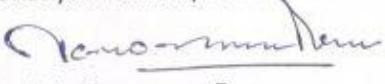
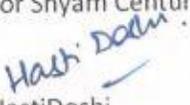
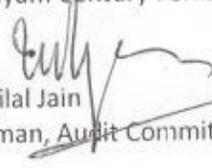
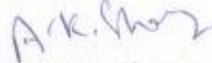


## FORM A

### FORMAT OF COVERING LETTER OF ANNUAL AUDIT REPORT TO BE FILED WITH THE STOCK EXCHANGES

1.	Name of the Company	Shyam Century Ferrous Limited
2.	Annual Financial Statements for the year ended	31st March, 2015
3.	Type of Audit Observations	Unqualified
4.	Frequency of observations	NA
5.	To be signed by-	For Shyam Century Ferrous Ltd.
	<input checked="" type="checkbox"/> Chief Executive Officer	 M. V. K. Nageswara Rao Chief Executive Officer <div style="text-align: right;"></div>
	<input checked="" type="checkbox"/> Chief Financial Officer	For Shyam Century Ferrous Ltd.  Hasti Doshi Chief Financial Officer <div style="text-align: right;"></div>
	<input checked="" type="checkbox"/> Audit Committee Chairman	For Shyam Century Ferrous Ltd.  Mangilal Jain Chairman, Audit Committee <div style="text-align: right;"></div>
	<input checked="" type="checkbox"/> Auditor of the Company	For Kailash B. Goel & Co. Chartered Accountants Firm Registration No. 322460E  CA Arun Kumar Sharma (Partner) (Membership No. 57329) <div style="text-align: right;"></div>



#### FORWARD-LOOKING STATEMENT

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements, written or oral, that we periodically make, contain forward-looking statements that set out anticipated results based on management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion relating to future performance of the Company

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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# Corporate Information

CIN : U27310ML2011PLC008578

## Board of Directors

Mr. Sajjan Bhajanka - Director  
Mr. Nag Raj Tater - Director  
Mr. Aditya Vimalkumar Agarwal - Director  
Mr. Mangilal Jain - Director  
Mr. Santanu Ray - Director  
Mrs. Plistina Dkhar - Director

## Auditors

Kailash B. Goel & Co.  
Chartered Accountants  
70, Ganesh Chandra Avenue, 1st Floor  
Kolkata – 700013

## Chief Executive Officer

Mr. M. V. K. Nageswara Rao

## Chief Financial Officer

Ms. Hasti Doshi

## Company Secretary

Mrs. Rachna Pareek

## Bankers

State Bank of India  
Oriental Bank of Commerce  
Axis Bank  
HDFC Bank

## Registered Office

VIII: Lumshnong, P.O.Khaliehriat  
Distt: East Jaintia Hills  
Meghalaya – 793210

## Works

Ferro Alloy & Power Plant  
EPIP, RajaBagan,  
Byrnihat – 793101  
Ri-Bhoi, Meghalaya

## Corporate Office

'Satyam Towers', 1st Floor,  
Unit No. 9B,  
3, Alipore Road  
Kolkata-700027  
Phone : 033 22484169/70  
Fax : 033 22484168  
Email : [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com)  
Website : [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com)

## Registrars & Share Transfer Agents

Maheswari Datamatics Pvt. Ltd.  
6, Mango Lane, 2nd Floor,  
Kolkata - 700001

# Chairman's speech

## Dear shareholders,

Fiscal 2014-15 turned out to be a tough year for the Company in which we fought very hard to maintain our growth against the challenges unleashed in the wake of an adverse economic environment that threatened to derail our projections.

The slowdown in the consumption appetite of the downstream sectors affected offtake, realisations and terms of trade for the ferro alloys industry. Shyam Century Ferrous Limited also bore the brunt of such an adverse scenario. However, we successfully grew our revenues to ₹115.91 crore in 2014-15. This contrarian performance came about on the back of robust complement of sustainable eco-friendly technologies, best-in-class equipment sourcing, prudent O&M practices, higher plant efficiencies and an uncompromising emphasis on quality.

### Business review

Up to March 31, 2014, the ferro alloys business was conducted by Star Ferro and Cement Limited. Following the demerger of the ferro alloys division of SFCL, the ferro alloys business is being conducted by the Company. The ferro alloys business mainly comprises of manufacturing of ferro alloys in Meghalaya and power generation via a captive power plant.

The Company manufactured 14,835 metric tonnes of ferro alloys in 2014-15. The Company is an ISO 9001:2008-certified organisation and believes in complying with strict quality norms. Our product range includes: ferro silicon and silico manganese and our primary market is India where we sell 100% of our production.

We endeavour to manufacture high-quality products and deliver them within the stipulated time to our clients. Quality raw material, cutting-edge equipment and stringent quality control measures ensure the manufacture of qualitatively consistent products.

Our product range includes the highest quality ferro alloys, a key input for steel industries, in line with the norms laid down by the Bureau of Indian Standards.

With multiple furnaces of sizeable capacities, the Company has the flexibility to produce different types of ferro alloys as per market dynamics. This adds to the competitive advantage of the organisation as different product mixes can be maintained at the same time even while manufacturing low quantities. As a designated consumer under the PAT cycle, we also achieved the target set for us by BEE.

### Initiatives that translated into industry outperformance

The Company recognises that when customers turn hesitant the best thing is to strengthen the value of intangible offerings - product customisation and timely delivery. So even in a weak market, we were able to liquidate our inventories, which made it possible to report savings in terms of working capital management and interest costs. Thus, we

were able to extend one-off transactions into enduring customer engagements, which in turn enhanced revenue visibility.

**Easy availability of raw materials and fuel:** The Company sources its lam coke, coal, mill scale, quartz and charcoal from different suppliers located in Meghalaya and nearby places. The Company is one of a handful of ferro alloys manufacturing companies in the country with a captive power plant. This is a major competitive advantage since power availability in the region is very uncertain and the price is also exorbitant. The products of the Company enjoy consistent demand in India and qualitatively are at par with those manufactured by international players. Furthermore, power is also procured through the IEX platform at times to capitalise on cost advantages.

**Quality assurance:** Quality assurance at every stage is integrated into all our processes. We have a system of in-built checks and balances to ensure effective quality control. The Company has a well-equipped quality control division with the latest equipment which ensures qualitative uniformity of incoming raw material,

output and finished products. Qualified and experienced chemists ensure that the desired quality standards are adhered to. This results in:

- Better** process control
- Enhanced** metal recovery
- Optimised** reductant consumption
- Minimised** flux consumption
- Efficient** reuse of solid waste
- Improved** furnace efficiency
- Constant** improvement in output quality and customisation as per customer specifications

### Outlook

Macroeconomic optimism: Despite significant improvements in the macroeconomic environment, a demand slump in China and sharp currency depreciations in many of the trading nations has led to a significant increase in imports into India and made exports less competitive in the global markets, thereby adversely impacting many of the power-intensive sectors. India Inc. has also been impacted by the high levels of indebtedness. Lending constraints faced by banks due to weak balance sheets and exposure limits have delayed the revival in the investment climate.



14,835

metric tonnes ferro alloys manufactured by the Company in FY15.



However, with the Central Government's thrust on the infrastructure sector, the prospects of steel and its allied industries have brightened. Favourable monsoons may ease the skew in the balance of payment scenario.

