



SHRI BAJRANG ALLOYS LTD.



GOEL

STRUCTURAL ROLLING MILL

ISO 9001:2008

521/C, Urla Industrial Complex, Raipur 493 221 (C.G.) INDIA. Phone : 4288000, Fax : (91-771) 4288001

E-mail : sales.sbal@goeltmt.com • Website : www.goeltmt.com

CIN No. : L27103CT1990PLC005964

STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2018

Sr. No.	Particulars	STANDALONE				CONSOLIDATED			
		Quarter Ended		Year ended		Year ended		Year ended	
		31.03.2018	31.12.2017	31.03.2017	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
		Audited	Unaudited	Audited	Audited	Audited	Audited	Audited	Audited
1	Revenue								
	(i) Revenue from operations	3,298.99	2,815.12	2,926.69	10,280.08	8,174.91	10,280.08	8,174.91	
	(ii) Other income	0.05	-	2.90	0.05	2.90	0.61	3.51	
	Total Revenue (i+ii)	3,299.05	2,815.12	2,929.59	10,280.14	8,177.81	10,280.70	8,178.42	
2	Expenses								
	(a) Cost of materials consumed	2,481.07	2,661.77	2,084.01	8,768.03	4,944.19	8,768.03	4,944.19	
	(b) Purchases of Stock-in-trade	(0.00)	20.70	215.10	57.54	1,780.07	57.54	1,780.07	
	(c) Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	281.84	(217.54)	25.15	(224.89)	(315.25)	(224.89)	(315.25)	
	(d) Other Operational Expenses	137.53	177.56	187.96	575.47	451.18	575.47	451.18	
	(f) Employee benefit expenses	43.08	48.25	20.53	162.26	90.15	162.34	90.22	
	(g) Finance cost	67.22	48.29	96.02	211.81	273.66	211.81	273.66	
	(h) Depreciation and amortisation expenses	26.65	22.97	8.72	74.34	36.59	74.34	36.59	
	(e) Excise duty	(0.00)	-	192.61	223.37	715.11	223.37	715.11	
	(i) Other expenses	204.27	9.61	25.05	267.39	87.72	267.72	88.14	
	Total expenses	3,241.65	2,771.61	2,855.16	10,115.31	8,063.43	10,115.71	8,063.92	
3	Profit/(Loss) before exceptional items and tax (1-2)	57.39	43.51	74.42	164.82	114.37	164.99	114.50	
4	Exceptional items								
5	Profit/(Loss) before tax (3+4)	57.39	43.51	74.42	164.82	114.37	164.99	114.50	
6	Tax Expenses								
	(i) Current Tax	39.95	8.94	23.81	62.05	24.78	62.10	24.82	
	(ii) Deferred Tax	(14.79)	-	1.51	(14.79)	1.51	(14.79)	1.51	
	Total Tax Expenses (i+ii)	25.16	8.94	25.31	47.26	26.28	47.30	26.32	
7	Net Profit/(Loss) for the period from continuing operations (5-6)	32.23	34.57	49.11	117.56	88.09	117.68	88.18	





