



AVSB & ASSOCIATES

CHARTERED ACCOUNTANTS

151, 1st Floor, Rama Complex, Ghanta Ghar, Bhiwani (Haryana) 127021

HO: - B-5/8, Near Alpana Cinema, Model Town-1, New Delhi-110009

• Mob: +91-9813129111 / +91-9991612101

• E-mail: avsbhiwani@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
KCL IRON & STEELS LIMITED

Report on the Financial Statements

We have audited the accompanying Financial Statements of KCL IRON & STEELS LIMITED ('the Company'), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.





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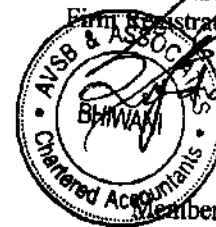
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2. As required by section 143(3) of the Act, we report that:
- we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - on the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act; and
 - with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - the Company has disclosed the impact of pending litigations, if any, on its financial position in its financial statements – Refer Note 10 to the financial statements;
 - the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For AVSB & Associates

Chartered Accountants

Firm Registration No. 027342N



Balwan Singh

Partner

Membership No. 532039

Place: Kolkata

Date: May 11, 2016



AVSB & ASSOCIATES

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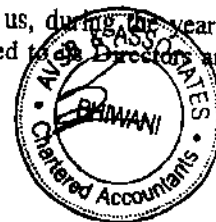
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ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of **KCL IRON & STEELS LIMITED** ('the Company')

- (i) The Company does not have fixed assets and therefore the provisions of the clause 3(i) of the Order are not applicable to the Company.
- (ii) The Company does not have inventories and therefore the provisions of the clause 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act and hence reporting under clause 3(iii)(a) to 3(iii)(c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2016 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records u/s 148(1) of the Act and therefore, the provisions of the clause 3(vi) of the Order are not applicable to the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, duty of Customs, duty of Excise, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, duty of Customs, duty of Excise, Cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
 - (c) According to the information and explanation given to us, there are no dues outstanding of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax and cess on account of any dispute
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not have paid/provided for managerial remuneration during the financial year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable 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 and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to each Directors and hence provisions of Section 192 of the Act are not applicable.





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(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

For AVSB & Associates

Chartered Accountants

Firm Registration No. 027342N



Balwan Singh
Partner

Membership No. 532039

Place: Kolkata

Date: May 11, 2016



AVSB & ASSOCIATES

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ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 **KCL IRON & STEELS LIMITED** ('the Company') as of March 31, 2016 in conjunction with our audit of the Financial Statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). 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 Act.

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 Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

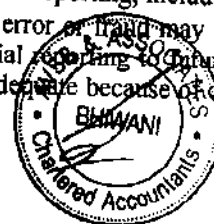
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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





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Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

For AVSB & Associates

Chartered Accountants

Firm Registration No. 027342N



Balwan Singh

Partner

Membership No. 532039

Place: Kolkata

Date: May 11, 2016

KCL IRON & STEELS LIMITED

BALANCE SHEET AS AT MARCH 31, 2016

| | Note No. | | As at March 31, 2016 ₹ | | As at March 31, 2015 ₹ |
|----------------------------------|-------------|-------------------|------------------------------|-------------------|------------------------------|
| I. EQUITY AND LIABILITIES | | | | | |
| Shareholders' funds | | | | | |
| Share capital | 2 | 500000.00 | | 500000.00 | |
| Reserves and surplus | 3 | <u>(44398.00)</u> | 455602.00 | <u>(28903.00)</u> | 471097.00 |
| Current liabilities | | | | | |
| Other current liabilities | 4 | | 3856343.00 | | 3850618.00 |
| TOTAL | | | <u>4311945.00</u> | | <u>4321715.00</u> |
| II. ASSETS | | | | | |
| Non current assets | | | | | |
| Non-current investments | 5 | | 3845000.00 | | 3845000.00 |
| Current assets | | | | | |
| Cash and cash equivalents | 6 | | 466945.00 | | 476715.00 |
| TOTAL | | | <u>4311945.00</u> | | <u>4321715.00</u> |
| Significant accounting policies | 1 | | | | |

In terms of our report of the even date annexed hereto:

For A V S B & ASSOCIATES

Chartered Accountants

Firm Registration No. 027342N

For KCL IRON & STEELS LIMITED.

Balwan Singh
Director.

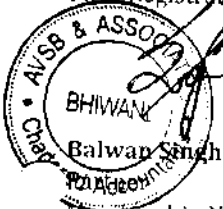
Director

For KCL IRON & STEELS LIMITED

For KCL IRON & STEELS LIMITED

[Signature]
Director.