Nevertheless, India is one of the few countries where the growth is expected to improve despite the global outlook taking a turn for the worse. As per CSO's advanced estimates, Indian economic growth for FY 2014-15 is projected at 7.4% as compared to 5.1% in FY 2012-13 and 6.9% for FY 2013-14. The investment climate is expected to receive a further fillip from a higher governmental spend towards infrastructure, increase in foreign direct investment in the capital-intensive sectors, the Central Government's continued thrust on reforms and reduction in key policy rates. (Source: CSO)

#### Our blueprint

The ferro alloys industry mainly caters to the needs of the steel industry. Ferro alloys are used as additives and reducing agents in steel manufacture. The Indian ferro alloys industry has a capacity of 5.15 million tonnes. It accounts for nearly 10% of the global production and is among the ten-largest producers in the world.

In the midst of raw material availability being a key factor for ferro alloys industry growth, production is concentrated in a few pockets. India, South Africa, China and the CIS countries represent a large source of ferro alloys. Bulk of the Indian supply constitutes ferro chrome (about 32%), ferro manganese and silicon manganese (about 62%) and others (6%). At present, though there is a surplus capacity in the country, severe power cuts have been hampering production.

Ferro alloys producers across the globe in the last couple of years were one of the worst hit in history following a drastic collapse in demand and vertical fall in prices of finished products. After a couple of difficult years, well-coordinated efforts at the global level and various stimulus packages (legislative, fiscal and monetary) have helped to put the world economy back on track. Strong growth in steel and stainless steel segments is expected in the near future with strong demand emanating from the infrastructure industry.

Subsequently, it is expected that the excess capacity will be absorbed and the ferro alloys industry will bounce back in the years to come.

Keeping in mind the potential growth in the housing and infrastructure verticals, the overall demand for ferro alloys is expected to remain buoyant.

India Inc. has enough reasons to be excited with a dynamic, pro-business government at the helm. This is also the first instance of a single political party winning a decisive majority in the past 32 years. This dominant majority augurs well for the country by ushering in reforms acceleration and national prosperity. The Central Government has indicated that a keen emphasis is going to be laid on infrastructure creation in North Eastern India. This would result in robust economic growth over the medium-term and translate into enhanced business opportunities for the industry at large.



₹115.91cr

revenue generated by the Company in FY15

#### Message to shareholders

We are standing at a critical juncture in our Company's existence. As the Central Government intensifies its efforts towards ushering in infrastructural development in India, our production capacities and immaculate quality standards perfectly positions us to make the most out of the emerging opportunities and enhance shareholder value over the years to come.

Warm regards,  
Sajjan Bhajanka, *Chairman*

# Directors' Report & Management Discussion Analysis

Dear Shareholders,

Your Directors have pleasure in presenting Fourth Annual Report of the Company together with the Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit & Loss for the year ended on that date.

## Scheme of Arrangement

Pursuant to the Scheme of Arrangement entered between your Company, Star Ferro and Cement Limited and their respective shareholders, duly approved by the Hon'ble High Court of Meghalaya at Shillong vide its order dated 31st March, 2015, the business of Ferro Alloys unit of Star Ferro and Cement Limited along with captive power plant has been demerged and all the assets and liabilities of the Ferro Alloys business including the captive power plant attached thereto as also the investment in equity of Meghalaya Power Limited have been transferred to and vested in the Company at their book value on going concern basis with effect from 1st April, 2014 being the appointed date of demerger as approved. The Scheme although effective from 10th April, 2015, being the date of filing of certified copy of the order with the Registrar of Companies, has become operative from 1st April, 2014 being the appointed date.

The main objective of the demerger was to unlock shareholder value. In addition, the demerger shall have focused attention on each of the segments and a more transparent benchmarking of the companies with their peers in their respective industries, enabling the investors to hold separate focused stocks.

The figures for current year are not comparable with figures of previous years due to effect of the scheme in current year figures.

## Financial Performance

The highlights of the financial performance of the Company for the financial year ended 31st March, 2015 as compared to the previous financial year are as under:-

Particulars	(₹ in lacs)	
	2014-15	2013-14
Gross Income	11,590.61	-
Net Income	11,591.00	0.42
Profit Before Depreciation, Interest & Tax	1,708.13	0.28
Depreciation	(463.98)	-
Interest and Finance Charges	(334.62)	-
Exceptional Items	(28.23)	-
Profit Before Tax	881.30	0.28
Tax Expenses	349.09	0.07
Profit after Tax	532.21	0.21

## Allotment of Shares and Share Capital

In accordance with the Scheme, the Board of Directors of the Company at their meeting held on 28th April, 2015, issued and allotted 222,172,990 Equity Shares of ₹1/- each to every member of Star Ferro and Cement Limited (SFCL) holding fully paid up equity shares of SFCL and whose name appeared in the Register of Members of SFCL as on 24th April, 2015, the record date fixed by SFCL for this purpose. The shares have been allotted in the ratio of 1:1, i.e. one fully paid-up Equity shares of ₹1/- each in the Company for every one Equity Share of ₹1/- each held in SFCL on 28th April, 2015.

Your Company will take necessary steps to get these shares listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

## Cancellation of Shares

Upon allotment of aforesaid shares, existing 500,000 Equity Shares of ₹1/- each held by Star Ferro and Cement Limited ('Demerged Company') in the Company were cancelled.

## Ferro Alloys Business

The year 2014-15 was a difficult one in terms of operating business environment with Indian economy facing various challenges. Persistent inflationary conditions together with poor market sentiments and high interest rates pegged industrial growth. Infrastructural bottlenecks, weak rupee coupled with a tapered demand and contraction of industrial production was observed during the year under review. Liquidity conditions have worsened due to persistent hardening of interest rates, resulting into drying of availability of funds for the Industry.

The Steel sector, one of the largest consumers of your

Company's products, witnessed weak demand and dumping of Ferro Silicon from China into India. As a result, the demand for Ferro Alloys remained subdued.

Despite these constraints and challenging environment, your Company continued to focus on its fundamental strength of its ability to continuously focus on productivity and quality. There was strong emphasis on internal efficiencies together with an improvement in the sales mix which enabled your Company to withstand inflationary pressures on costs and profitability.

During the year under review, your Company has sold 13,849 MT of Ferro Silicon during the year under review as against 17,331 MT during the immediate previous year. While your Company constantly strives to increase stakeholder's value, emphasis continues to be on delivering value to customers and strengthening processes while driving sustainable practices, resulting into expanding our customer base.

## Future Outlook

The Indian Ferro Alloys industry has a capacity of 5.15 million tonnes and accounts for 10% of the world's Ferro Alloys production. The industry has abundant rich Chrome Ore and Manganese deposit but has not been globally competitive despite low manpower cost mainly due to the various challenges faced by the Industry essentially on account of high cost of electric power and power shortage, inadequate transportation facilities for rapid transportation of ores from mines to plants, lack of capital and technology.

There is stiff competition from the producers and exporters of the Ferro Alloys in India. Exports from India to China, South Africa and other countries constitute nearly 50% of the market of the Ferro Alloys. China has become the largest consumer of

Ferro Alloys and thus has been dominant in the market. There is a wide fluctuation in Ferro Alloys price in international market. The Global Ferro Alloys market is anticipated to increase at a CAGR of 5.4% by the FY2020.