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8	Share of Profit In Associate	-	-	-	-	-	-	158.81
9	Profit/(Loss) for the period from discontinued operations	-	-	-	-	-	-	789.59
	Tax Expenses of discontinued operations	-	-	-	-	-	-	-
	(i) Current Tax	-	-	-	-	-	-	-
	(ii) Deferred Tax	-	-	-	-	-	-	-
	Net Profit/(Loss) for the period from discontinued operations after Tax	-	-	-	-	-	-	-
10	Net Profit/(Loss) for the period (7+8+9)	32.23	34.57	49.11	117.56	88.09	907.27	246.99
11	Other Comprehensive Income							
a	Items that will not be reclassified to Profit and Loss							
i	Remeasurements of defined benefit plans	(4.30)	-	1.47	(4.30)	5.85	(4.30)	5.85
ii	Equity Instruments through Other Comprehensive Income	20.44	14.64	22.98	32.93	22.84	32.93	22.84
iii	Income tax relating to items that will not be reclassified to profit or loss	(2.22)	-	(5.04)	(2.22)	(5.04)	(2.22)	(5.04)
b	Items that will be reclassified to Profit and Loss							
i	Exchange Difference on Translation of foreign operation							
12	Total comprehensive Income for the Period (10+11)	46.15	49.21	68.52	143.97	111.74	933.67	270.64
13	Total comprehensive Income attributable to Parent	-	-	-	-	-	-	-
	Non Controlling Interest	46.15	49.21	68.52	143.97	111.74	933.67	270.64
14	Paid up Equity Share Capital (face Value Rs.10 Per Share)	900.00	900.00	900.00	900.00	900.00	900.00	900.00
15	Reserves excluding Revaluation Reserves	-	-	-	2,434.03	2,290.07	7,433.38	6,499.70
16	Earning per share (of Rs.10/- each) (not annualised)							
a)	Basic	0.36	0.38	0.55	1.31	0.98	10.08	2.74
b)	Diluted	0.36	0.38	0.55	1.31	0.98	10.08	2.74

For Shri Bajrang Alloys Ltd.



(Anand Goel)
MANAGING DIRECTOR
DIN : 00796135

Date: 1st June 2018

Place: Raipur



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Notes:

- 1 The above results have been reviewed by the Audit Committee in its meeting held on 1st June, 2018 and taken on record by Board of Directors in its meeting held on 1st June, 2018.
- 2 The statement of standalone financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 [Ind AS] prescribed under section 133 of the Companies Act, 2013. Beginning 1st April 2017, the Company has for the first time adopted Ind AS. The impact of transition has been provided in Other Equity (Opening Reserves as per Previous Generally Accepted Accounting Principles (Previous IGAAP)) as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirements of Ind AS. Further, in accordance with Ind AS 101, First-Time Adoption of Indian Accounting Standards, the reconciliation of profit and other equity as per previous GAAP and Ind AS are as under :-

2.1 Statement of Reconciliation of Net Profit After Tax Under Ind AS and Net Profit after tax reported under previous Indian GAAP (IGAAP) for the quarter and year ended 31st March 2017

Particulars	(Rs. In Lakhs)	
	Standalone	Consolidated
	Quarter Ended on	Year ended on
	31.03.2017	31.03.2017
Profit after tax (PAT) as per previous IGAAP	50.90	95.24
Add: Remeasurement of Defined Benefit Plans recognised in Other Comprehensive Income	(1.47)	(5.85)
Add : Effect of Deferred Tax accounted for as per Balance Sheet approach as per Ind AS 12	(5.04)	(5.04)
Add: Effect of accounting for loans at amortised cost	(0.33)	(1.31)
Profit after tax (PAT) as per Ind-AS	44.07	83.05
Other Comprehensive Income		
Actuarial Gains/ (Loss) net of Remeasurement of Defined Benefit Plan recognised in Other Comprehensive Income (Net of Taxes)	1.47	5.85
Investments in equity instruments measured at fair value	22.98	22.84
Total comprehensive Income as reported Under Ind-AS	68.52	111.74
		270.64





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2.2 Reconciliation of Equity as at April 1, 2016 and March 31, 2017 reported as per previous Gaap (IGAAP) with equity restated under IndAS is summarised below;

Particulars	Standalone		Consolidated	
	As at 31.03.2017	As at 01.04.2016	As at 31.03.2017	As at 01.04.2016
Other Equity as per previous GAAP	1,909.78	1,814.54	3,582.17	3,468.84
Adjustment on Account of Associates Consolidation			2,537.25	2,396.44
Effect of Transition to Ind AS				
ii. Reversal of Transaction Cost	9.42	10.73	9.42	10.73
i. Increase in Deferred Tax Liability	(5.75)	(0.71)	(5.75)	(0.71)
iii. Investments in equity instruments measured at fair value	376.61	353.77	376.61	353.77
iv. Fair Valuation of Land	337.63	337.63	337.63	337.63
Total adjustment to equity	717.92	701.41	3,255.16	3,097.85
Other Equity under Ind AS	2,627.70	2,515.95	6,837.33	6,566.69

2.3 Acturial gains on re-measurement of Defined Benefit Plans have been classified under "Other Comprehensive Income" as per the requirement of Ind AS 19 "Employment Benefit".