Director



Membership No. 532039

Place: Kolkata

Date: May 11, 2016

KCL IRON & STEELS LIMITED

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

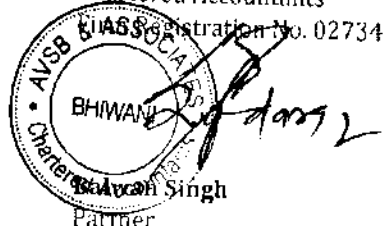
| | Note No. | Year ended March 31, 2016 | Period ended March 31, 2015 |
|--|-------------|------------------------------|--------------------------------|
| | | ₹ | ₹ |
| Revenue from operations | | - | - |
| Total Revenue | | <u>-</u> | <u>-</u> |
| Expenses: | | | |
| Other expenses | 7 | 15495.00 | 28903.00 |
| Total Expenses | | <u>15495.00</u> | <u>28903.00</u> |
| Profit/(loss) before tax | | (15495.00) | (28903.00) |
| Tax expense :- Current tax | | - | - |
| Profit/(loss) after tax for the year | | <u>(15495.00)</u> | <u>(28903.00)</u> |
| Earnings per equity share: Basic and Diluted | 8 | (0.31) | (0.58) |
| Weighted average number of shares (face value of ₹10 each) | | 50000 | 50000 |
| Significant accounting policies | 1 | | |

In terms of our report of the even date annexed hereto:

For A V S B & ASSOCIATES

Chartered Accountants

Registration No. 027342N



S. Anand Singh

Partner

Membership No. 532039

Place: Kolkata

Date: May 11, 2016

For KCL IRON & STEELS LIMITED

For KCL IRON & STEELS LIMITED,

Annu Heba
Director.

Director

For KCL IRON & STEELS LIMITED

[Signature]
Director.

Director

KCL IRON & STEELS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

| | As at March 31, 2016 ₹ | As at March 31, 2015 ₹ |
|---|------------------------------|------------------------------|
| I. Cash flow from Operating Activities | | |
| Net profit/(loss) before tax | (15495.00) | (28903.00) |
| Cash flow before working capital changes | (15495.00) | (28903.00) |
| Other current liabilities | 5725.00 | 5618.00 |
| Cash flow from operating activities before taxes paid | (9770.00) | (23285.00) |
| Less: Taxes paid | - | - |
| Net cash provided by operating activities | (9770.00) | (23285.00) |
| II. Cash flow from Investing Activities | | |
| Net cash provided by/(used in) investing activities | - | - |
| III. Cash flow from Financing Activities | | |
| Proceeds from issue of equity shares | - | 500000.00 |
| Net cash provided by financing activities | - | 500000.00 |
| Net increase/(decrease) in cash flows (I + II + III) | (9770.00) | 476715.00 |
| Cash and cash equivalents at the beginning of the year | 476715.00 | - |
| Cash and cash equivalents at the end of the year | 466945.00 | 476715.00 |

Non Cash Transactions:

1. Investments made in Multifold Plastic Marketing Private Limited for ₹Nil, (previous year ₹3845000.00) has not been included in the above cash flow statement.

Significant accounting policies

1

In terms of our report of the even date annexed hereto:

For A V S B & ASSOCIATES

Chartered Accountants

Registration No. 027342N

For KCL IRON & STEELS LIMITED.

Anu Raha
Director.

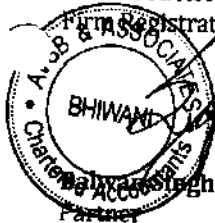
Director

For and on behalf of the board of directors of
For KCL IRON & STEELS LIMITED

For KCL IRON & STEELS LIMITED

[Signature]
Director.

Director



Membership No. 532039

Place: Kolkata

Date: May 11, 2016

KCL IRON & STEELS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

1. Significant accounting policies

a. Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b. Use of estimates

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

c. Revenue recognition

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

d. Investments

Long-term investments are stated at cost, less provision for other than temporary diminution in value.

e. Income taxes

Income taxes comprise current tax, deferred tax. Current taxes are accrued for on the basis of tax payable to tax authorities in accordance with the Income Tax Act 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

f. Earnings per share

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

g. Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

h. Contingent liabilities

Contingent liabilities are not recognised but are disclosed in the notes.