With the change in the Government, the Indian industry is expected to grow at the rate of 8-10% over the medium term and translate into enhanced business opportunities for the overall industry.

India is expected to be one of the highest in growth of Steel consuming nations in the next decade.

With this, Steel scenario globally and domestically is likely to be changed, the consumption of Ferro Alloys will increase domestically and internationally in coming years.

### Opportunities and Threat

Ferro Alloys business has been transferred to the Company pursuant to the Scheme of arrangement. Performance of the Company depends on the continued demand for our products in the steel and stainless steel industry. The Steel business is cyclical in nature, accordingly, performance and results of operations are influenced by a variety of factors relating to the steel industry like fluctuations in demand and supply of steel and steel products, both domestically and internationally, general economic conditions and changes in the international prices of steel and steel products and slowdowns in steel industry. Uncertainty of availability of raw materials and other resources such as water, uninterrupted power supply, skilled manpower etc., high cost, insufficient infrastructural facilities for rapid transportation from ore mines to plants may also affect the operations and in turn the financial condition and profitability of the Company.

The Indian Ferro Alloys industry has tremendous growth opportunities which may lead India in emerging as the leading exporter of Ferro Alloys for the world.

In view of investment projections by the Government for infrastructural sector, demand of steel in future may accelerate. The Twelfth Five Year Plan projects infrastructural investment worth US\$ 1 trillion, which could accelerate steel off-take. The increase in infrastructural spending could translate into an additional steel demand.

### Performance and Operations Review

Due to slower growth in Global steel market output, the performance of Ferro Alloys remained dampened and subdued during the year under review. Despite weak economy and intense market situation, the Ferro Alloys segment posted a turnover of ₹11,591 lacs and profit before tax stood at ₹881.30 Lacs. During the year under review the production was at 14,835 MT.

### Extract of Annual Return

In terms of requirement of Section 134 (3)(a) of the Companies Act, 2013, the extract of the Annual return in form MGT-9 is annexed herewith and marked Annexure 1.

### Meetings of the Board

During the year six (6) Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The details of the Board Meeting are provided in the Corporate Governance Report.

### Committees of the Board

The composition and terms of reference of the Audit Committee, Nomination and Remuneration Committee and Share transfer cum Stakeholders Relationship Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

### Whistle Blower Policy / Vigil Mechanism

The Company has formed a Whistle Blower Policy/ Vigil Mechanism as required under Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimisation of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The said policy may be referred to, at the Company's website at the web link: [http://shyamcenturyferrous.com/wp-content/uploads/2015/04/Whistle\\_Blower\\_Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2015/04/Whistle_Blower_Policy.pdf).

### Directors' Responsibility Statement

Pursuant to requirement of Section 134 (3)(c) read with Section 134(5) of the Companies Act, 2013, the Directors hereby confirm and state that:

- In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures, if any;
- The Directors have selected such accounting policies and have 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 as at 31st March, 2015 and of the profit of the Company for the year under review;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of

the Company and for preventing and detecting fraud and other irregularities;

- The Directors have prepared the annual accounts on going concern basis;
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

### Declaration by Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. Mr. Santanu Ray, Mr. Mangilal Jain and Mrs. Plistina Dkhar are Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfil the conditions specified in Section 149 of the Act and the Rules made there under about their status as Independent Director of the Company.

### Policy on Appointment and Remuneration of Directors

The Board has framed a Remuneration Policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Employees. The remuneration policy aims to enable the Company to attract, retain and motivate highly qualified members for the Board and other executive levels. The remuneration policy seeks to enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.

### Auditors & Auditors' Report

M/s. Kailash B. Goel & Co., Chartered Accountants, Statutory Auditors (Firm Registration no. 322460E) of the Company, will retire at the conclusion of the ensuing Annual General Meeting of the Company. Being eligible, they have offered themselves for re-appointment and have confirmed that their appointment, if made, will be in accordance to the provisions of Section 141 read with Section 139 of the Companies Act, 2013 and the rules framed there under for re-appointment of auditors. Members are requested to approve and ratify their appointment. Members are also requested to empower the Board of Directors for fixation of Auditor's Remuneration.

The notes to the accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments.

### Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its manufacturing activity is required to be audited. Your Directors have appointed M/s. B. G. Chowdhury & Co., Cost Accountants, Firm Registration number 000064 as Cost Auditor of the Company for the financial year ended 31st March, 2015. The remuneration proposed to be paid to them requires ratification of the shareholders of the Company. In view of this, your ratification for payment of remuneration to Cost Auditors is being sought at the ensuing Annual General Meeting. The ratification of remuneration is proposed to be taken afresh from shareholders of your Company in view of transfer of Ferro Alloys Business from Star Ferro and Cement Limited to your Company.

Further, the Board, on recommendation of audit committee has re-appointed M/s. B. G. Chowdhury & Co., Cost Accountants, Firm Registration number 000064 as Cost Auditors for the ensuing Financial Year. The remuneration proposed to be paid to them requires ratification of the shareholders of the Company. In view of this, your ratification for payment of remuneration to Cost Auditors is being sought at the ensuing Annual General Meeting.

### Particulars of Loans, Guarantees or Investments

During the year under review, your Company has not given any loan or guarantee to any person falling under ambit of Section 186 of the Companies Act, 2013.

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

### Related Party Transactions

All related party transactions that were entered into during the financial year under review were entered on an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The details of transactions entered into with the Related Parties are annexed herewith and marked Annexure - 2.

A policy on 'Related Party Transactions' has been devised by the Company which may be referred to, at the Company's website at the web link [http://shyamcenturyferrous.com/wp-content/uploads/2015/07/Related\\_Party\\_Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2015/07/Related_Party_Policy.pdf).

## Reserves

During the year under review no amount was transferred to reserves.

## Dividend

In order to conserve resources for future operations, your Directors do not recommend any dividend for the Financial Year 2014-15.

## Conservation of Energy (Steps Taken / Impact on Conservation of Energy, Steps Taken for Utilising Alternate Sources of Energy, Capital Investment in Energy Conservation Equipments)

Your Company has taken following steps towards Conservation of Energy during the year under review:

- Replacement of metallic blades with FRP blades in cooling tower fan of Ferro Alloys plant.
- Condenser tube cleaning work was carried out to improve heat transfer area, vacuum & reduce CT fan power consumption.
- CT fan VFD operation controlling configured in DCS for maintaining required  $\Delta T$ .
- APH tube leakage arrested & damaged tubes replaced in order to minimise air leakage & reduced ID fan power consumption.
- Secondary air nozzle maintenance work was carried out to reduce un-burnt carbon.
- Replacement of Bed coil for minimising boiler breakdown.
- Installation of energy meters to minimise import power loss.

## Technological Absorption

- Installation of 3000 KVA, 42.5 KV HT Harmonic Filter Capacitor bank at Furnaces.

## Expenditure on Research & Development

The Company has developed a Research & Development cell for carrying out R&D Projects in the plant with specific objective of development of advanced systems for quality improvement.

During the year under review, your Company incurred Capital expenditure of ₹1.33 Lacs.

## Foreign Exchange Earnings and Outgo

During the period under review, there was no Foreign Exchange Earning and Outgo.

## Corporate Social Responsibility Initiatives (CSR)

Your Company's Corporate Social Responsibility (CSR) Policy is committed towards improving the quality of life of communities

by working on four thrust areas - employability, education, health and environment.