2.4 Under the Ind AS, the Deferred Tax is calculated on the basis of the Balance Sheet approach and not the Income Approach.

2.5 The transaction costs paid for the term loans availed have been amortised over the tenor of the loan, as the loan are required to be carried at amortized cost as per the Ind AS 109- Financial Instruments. Accordingly there is an increase in the Financial Cost.

2.6 The investment in companies under the control of KMP do not meet the classification of "Associates" under the IND AS. Accordingly such investments are valued at fair value with the fair value changes being classified through Other Comprehensive Income. In the previous IGAAP these investments were classified as investment in Associates. hence for the purpose of quarterly results published earlier, such investments were valued at cost. During the year end audit the classification as per IND AS has been given effect to.

2.7 The company has exercised the option of carrying the Freehold Land at its fair value on the date of transition. This has resulted in increase in Property, Plant and Equipment with corresponding impact on Revaluation Reserve.

3 In accordance with the requirement of IND AS, revenue from operations for the quarter ended 31st March 2018 and 31st December 2017 is net of Goods and Service Tax (GST). However, revenue from operation for the periods prior to the quarter ended 30 the September 2017 is inclusive of Excise Duty. Hence these figures are not comparable to that extent.

4 The company operates in single segment- STEEL as per Ind AS 108 "Operating Segments"

5 The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year.

6 The previous period figures have been regrouped/ reclassified where ever necessary to make them comparable with the current periods' figures.

Date: 01st June 2018

Place: Raipur



For Shri Bajrang Alloys Ltd.

(Anand Goel)

MANAGING DIRECTOR

DIN : 00796135



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Statement Of Assets And Liabilities

(Rs. In Lakhs)

Particulars	STANDALONE			CONSOLIDATED		
	As on 31.03.2018	As on 31.03.2017	As on 01.04.2016	As on 31.03.2018	As on 31.03.2017	As on 01.04.2016
	AUDITED	AUDITED	AUDITED	AUDITED	AUDITED	AUDITED
A. ASSETS						
1 NON CURRENT ASSETS						
(a) Property Plant and Equipment	713.00	699.71	713.63	713.00	699.71	713.63
(b) Financial Assets						
(i) Investments	742.08	709.15	686.31	5,734.82	4,912.30	4,730.65
(ii) Loans	1,789.21	2,198.55	2,574.97	1,789.21	2,198.55	2,574.97
	3,244.29	3,607.41	3,974.91	8,237.03	7,810.56	8,019.24
2 CURRENT ASSETS						
(a) Inventories	2,205.92	1,839.45	1,270.88	2,205.92	1,839.45	1,270.88
(b) Financial Assets						
(i) Trade Receivables	1,722.64	1,655.82	2,995.96	1,722.64	1,655.82	2,995.96
(ii) Cash and Cash Equivalents	4.47	4.52	45.52	8.24	8.08	50.30
(iii) Bank Balances other than (ii) above	3.50	1.09	1.00	3.50	1.09	1.00
(iv) Other financial assets	0.16	0.07	0.08	0.16	0.07	0.08
(c) Other Current Assets	165.03	858.49	318.70	168.09	861.56	320.45
	4,101.72	4,359.45	4,632.15	4,108.55	4,366.08	4,638.66
TOTAL ASSETS	7,346.01	7,966.86	8,607.05	12,345.58	12,176.63	12,657.91
B. EQUITY AND LIABILITIES						
Equity						
(a) Equity Share Capital	900.00	900.00	900.00	900.00	900.00	900.00
(b) Other Equity	2,771.66	2,627.70	2,515.95	7,771.01	6,837.33	6,566.69
	3,671.66	3,527.70	3,415.95	8,671.01	7,737.33	7,466.69
LIABILITIES						
1 NON CURRENT LIABILITIES						
(a) Financial Liabilities						
(i) Borrowings	518.35	1,896.95	2,182.24	518.35	1,896.95	2,182.24
(b) Provisions	34.40	25.22	21.18	34.40	25.22	21.18
(c) Deferred Tax Liabilities	32.01	44.59	38.04	32.01	44.59	38.04
	584.76	1,966.76	2,241.46	584.76	1,966.76	2,241.46
2 CURRENT LIABILITIES						
(a) Financial Liabilities						
(i) Borrowings	1,976.15	1,894.11	2,396.73	1,976.15	1,894.11	2,396.73
(ii) Trade Payables	247.71	8.72	122.37	247.71	8.72	122.37
(iii) Other financial liabilities	168.25	412.26	414.41	168.42	412.35	414.51
(b) Other current liabilities	636.90	124.02	2.51	636.90	124.02	2.51
(c) Provisions	60.58	33.29	13.61	60.62	33.33	13.64
	3,089.59	2,472.41	2,949.64	3,089.81	2,472.54	2,949.75
TOTAL EQUITY AND LIABILITIES	7,346.01	7,966.86	8,607.05	12,345.58	12,176.63	12,657.91

