I/We, being the member(s) of Shares of the above named Company, hereby appoint

1 Name : Address E-mail Id : Signature :

or failing him

2 Name : Address E-mail Id : Signature :

or failing him

3 Name : Address E-mail Id : Signature :

or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the company, to be held on Thursday, the 27th day of September 2018 at 11.00 a.m. at Village-Dagori, Tehsil-Belha, District-Bilaspur (Chhattisgarh) and at any adjournment thereof in respect of such resolutions as are indicated below:

No.	Resolutions
Ordinary Business	
1.	Adoption of Audited Standalone and Consolidated Financial Statement of the company for year ended 31 st March 2018 i.e. Audited Balance Sheet as at 31 st March 2018 and the Statement of Profit and Loss and Cash Flow statement for the year as on that date together with Auditors' Report and Board's Report thereon.
2.	To appoint a Director in place of Mr. Sanjay Singal (DIN 00006579), who retires by rotation and being eligible has offered himself for re-appointment.
3.	To re-appointment of auditor and to fix their remuneration.
Special Business	
4.	To Consider and approve alteration of the object clause of the Memorandum of Association of the Company.
5.	To Consider and approve material related party transactions.

Signed this..... day of..... 2018

Signature of shareholder

Signature of Proxy holder(s)

Affix
Rs. 1/=
Revenue
Stamp

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.
- For the resolution, explanatory statement and notes please refer to the Notice of 26th Annual General Meeting.
- Please complete all details including details of member(s) in above box before submission.



NOVA IRON AND STEEL LTD.

NOVA IRON AND STEEL LIMITED

Registered Office: Village-Dagori, Tehsil-Belha District-Bilaspur (Chhattisgarh)
Email: rai_nisl2007@yahoo.com, website: www.novaironsteel.com
(CIN: L02710CT1989PLC010052) Phone: 07752-285206, Fax 07752-285213

To,

Shareholders,

This is intended to bring into your notice that the Securities and Exchange Board of India (SEBI) has directed listed entities to seek the copy of PAN Card and Bank Account details from the shareholders with the objective of streamlining the processes relating to maintenance of records, transfer of securities and seamless payment of dividend/interest/redemption amounts to shareholders vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018.

Therefore, we request your assistance in providing the following details for our records, which shall be linked to your respective folio:

1. Name of the Shareholder
2. Address of the Shareholder
3. Folio No.
4. Self-attested copy of PAN Card; and
5. Original Cancelled Cheque leaf duly displaying name of the account holder / Bank Passbook showing IFSC Code, Bank Account Number and Name of the Account Holder duly attested by the Bank.

Kindly post/courier/hand-deliver the above mentioned details and documents to the Company's Registered Office Address as mentioned below latest by 22/09/2018:

Skyline Financial Services Private Limited
D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi 110020
Contact No.: 011-40450193 to 97, Email rai_nisl2007@yahoo.com
Contact Person: Mr. Ashish Aggarwal - 9868766651

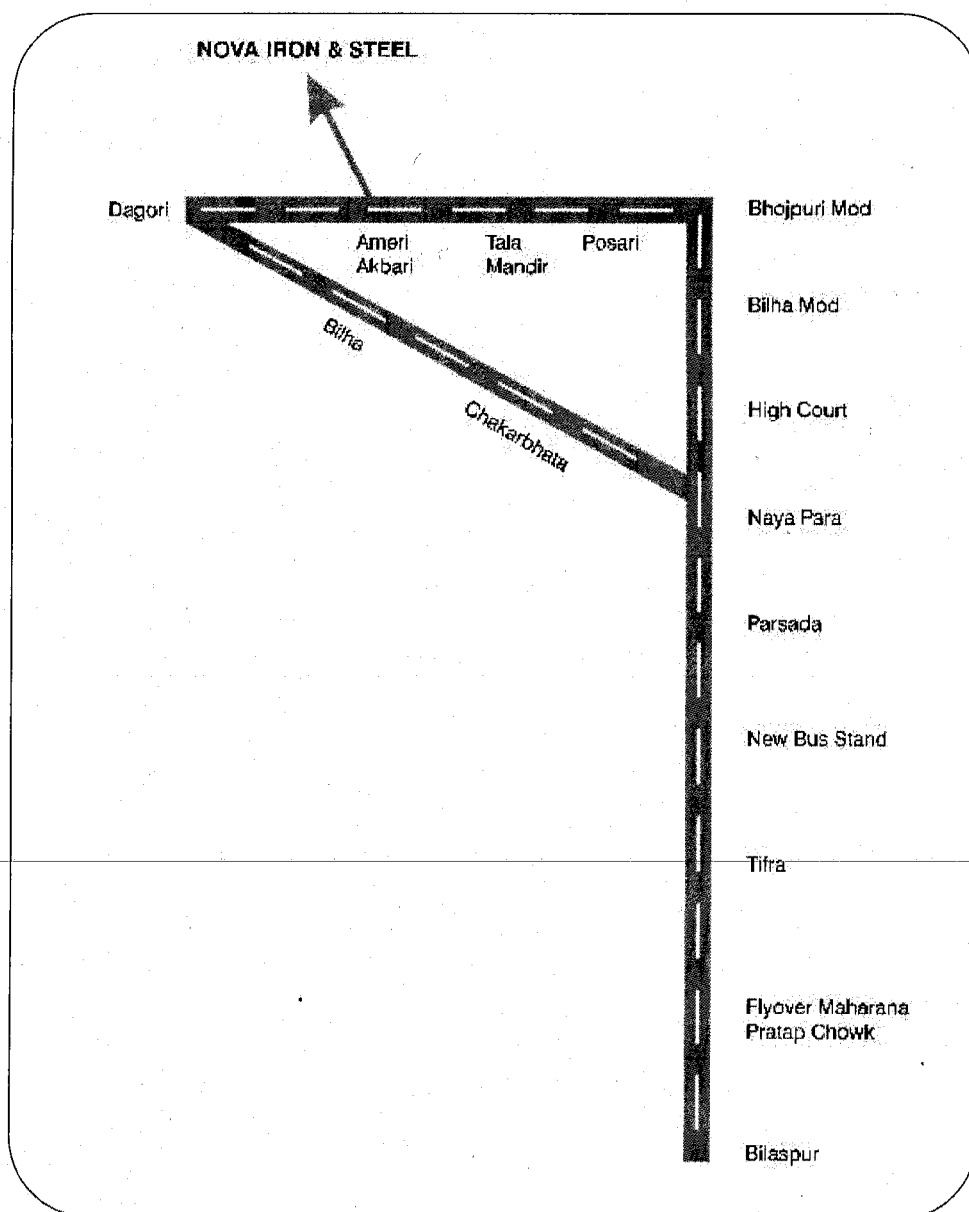
Shareholders are requested to submit the scan copy of the same on email Id as mentioned above.

Demat account holders are requested to submit the same to their respective DPs.

ROUTE MAP TO THE VENUE OF THE 26TH ANNUAL GENERAL MEETING OF NOVA IRON AND STEEL LIMITED

Venue:

Nova Iron & Steel Ltd.
Regd. Office: Village Dagori,
Tehsil Belha, Distt-Bilaspur
Chhattisgarh- 495224



REGISTERED BOOK POST/COURIER

If undelivered, Please return to:

NOVA IRON AND STEEL LIMITED

Regd. Office:

Village Dagori, Tehsil Belha

Distt-Bilaspur, (Chhattisgarh)- 495224