During the year under review the Company has constituted Corporate Social Responsibility Committee as per the requirements of Section 135 of the Companies Act 2013. The Committee is headed by Mr. Sajjan Bhajanka, Director of your Company and consists of members as stated below:

Name	Category	Chairman/ Members
Mr. Nag Raj Tater	Non-Independent	Chairman
Mr. Aditya Vimalkumar Agarawal	Non-Independent	Member
Mr. Mangilal Jain	Independent	Member

The CSR Policy of the Company is available on the Company's website under the weblink: [http://shyamcenturyferrous.com/wp-content/uploads/2015/04/Corporate\\_Social\\_Responsibility\\_Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2015/04/Corporate_Social_Responsibility_Policy.pdf).

## Directors and Key Managerial Personnel

Mr. Aditya Vimal kumar Agarwal was appointed as Additional Director of the Company with effect from 1st April, 2015. Mr. Mangilal Jain and Mr. Santanu Ray were appointed as Additional Directors of the Company in the capacity of Independent Directors with effect from 1st April, 2015 subject to the confirmation by the members at the ensuing General Meeting.

The Board of Directors appointed Ms. Hasti Doshi as Chief Financial Officer (CFO), Mrs. Rachna Pareek as the Company Secretary and Mr. M. V. K. Nageswara Rao as Chief Executive Officer (CEO) of the Company with effect from 1st April, 2015, 16th April, 2015 and 1st May, 2015 respectively.

In accordance with the provisions of Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Nag Raj Tater will retire by rotation and being eligible offers himself for re-appointment. In view of his considerable experience, your Directors recommend his re-appointment as Director of the Company.

The following personnel are Key Managerial Personnel of the Company:

1. Mr. M. V. K. Nageswara Rao - Chief Executive Officer
2. Ms. Hasti Doshi - Chief Financial Officer
3. Mrs. Rachna Pareek - Company Secretary

## Associate Company

Consequent to the Scheme of Arrangement becoming effective, M/s Meghalaya Power Limited has now become associate to your Company in terms of section 2 (6) of the Companies Act, 2013.

## Policy on Prevention of Sexual Harassment

The Company values the integrity and dignity of its employees. The Company has put in place a 'Policy on Prevention of Sexual Harassment' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act"). We affirm that adequate access has been provided to any complainants who wish to register a complaint under the policy. No complaint was received during the year.

## Audited Financial Statements of the Company's Associate

The Ministry of Corporate Affairs, Government of India, vide its Circular dated 14th October, 2014 clarified that in case of a Company which does not have a subsidiary or subsidiaries but has one or more associate company, no consolidation of Financial statements in respect of associate companies is required to be made for the Financial Year commencing from the 1st day of April, 2014 and ending on the 31st March, 2015. Hence, Accounts of the Associate Company has not been consolidated with the financial statements of the Company for the current financial year.

Pursuant to sub-section (3) of Section 129 of the Act, the statement containing salient features of the financial statement of associate company Meghalaya Power Limited (MPL) for the year ended March 31, 2015 is annexed in the Form AOC – 1 and marked as Annexure-3.

## Deposits

During the year under report, the Company has not accepted any deposits from public or from any of the Directors of the Company or their relatives falling under ambit of Section 73 of the Companies Act, 2013.

## Changes Impacting Going Concern Status and Company's Operations

During the year under review, there have been no material orders passed by the Regulators/Courts impacting materially the going concern status or future operations of the Company except the order passed by the Hon'ble High Court of Meghalaya, Shillong in respect of Scheme of Arrangement as detailed in the foregoing paragraphs of this report.

## Internal Control Systems and their Adequacy

Internal control systems have been designed and put to use in such a manner that it is commensurate with the size and nature of its business. With the adequate level of internal control in place, all operational and related activities are performed effectively and efficiently.

The Internal Audit Department of the Company periodically reviews the effectiveness and efficacy of Internal Control

Systems and procedures depending on the size and risk potential. Audits are finalised and conducted based on internal risk assessments. Significant deviations from the standard procedures are brought to the notice of the Board periodically and corrective measures are recommended for implementation. All these steps facilitate timely detection of any irregularities and early remedial measures to be undertaken so that no monetary losses are sustained. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

## Risk Management

The Company has evolved a risk management framework to identify, assess and mitigate the key risk factors of the business. The Board of the Company is kept informed about the risk management of the Company.

## Corporate Governance

A separate section on corporate governance, along with a certificate from the auditors confirming the compliance, is annexed and forms part of the Annual Report. This certificate will be forwarded to the stock exchanges along with the Annual Report of the Company.

## Chief Executive Officer (CEO) /Chief Financial Officer (CFO) Certification

In view of Company's proposed arrangement for listing of its shares on NSE and BSE, as required under Clause 49 of the Listing Agreement, the CEO/CFO certification has been submitted to the Board and a copy thereof is contained elsewhere in this Annual Report.

## Green Initiatives in Corporate Governance

Ministry of Corporate Affairs has permitted Companies to send copies of Annual report, Notices, etc., electronically to the email IDs of shareholders. Your Company has arranged to send the soft copies of these documents to the registered email IDs of the shareholders, wherever applicable. In case, any shareholder would like to receive physical copies of these documents, the same shall be forwarded upon receipt of written request in this respect.

## Human Resource Development & Industrial Relations

The Company has always provided a congenial atmosphere for work to all sections of society. It has provided equal opportunities of employment to all irrespective to their caste, religion, color, marital status and sex. The Company believes that human capital of the Company is its most valuable assets and its human resource policies are aligned towards this objective of the Company.

The Company focuses on enhancing organisational performance by focusing on quick grievance resolution mechanisms and maintaining cordial relations with employees and workmen across all levels. The relation amongst its employees remained harmonious and the year under review remained free from any labor unrest.

There are 167 numbers of employees during the year under review.

### Particulars of Employees

The Company has no employee whose remuneration exceeds the limit prescribed under section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### Acknowledgement

Your Directors take this opportunity to express their deep sense of gratitude to the Banks, Central and State Governments and their departments and the local authorities, customers, vendors, business partners/associates and Stock exchanges for their continued guidance and support.

Place: Kolkata

Date: 7th May, 2015

Your Directors would also like to place on record their sincere appreciation for the commitment, dedication and hard work put in by every member of the Company and recognises their contribution in Company's achievements. Your directors express their gratitude to the shareholders of the Company for reposing their confidence and faith in the Management of the Company.

### Cautionary Statement

Statements in this report describing the Company's objectives, expectations or predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include: global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country, and other factors which are material to the business operations of the Company.