2. Share capital

Authorised :

50000 (previous year 50000) equity shares of ₹10/- each

Issued, subscribed and paid up:

50000 (previous year 50000) equity shares of ₹10/- each, fully paid up

| | March 31, 2016 | March 31, 2015 |
|--|------------------|------------------|
| | ₹ | ₹ |
| | 500000.00 | 500000.00 |
| | <u>500000.00</u> | <u>500000.00</u> |
| | 500000.00 | 500000.00 |
| | <u>500000.00</u> | <u>500000.00</u> |

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

| Equity shares | March 31, 2016 | | March 31, 2015 | |
|--------------------------------|----------------|------------------|----------------|------------------|
| | No. | ₹ | No. | ₹ |
| Opening Balance | 50000 | 500000.00 | - | - |
| Capital raised during the year | - | - | 50000 | 500000.00 |
| Closing balance | <u>50000</u> | <u>500000.00</u> | <u>50000</u> | <u>500000.00</u> |



KCL IRON & STEELS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

b. Terms/rights attached to equity shares

The company has only one class of shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

c. Shares held by holding company

| | March 31, 2016 | | March 31, 2015 | |
|---|----------------|--------|----------------|--------|
| | No. | % | No. | % |
| Kwality Credit & Leasing Ltd, (including held through its nominees) | 50000 | 100.00 | 50000 | 100.00 |

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

| | | | | |
|---|-------|--------|-------|--------|
| Kwality Credit & Leasing Ltd, (including held through its nominees) | 50000 | 100.00 | 50000 | 100.00 |
|---|-------|--------|-------|--------|

As per records of the Company, including its register of shareholder/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

3. Reserves and surplus

| | March 31, 2016 | March 31, 2015 |
|---------------------------------|-------------------|-------------------|
| | ₹ | ₹ |
| Surplus/(deficit) | | |
| Opening balance | (28903.00) | - |
| Add: Profit/(Loss) for the year | (15495.00) | (28903.00) |
| Closing balance | <u>(44398.00)</u> | <u>(28903.00)</u> |

4. Other current liabilities

| | | |
|---------------------------|--------------------------|--------------------------|
| Liability for expenses | 11343.00 | 5618.00 |
| Other current liabilities | <u>3845000.00</u> | <u>3845000.00</u> |
| | <u>3856343.00</u> | <u>3850618.00</u> |

5. Non-current investments

Trade Investments

Investments in Associates

Fully paid up equity shares of ₹10/- each (Unquoted) No. of shares

| | | | |
|---|-------------------------------|--------------------------|--------------------------|
| Multifold Plastic Marketing Private Limited | 384500 (previous year 384500) | 3845000.00 | 3845000.00 |
| | | <u>3845000.00</u> | <u>3845000.00</u> |

Book value of unquoted Investments

| | |
|-------------------|-------------------|
| 3845000.00 | 3845000.00 |
|-------------------|-------------------|

6. Cash and cash equivalents

Balance with bank

In current account

Cash on hand

| | |
|-------------------------|-------------------------|
| 18675.00 | 18975.00 |
| <u>448270.00</u> | <u>457740.00</u> |
| <u>466945.00</u> | <u>476715.00</u> |

7. Other expenses

Bank charges

Preliminary expenses written off

Miscellaneous expenses

Payment to auditors: Audit fees

| | |
|------------------------|------------------------|
| 300.00 | 425.00 |
| - | 22060.00 |
| 9470.00 | 800.00 |
| <u>5725.00</u> | <u>5618.00</u> |
| <u>15495.00</u> | <u>28903.00</u> |

8. Earning per share (EPS)

Net profit after tax attributable to equity shareholders (in ₹)

Weighted average no. of equity shares outstanding

Basic and diluted earning per share of ₹10/- each

| | |
|---------------|---------------|
| (15495.00) | (28903.00) |
| 50000 | 50000 |
| <u>(0.31)</u> | <u>(0.58)</u> |



KCL IRON & STEELS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

9. Related party disclosures

Names of related parties and related parties relationship

Key Management Personnel

a) Mr. Amu Thapa

Holding Company

Kwality Credit & Leasing Ltd

Associate company

Multifold Plastic Marketing Private Limited

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year :

| <u>Outstanding balances</u> | March 31, 2016 | March 31, 2015 |
|-----------------------------|----------------|----------------|
| <u>Holding Company</u> | ₹ | ₹ |
| Other current liabilities | 3845000.00 | 3800000.00 |
| <u>Associate Company</u> | | |
| Investments | 3845000.00 | 3845000.00 |

10. Contingent liabilities:- ₹ Nil, (previous year ₹ Nil)

11. Disclosures pursuant to section 186 of the Companies Act, 2013

Investment made are given under the respective head.

There were no loan, guarantees or securities given during the financial year.

12. Previous year figures

The company has reclassified previous year figures to conform to this year's classification as and when required.

In terms of our report of the even date annexed hereto:

For A V S B & ASSOCIATES

Chartered Accountants

Registration No. 027342N

For KCL IRON & STEELS LIMITED.

Amu Thapa
Director.

Director

For KCL IRON & STEELS LIMITED.

[Signature]
Director.

Director



Balwade Singh

Membership No. 532039

Place: Kolkata

Date: May 11, 2016