Date: 01st June 2018
Place: Raipur

For Shri Bajrang Alloys Ltd.

(Anand Goel)
MANAGING DIRECTOR
DIN : 00796135



SSSD & CO

Chartered Accountants

H.O. : Shreemata Nilay, A-11(7) Sector-3, Udaya Society, Tatibandh, Raipur - 492 099(C.G.)

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Br : 260, Kalindi Kunj, Kabir Chowk, Raigarh-496001 (C.G.)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHRI BAJRANG ALLOYS LIMITED

Report on the Standalone Indian Accounting Standard (Ind-AS) Financial Statements

We have audited the accompanying Standalone Ind-AS Financial Statements of **SHRI BAJRANG ALLOYS LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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 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.

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



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, 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 the standalone Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 standalone Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS Financial Statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



For SSSD & CO
Chartered Accountants
Firm Reg. No. 020203C

Vidhan Chandra Srivastava
Partner
Membership No.: 073712

Place: Raipur
Dated: June 1, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Para-1 "Report on Other Legal and Regulatory Requirements" in our Independent Auditors' Report to the members of the Company on the Standalone Ind AS Financial Statements for the year ended March 31, 2018). Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a programme for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the company and nature of its assets. The discrepancies reported on such verification were not material and have been properly dealt with in the books of account.
- (c) The title deeds of immovable properties are held in the name of the Company.
- ii. The Physical Verification of the inventory has been conducted at reasonable intervals by the management. The discrepancies noticed on verification between physical inventories and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- iii. The Company has granted unsecured loans to one party covered in the register maintained under section 189 of the Act.
 - a. The terms and conditions of the grant of such loans are not prejudicial to the company's interest;
 - b. The payment of principal amount and interest are regular.
 - c. There is no overdue amount in respect of loans granted to the party listed in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us and the records examined by us, in respect loans, investments and guarantees, provisions of the section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any Deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder are not applicable.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government of India, for maintenance of cost records under sub section (1) of section 148 of the Act, and are of the opinion that, prima facie the prescribed accounts and records have generally been made and maintained. We have not, however, made a detailed examination of the records with a view to examine whether they are accurate and complete.
- vii. (a) According to the information and explanations given to us and the records examined by us, the Company is generally 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, wherever applicable and there are no such outstanding dues as at March 31, 2018 for a period of more than six months from the date they became payable.