For and on behalf of the Board of Director

**NAG RAJ TATER**

*Director*

(DIN: 00266072)

**SAJJAN BHAIKANKA**

*Director*

(DIN: 00246043)

# Annexure 1 to Directors' Report

Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on 31st March, 2015

[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:

CIN	U27310ML2011PLC008578
Registration Date	Company incorporated on 12th April, 2011
Name of the Company	Shyam Century Ferrous Limited
Category / Sub-Category of the Company	Company limited by Shares
Address of the Registered Office and contact details	Village: Lumshnong, PO: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210 Phone No.: 03655-278215 /16 /18
Whether listed company	No
Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	Maheshwari Datamatics Private Limited 6, Mangoe Lane (Surendra Mohan Ghosh Lane) 2nd Floor, Kolkata – 700 001 Phone: 033 2248 2248

### 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:-

Name and Description of main products /services	NIC Code of the Product/ service	% to total turnover of the Company
Ferro Alloys	27110	99.86

### III. Particulars of Holding, Subsidiary and Associate Companies

Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
Meghalaya Power Limited	U40108ML2002PLC006921	Associate	48.80	2(6)

### VI. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year %				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
(a) Individual/HUF	-	500000	500000	100	-	-	-	-	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year %				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(d) Bodies Corp.	-	-	-	-	-	500000	500000	100	-
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	-	500000	500000	100	-	500000	500000	100	-
<b>(2) Foreign</b>									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A) (1)+(A)(2)</b>	-	500000	500000	100	500000	500000	500000	100	-
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks / FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
(a) Bodies Corp.	-	-	-	-	-	-	-	-	-
(i) Indian									
(ii) Overseas									
(b) Individuals	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto ₹1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh									
(c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>									
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	500000	500000	100	-	500000	500000	100	-

## (ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change In share holding during the year
		No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total shares	
1.	Sajjan Bhajanka	110000	22.00	-	-	-	-	(22.00)
2.	Brij Bhushan Agarwal	100000	20.00	-	-	-	-	(20.00)
3.	Mahabir Prasad Agarwal	100000	20.00	-	-	-	-	(20.00)
4.	Sanjay Agarwal	112500	22.50	-	-	-	-	(22.50)
5.	Hari Prasad Agarwal	2500	5.00	-	-	-	-	(5.00)
6.	Sanjay Kumar Agarwal	50000	10.00	-	-	-	-	(10.00)
7.	Keshav Bhajanka	2500	0.50	-	-	-	-	(0.50)
8.	Star Ferro and Cement Limited along with nominees	-	-	-	500000	100.00	-	100.00

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

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NOT APPLICABLE*			
	At the end of the year				

\* Entire promoter's holding was acquired by M/s Star Ferro and Cement Limited alongwith its nominees on 25th August, 2014.

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

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year				
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NOT APPLICABLE			
	At the End of the year (or on the date of separation, if separated during the year)				

## (v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	<b>Mr. Sajjan Bhajanka, Non-Executive Director</b>				
	At the beginning of the year	110000	22.00	-	-
	Changes during the year 25.08.2014 Transfer	-	-	(110000)	(22.00)
	At the end of the year	-	-	-	-
2.	<b>Mr. Nag Raj Tater, Non-Executive Director</b>				
	At the beginning of the year	-	-	-	-
	Changes during the year	-	-	-	-
	At the end of the year	-	-	-	-
3.	<b>Mrs. Plistina Dkhar, Non-Executive Director</b>				
	At the beginning of the year	-	-	-	-
	Changes during the year	-	-	-	-
	At the end of the year	-	-	-	-

**V. INDEBTEDNESS**

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

(₹ In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
• Addition	3,138.61	-	-	3,138.61
• Reduction	-	-	-	-
<b>Net Change</b>	<b>3,138.61</b>	-	-	<b>3,138.61</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3,138.61	-	-	3,138.61
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>3,138.61</b>	-	-	<b>3,138.61</b>

## 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 (₹ Lakhs)
		-	
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	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others, specify...	-	-
5.	Others, please specify	-	-
	Total (A)		
	Ceiling as per the Act		

In the reporting year, the Company did not have any Managing Director, Whole-time Directors and / or Manager

### (B) Remuneration to other directors:

Sl No.	Particulars of Remuneration	Name of Directors	Total Amount (₹ Lakhs)
		-	
1.	Independent Directors		
	• Fee for attending board / committee meetings	-	-
	• Commission	-	-
	• Others, please specify	-	-
	Total (1)	-	-
2.	Other Non-Executive Directors		
	• Fee for attending board / committee meetings	-	-
	• Commission	-	-
	• Others, please specify	-	-
	Total (2)	-	-
	Total (B)=(1+2)	-	-
	Total Managerial Remuneration	-	-
	Overall Ceiling as per the Act	-	-

No remuneration in the form of Sitting Fees and Commission is being paid to any other Directors in the reporting year

(C) Remuneration to Key Managerial Personnel other than MD/Manager/ WTD

Sl No.	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		-	(₹ Lakhs)
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	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others, specify...	-	-
5.	Others, please specify	-	-
	Total (A)		
	Ceiling as per the Act		

\* The Company did not have any Key Managerial Personnel in the reporting year. And no remuneration was being paid to the other Directors of the Company. The Key Managerial Personnel were appointed during the financial year 2015-16.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NONE		
Punishment					
Compounding					

## Annexure 2 to Directors' Report

### FORM 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)

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:

During the year under review, the contracts or arrangements with related party were done at arm's length basis.

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

Name of related party	Megha Technical & Engineers Pvt. Ltd.	Meghalaya Power Limited	Cement Manufacturing Company Limited
Nature of relationship	Associate	Associate	Associate
Salient terms of the contracts or arrangements or transactions including the value, if any	Purchase of Cement, at market price	Purchase of Power	Sale of Flyash
Duration of the contracts / arrangements/ transactions	Short term	Short term	Long term
Date(s) of approval by the Board, if any	28th April, 2015	28th April, 2015	28th April, 2015
Amount paid as advances, if any	NIL	NIL	NIL

Note: All the transactions referred above are in the ordinary course of business and at arm's length basis.

# Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance:

## Company's Philosophy on Corporate Governance:

Your Company believes that corporate governance is a systematic process which enhances the long-term economic value of the Company at large and its stake holders. It focuses on the need for sustainable competitive return for all its stake holders. The Company committed to focus on achieving business excellence and optimising long term value for its stakeholders on a sustained and ethical basis.

## BOARD OF DIRECTORS

### Composition

As on the date of this report, the Board consists of six Directors out of which three are Non-Executive Directors and three Independent Directors. The Board members are expert in different disciplines of corporate working i.e. finance, banking, technical, marketing, administration, etc. The Independent Directors are expert professionals with high credentials and actively contribute in the deliberations of the Board.

None of the Directors is a member of the Board of more than twenty Companies or a Member of more than ten Board-level Committees or a Chairman of more than five such Committees.

The Composition is as provided below:

Name of the Director	Designation	Category
Mr. Sajjan Bhajanka	Director	Non-Executive
Mr. Nag Raj Tater	Director	Non-Executive
Mr. Aditya Vimalkumar Agarwal	Director	Non-Executive
Mrs. Plistina Dkhar	Director	Independent
Mr. Mangilal Jain	Director	Independent
Mr. Santanu Ray	Director	Independent

As on 31st March 2015, the details of each member of the Board along with the number of Directorship(s) / Committee Membership(s) are provided herein below:

Name of the Director	Number of Directorship of Public Limited Companies*	Number of Membership including Chairmanship of Board Committee(s) **
Mr. Sajjan Bhajanka	10	5 (1 as Chairman)
Mr. Mangilal Jain***	9	9 (4 as Chairman)
Mr. Santanu Ray***	4	6 (3 as Chairman)
Mr. Aditya Vimalkumar Agarwal***	2	2
Mr. Nag Raj Tater	10	1
Mrs. Plistina Dkhar	3	-

\* Includes Private Companies which are subsidiaries of Public Limited Companies, Unlimited Liability Companies, Companies registered under Section 8 of the Companies Act, 2013, Membership of Managing Committees of Chambers of Commerce/Professional Bodies but excludes Foreign Companies.

\*\* Only Audit Committee and Stakeholders' Relationship Committee have been considered as per Clause 49 of the Listing Agreement.

### Board Meetings and Procedures

The Board meets at regular intervals to discuss and decide on the policies and strategies with respect to the business of the Company apart from normal business. The Board generally meets at least once every quarter. Additional meetings are held as and when necessary.

All the meetings are scheduled well in advance and notices are sent to all the Directors at their address registered with the Company. The agenda of the meeting are backed by necessary supporting information and documents to enable the Board to take informed decisions. The Board periodically reviews compliance reports of all laws applicable to the Company. Information about major events/items is placed before the Board and approval of the Board is taken on all such matters wherever such approval is required. Senior executives of the Company are invited as and when required to provide additional inputs or clarifications required on agenda items being discussed in the Board Meeting.

### Number and dates of Board Meetings held during the year

Six Board Meetings were held during the Financial Year 2014-15 and the gap between two meetings did not exceed four months. The Meetings were held on 9th June, 2014, 21st June, 2014, 25th August, 2014, 31st October, 2014, 20th January, 2015 and 29th March, 2015. Attendance at the Board Meetings during the financial year 2014-15 and at the previous Annual General Meeting is as under:

Name of the Director	No. of Board Meeting Attended	Last AGM Attended
Mr. Sajjan Bhajanka	6	Yes
Mr. Nag Raj Tater	6	Yes
Mrs. Plistina Dkhar	1	No
Mr. Mangilal Jain*	NA	NA
Mr. Santanu Ray*	NA	NA
Mr. Aditya Vimal kumar Agarwal*	NA	NA

\*Appointed w.e.f. 1st April, 2015

### Resume of Directors proposed to be re-appointed

The brief resume of directors retiring by rotation and seeking re-appointment is appended in the notice convening the Annual General Meeting.

## COMMITTEES OF THE BOARD

Currently, the Board has Audit Committee, Nomination and Remuneration Committee, Share Transfer cum Stakeholders Relationship Committee and CSR Committee. The terms of reference of these Committees are determined by the Board and subject to be reviewed from time to time. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

### Audit Committee:

All the members of the Audit Committee are Non-Executive Directors with majority Independent directors including

Chairman. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The terms of reference of the Audit Committee are broadly inter alia as follows:

- i. 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;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report
  - 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
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds

utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the Company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the Company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. 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;
- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. 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 systems of a material nature and reporting the matter to the board;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit, audit observations as well as post-audit discussion to ascertain any area of concern;
- xvii. 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;
- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

#### Composition, number of Meetings and Attendance

The Audit Committee was constituted on 29th March, 2015, as

such there was no meeting of the Audit Committee held during the financial year 2014-15.

The composition of the Audit Committee and the details of meetings attended by the Directors are as under:

Name	Category	No. of Committee Meetings Attended
Mr. Mangilal Jain	Chairman – Independent	NA
Mr. Santanu Ray	Member – Independent	NA
Mr. Aditya Vimalkumar Agarwal	Member – Non Independent	NA

#### Nomination and Remuneration Committee:

In compliance with Section 178 of the Companies Act, 2013 "Nomination and Remuneration Committee" has been constituted.

The broad terms of reference of the Committee inter alia are as follows:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of performance of Directors
- iii. Devising a policy on Board diversity;
- iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- v. Recommending/reviewing remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria

#### Remuneration Policy

The Company has formulated a remuneration policy with a focus on attracting talent and rewarding performance based on review of achievements. The remuneration to be paid to the Executive Directors is recommended by the Remuneration Committee based on the Net Profits of the Company which are then approved by the Board of Directors of the Company and the Shareholders of the Company in their respective meetings. The remuneration paid to the executive directors was determined and based on the industry benchmark, performance of the Company to the industry performance. Independent Non-Executive Directors are appointed for their performance expertise in their individual capacity as individual Professionals/

Business Executives. Independent Non-Executive Directors are paid sitting fees for attending Board Meetings.

**The composition of the Nomination and Remuneration Committee and the details of Members of the Committee are as under:**

Name of the Member	Category	Designation
Mr. Nag Raj Tater	Non-Executive	Chairman
Mr. Santanu Ray	Independent, Non-Executive	Member
Mr. Mangilal Jain	Independent, Non-Executive	Member

#### **Meetings and Attendance:**

The remuneration committee was constituted on 29th March, 2015, as such there was no meeting of the Committee held during the financial year 2014-15.

#### **Remuneration paid to the Directors:-**

No remuneration was paid to the Directors during the financial year 2014-15.

## **SHARE TRANSFER CUM STAKEHOLDERS' RELATIONSHIP COMMITTEE**

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has constituted "Stakeholders' Relationship Committee".

The Committee's responsibility is to oversee Share Transfers and addressing to and redressal of shareholders' grievances etc. The Committee also evaluates performance and service standards of the Registrar and Share Transfer Agents of the Company.

The terms of reference of the Committee shall, inter alia, include:

- Review the process and mechanism of redressal of investor grievance and suggest measures of improving the system of redressal of investor grievances.
- Consider and approve all requests from shareholders regarding transfer & transmission of shares, issue of duplicate share certificate, consolidation of shares, demat, remat, split & folio consolidation etc.
- Review and resolve the pending investors complaints, if any, relating to transfer of shares, non-receipt of share certificate(s), non-receipt of interest dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolve them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time.

The Composition of the Investors' Grievance Committee and the details of the meeting attended by the Directors are given below:

Name of the Member	Category	Designation	No. of Committee Meetings Attended
Mr. Santanu Ray	Independent, Non-Executive	Chairman	NA
Mr. Aditya Vimalkumar Agarwal	Non- Executive	Member	NA
Mr. Nag Raj Tater	Non-Executive	Member	NA

Mrs. Rachna Pareek, Company Secretary is the Compliance Officer.

#### **Meetings and Attendance:**

The Committee was constituted on 7th May, 2015, as such there was no meeting of the Committee held during the financial year 2014-15.

No complaints were received during the year and no complaints are pending at the end of the financial year.

## **Corporate Social Responsibility Committee**

The Company has constituted a CSR Committee as required under section 135 of the Companies Act 2013. The Committee consists of three directors out of which one director is an Independent director.

The terms of reference of the Committee are as follows:

- i. To frame the CSR policy and monitor the same from time to time
- ii. To recommend the amount of expenditure to be incurred on CSR activities

The Corporate Social Responsibility Committee comprises of the following three members:

Name of the Member	Category	Designation
Mr. Nag Raj Tater	Non-Executive	Chairman
Mr. Aditya Vimalkumar Agarwal	Non-Executive	Member
Mr. Mangilal Jain	Non-Executive Independent	Member

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Board of Directors of the Company has adopted a Vigil Mechanism Policy. This mechanism provides a tool in the hands of Employees and Directors to report to the Management, concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimisation of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

## GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings:

Financial Year	Venue	Date and time
2013-14	6, Lyons Range, 1st Floor, Kolkata- 700001	4th July, 2014 at 11.00 a.m.
2012-13	6, Lyons Range, 1st Floor, Kolkata- 700001	1st July, 2013 at 2.00 p.m.
2011-12	6, Lyons Range, 1st Floor, Kolkata- 700001	29th September, 2012 at 2.00 p.m.