- (b) According to the information and explanation given to us and the records examined by us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value added tax outstanding on account of any dispute.
- viii. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to banks. The Company does not have dues to financial institutions, government or debenture holders.
- ix. The Company has not raised money through initial public offer or further public offer and term loans, hence the provisions of paragraph 3 (ix) of the Order are not applicable.
- x. During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the Management, no material fraud by or on the Company, has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, 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.
- xii. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company.
- xiii. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanation given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanation given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Hence the provisions of Section 192 of the Act are not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 hence the provisions of paragraph 3 (xvi) of the Order are not applicable.

For S S S D & CO

Chartered Accountants

Firm Reg. No. 020203C



Vidhan Chandra Srivastava

Partner

Membership No.: 073712

Place: Raipur

Dated: June 1, 2018

ANNEXURE“B” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in Para 2 (f) “Report on Other Legal and Regulatory Requirements” in our Independent Auditor’s Report to the members of the Company on the standalone Financial Statements for the year ended March 31, 2018.

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 **SHRI BAJRANG ALLOYS LIMITED** (“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 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 (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 ICAI. 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 Standalone Ind AS Financial Statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS 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 S S S D & CO

Chartered Accountants

Firm Reg. No. 020203C

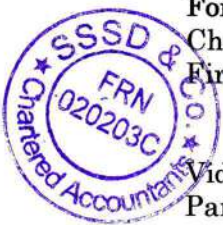

Vidhan Chandra Srivastava

Partner

Membership No.: 073712

Place: Raipur

Dated: June 1, 2018





SSSD & CO

Chartered Accountants

H.O. : Shreemata Nilay, A-11(7) Sector-3, Udaya Society, Tatibandh, Raipur - 492 099(C.G.)

E-mail : sssdandco@gmail.com, Ph. No. 0771-4001194

Br : 260, Kalindi Kunj, Kabir Chowk, Raigarh-496001 (C.G.)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHRI BAJRANG ALLOYS LIMITED

Report on the Consolidated Indian Accounting Standard (Ind-AS) Financial Statements

We have audited the accompanying Consolidated Ind-AS Financial Statements of **SHRI BAJRANG ALLOYS LIMITED** ("the Company"), its subsidiary (collectively referred to as 'the group') which comprises the Balance Sheet as at March 31, 2018, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated 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 Consolidated Ind AS Financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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 Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS Financial Statements. The procedures selected



depend on the auditor's judgment, 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 Company's preparation of the Consolidated Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Consolidated 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 Consolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 including the Ind AS, of the state of affairs(financial position) of the Company as at March 31, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matters

We have not audited the financial statement of one Subsidiary and one Associate , whose financial statement reflect total assets of Rs.1675.37Crores as at 31st March 2018 and total revenue of Rs.2112.90 Crores for the year ended on that date. These unaudited financial statements have been considered in consolidation and our opinion is based solely on the statement certified by the management.

Report on Other Legal and Regulatory Requirements

3. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 A".



- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its Consolidated Ind AS Financial Statements.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S S S D & CO

Chartered Accountants

Firm Reg. No. 020203C

Widhan Chandra Srivastava

Partner

Membership No.: 073712

Place: Raipur

Dated: June 1, 2018



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2 (f) "Report on Other Legal and Regulatory Requirements" in our Independent Auditor's Report to the members of the Company on the Consolidated Financial Statements for the year ended March 31, 2018.

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 **SHRI BAJRANG ALLOYS LIMITED** ("the Holding Company") and its associate as of March 31, 2018 in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Group'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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 ICAI. 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 Consolidated Ind AS Financial Statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Ind AS 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 Consolidated Ind AS 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 Consolidated Ind AS 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”

Other matters

Our aforesaid reports under section 143 (3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary and one associate company incorporated in India is based on the corresponding report of the auditor of the company. Our opinion is not qualified in this matter.

For S S S D & CO

Chartered Accountants

Firm Reg No. 020203C

Vidhan Chandra Srivastava

Partner

Membership No.: 073712

Place: Raipur

Dated: June 1, 2018.