In the last Annual General Meeting, resolution for shifting of the Registered Office of the Company from the State of West Bengal to the State of Meghalaya was passed. During the year under review, no resolution has been passed through the exercise of Postal Ballot.

No Extra-Ordinary General meeting of the Shareholders was held during the year. One Court Convened Meeting of the Equity Shareholders of the Company was held on 29th January, 2015 as per direction of the Hon'ble Meghalaya High Court, Shillong, wherein the Scheme of Arrangement was approved.

## DISCLOSURES

- No materially significant related party transactions took place between the Company and its subsidiaries, its Promoters, Directors or the Management and their relatives which have a bearing on interests of the Company at large. Other Related Party transactions have been reported in Notes to Accounts.
- There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.
- The Company has a well-defined risk management framework and the Board is kept informed about the risk assessment and minimisation procedures. The risk policy provides for identification of risk, its assessments and procedures to minimise risk. The risk management policy is reviewed periodically to ensure that the executive management controls the risk as per decided policy.
- The Directors of the Company are not related inter-se.
- The Financial statements of the Company are prepared in accordance with the Accounting Standards stipulated under the Companies Act.
- During the year under review, the Company has not raised any money through public issue.

## CODE OF CONDUCT

In pursuance of Clause 49 of the Listing Agreement, the Company has a 'Code of Conduct for Board of Directors and Senior Management' and same has been circulated and posted on the Company's website [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com). The Directors and Senior Management personnel have affirmed compliance with the provisions of above Code of Conduct. The declaration by the Chief Executive Officer to this effect is also attached to this Report.

## MEANS OF COMMUNICATION

The financial results and official news are also posted on the website of the Company - [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com)

## MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis Report, forms a part of the Directors' Report.

## GENERAL SHAREHOLDER INFORMATION

### Annual General Meeting

Date and Time	Friday, 25th September, 2015 at 03:00 P.M.
Venue	Star Club, Village : Lumshnong, PO : Khaliehriat, Dist. East Jaintia Hills, Meghalaya - 793210
Dates of Book Closure	22nd September 2015 to 25th September 2015

### Financial Calendar (for the year 2015-16)

The Company follows financial year starting from 1st of April of the financial year and ending on 31st March of the following year.

### Proposed date for approval of financial result

First Quarter ended 30th June, 2015	Within 45 days from the end of quarter
Second Quarter ended 30th September, 2015	Within 45 days from the end of quarter
Third Quarter ended 31st December, 2015	Within 45 days from the end of quarter
Fourth/Last Quarter ended 31st March, 2016	Within 60 days from the end of quarter

### Listing on Stock Exchanges:

The Company is proposed to be listed on the following Stock Exchanges:-

- National Stock Exchange of India Limited (NSE)  
Exchange Plaza, Bandra –Kurla Complex, Bandra (E)  
Mumbai- 400 051
- BSE Ltd. (BSE)  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

### ISIN Allotted to the Company by the Depositories:

The Company has signed Depository agreement with both National Securities Depository Limited and Central Depository Services (India) Limited. The ISIN allotted to the Company is INE979R01011.

### Corporate Identity Number (CIN):

U27310ML2011PLC008578

### Registrars and Share Transfer Agents:

M/s Maheshwari Datamatics Private Limited  
6, Mangoe Lane (Surendra Mohan Ghosh Lane)  
2nd Floor, Kolkata – 700001  
Phone: 033 22435029/22482248  
Fax - 033 22484787  
Email - [mdplc@yahoo.com](mailto:mdplc@yahoo.com), [mdpl@cal.vsnl.net.in](mailto:mdpl@cal.vsnl.net.in)

## Share Transfer System

Requests for transfer of shares can be lodged either at the office of the Company or at the office of the Registrar. The transfer are normally processed within a maximum period of 15 days from the receipt of documents, complete in all respect.

Transfer of Shares in dematerialised form is duly processed by NSDL/CDSL in electronic form through the respective Depository participants. Dematerialisation is required to be done with a period of 15 days from the date of lodgment of dematerialisation request, complete in all respect, with the Depository Participant of the Shareholder.

## Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the Depositories in India – National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL).

## Plant location

EPIP Area, Byrnihat, District-Ri-Bhoi, Meghalaya.

## Address for Correspondence:

The Compliance Officer

Shyam Century Ferrous Limited

Satyam Tower, 3 Alipore Road

Kolkata-700 027

Phone: 033 22435029

Fax: 033 22484787

Email: [investors@shyamcenturyferrous.com](mailto:investors@shyamcenturyferrous.com)

Website: [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com)

For and on behalf of the Board of Director

Place: Kolkata

Date: 7th May, 2015

Sajjan Bhajanka

*Director*

(DIN: 00246043)

Nag Raj Tater

*Director*

(DIN: 00266072)

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## Compliance with Code of Business Conduct and Ethics

As provided under Clause 49 of the Listing Agreements with the stock exchanges, it is hereby declared that all Board members and Senior management personnel of the Company have affirmed the compliance of the Code of Conduct for the year ended 31st March, 2015.

Place: Kolkata

Date: 7th May, 2015

M. V. K. Nageswara Rao

Chief Executive Officer

# Certificate by Chief Executive Officer and Chief Financial Officer

To,  
The Board of Directors  
Shyam Century Ferrous Limited

We the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Shyam Century Ferrous Limited ("the Company"), to the best of our knowledge and belief certify that:

- a. We have reviewed the financial statements and the cash flow statement for the Financial year ended 31st March, 2015 and based on our knowledge and belief, we state that:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's 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 are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
  - i) significant changes, if any, in internal control over financial reporting during the year;
  - ii) significant changes, if any, in accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata  
Date: 7th May, 2015

**M. V. K. Nageswara Rao**  
Chief Executive Officer

**Hasti Doshi**  
Chief Financial Officer

# Auditors' Certificate on Corporate Governance

To  
The Members of  
Shyam Century Ferrous Limited  
Vill:-Lumshnong, P.O. Khaliehrait,  
Dist. East Jaintia Hills,  
Meghalaya - 793 210

We have examined the compliance of conditions of the Corporate Governance by Shyam Century Ferrous Limited for the year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata  
Date: 7th May, 2015

For KAILASH B. GOEL & CO.  
Firm Registration No. 322460E  
Chartered Accountants

CA Arun Kumar Sharma  
Partner  
Membership No. 57329

# Independent Auditors' Report

To  
The Members of  
SHYAM CENTURY FERROUS LIMITED

## Report on the Financial Statement

We have audited the accompanying financial statements of Shyam Century Ferrous Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 there under.

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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures controls that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 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 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:

- (i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2015;
- (ii) in the case of the Statement of Profit and Loss account, of the Profit of the Company for the year ended on that date; and
- (iii) in the case of Cash Flow Statement, of the Cash flows of the Company for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the order") as amended, issued by the Central Government of India in terms of sub-section (11) Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 & 4 of the said 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 purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **KAILASH B. GOEL & CO.**  
Firm Registration No. 322460E  
*Chartered Accountants*

**CA. Arun Kumar Sharma**  
*Partner*  
Membership No. 57329

Place: Kolkata  
Date: 7th May, 2015

## Annexure referred to in Paragraph (1) under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.  
(b) The fixed assets of the company are physically verified by management according to a phased programme on a rotational basis, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
2. (a) The inventory, except goods in transit and materials lying with third parties, which have been substantially confirmed by them, has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.  
(b) The procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.  
(c) The Company is maintaining proper records of inventory. No material discrepancies have been noticed on physical verification of Inventory as compared to book records.
3. The Company has not granted any unsecured loan to company covered in the register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and other services. During the course of our audit, no major weakness has been noticed in these internal controls.
5. On the basis of our examination of books and records of the Company, in our opinion and according to the information and explanations given to us, the company has not accepted deposits during the year and therefore the directives issued by the Reserve bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the Company.
6. We have broadly reviewed the accounts and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act. We are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine that they are accurate.
7. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Income Tax and other statutory dues applicable to it. There are no undisputed amount payable in respect of Income tax and other applicable Statutory dues which were in arrears as at 31.03.2015 for a period of more than six months from the date they became payable.  
(b) According to the information & explanation give to us, there are no dues of Income tax and other applicable Statutory Dues which have not been deposited on account of any dispute.  
(c) According to the information & explanation give to us, there is no such amount which is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder.
8. The Company has no accumulated losses at the end of the financial year. It has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
9. Based on our audit procedures and as per the information & explanation given by the management, the Company has not defaulted in repayment of dues to financial Institution or Banks. The Company has not issued any debentures.
10. The Company has not given any guarantee for loan taken by others from banks and financial institution.
11. In our opinion and on the basis of information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.
12. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

For KAILASH B. GOEL & CO.  
Firm Registration No. 322460E  
Chartered Accountants

CA. Arun Kumar Sharma  
Partner

Place: Kolkata  
Date: 7th May, 2015

Membership No. 57329

## Balance Sheet as at 31st March, 2015

(₹ in Lacs)

Particulars	Note	31.03.2015	31.03.2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	5.00	5.00
Share Capital - Pending Allotment		2,216.73	-
Reserves & Surplus	3	6,620.15	0.17
		<b>8,841.88</b>	<b>5.17</b>
<b>Non-current liabilities</b>			
Long Term Borrowings	4	553.98	-
Deferred Tax Liabilities	5	73.14	-
Long Term Provisions	6	37.00	-
		<b>664.12</b>	<b>-</b>
<b>Current Liabilities</b>			
Short Term Borrowings	7	2,420.47	-
Trade Payables		488.07	-
Other Current Liabilities	8	791.26	0.04
Short Term Provisions	9	49.02	0.03
		<b>3,748.82</b>	<b>0.07</b>
<b>Total</b>		<b>13,254.82</b>	<b>5.24</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Fixed Assets			
-Tangible Assets	10	2,513.43	-
-Intangible Assets	11	0.51	-
-Capital Work in Progress		-	-
		<b>2,513.94</b>	<b>-</b>
Non Current Investments	12	3,373.50	-
Long Term Loans and Advances	13	1,123.85	-
Other Non Current Assets	14	4.49	4.91
		<b>7,015.78</b>	<b>4.91</b>
<b>Current Assets</b>			
Inventories	15	3,584.40	-
Trade Receivables	16	1,226.85	-
Cash and Cash Equivalents	17	324.46	0.33
Short Term Loans and Advances	18	1,103.33	-
		<b>6,239.04</b>	<b>0.33</b>
<b>Total</b>		<b>13,254.82</b>	<b>5.24</b>
Significant accounting policies and notes on accounts	1.2		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For Kailash B. Goel & Co.

Firm Registration No. 322460E

Chartered Accountants

CA. Arun Kumar Sharma

Partner

Membership No.: 57329

Place: Kolkata

Date: 7th May, 2015

For and on behalf of the Board of Directors

Hasti Doshi

Chief Financial Officer

Rachna Pareek

Company Secretary

Sajjan Bhajanka

Director

DIN: 00246043

Nag Raj Tater

Director

DIN: 00266072

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

(₹ in Lacs)

Particulars	Note	2014-15	2013-14
<b>INCOME</b>			
Revenue from Operations (Gross)	19	11,826.79	-
Less: Excise Duty (Net)		236.18	-
Revenue from Operations (Net)		11,590.61	-
Other Income	20	0.39	0.42
<b>Total Revenue</b>		<b>11,591.00</b>	<b>0.42</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	21	3,535.22	-
(Increase)/Decrease in Inventories	22	(779.97)	-
Employee Benefit Expenses	23	549.83	-
Finance Costs	24	334.62	-
Depreciation and Amortisation Expenses		463.98	-
Other Expenses	25	6,577.79	0.14
<b>Total Expenses</b>		<b>10,681.47</b>	<b>0.14</b>
<b>Profit/(Loss) before exceptional and extraordinary items and tax</b>		<b>909.53</b>	<b>0.28</b>
Exceptional Items		(28.23)	-
<b>Profit/(Loss) before tax</b>		<b>881.30</b>	<b>0.28</b>
<b>Tax Expenses</b>			
-Current Tax		(354.04)	0.07
-Deferred Tax		4.95	
<b>Profit/(Loss) for the year</b>		<b>532.21</b>	<b>0.21</b>
<b>Earnings Per Equity Share (nominal value of share ₹1/-)</b>			
Basic Earning Per Share		106.44	0.04
Diluted Earning Per Share		0.24	0.04
Significant accounting policies and notes on accounts	1.2		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For Kailash B. Goel & Co.

Firm Registration No. 322460E

Chartered Accountants

For and on behalf of the Board of Directors

CA. Arun Kumar Sharma

Partner

Membership No.: 57329

Hasti Doshi

Chief Financial Officer

Sajjan Bhajanka

Director

DIN: 00246043

Rachna Pareek

Company Secretary

Nag Raj Tater

Director

DIN: 00266072

Place: Kolkata

Date: 7th May, 2015

## Cash Flow Statement for the year ended 31st March, 2015

(₹ in Lacs)

Sl. No.	Particulars	2014-15	2013-14
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit / (Loss) before Tax	909.53	0.28
	Adjustments for:		
	Depreciation/Amortisation	463.98	-
	Loss on sale of Fixed Assets	(28.23)	-
	Finance Cost	334.62	-
	Interest and Other Income	(0.39)	(0.41)
	Provision for Doubtful Debts	(129.89)	-
	<b>Operating Profit before Working Capital changes</b>	<b>1,549.62</b>	<b>(0.13)</b>
	Adjustments for:		
	(Increase) in Trade Receivables	559.23	-
	(Increase) Decrease in Inventories	(1,582.76)	-
	(Increase) Decrease in Long Term Loans & Advances	(286.55)	-
	(Increase) Decrease in Short Term Loans & Advances	(152.15)	-
	(Increase) in Other Current Assets	396.55	-
	Increase/(Decrease) in Long Term Provisions	9.30	-
	Increase/(Decrease) in Short Term Provisions	47.18	0.03
	Increase/(Decrease) in Other Current Liabilities	479.33	-
	Increase/(Decrease) in Trade Payables	(570.32)	-
	<b>Cash Generated from Operations</b>	<b>449.43</b>	<b>(0.10)</b>
	Direct Taxes Paid (Net of Refunds)	(194.85)	0.07
	<b>Net Cash generated from Operating Activities</b>	<b>254.58</b>	<b>(0.17)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets	48.32	-
	Sale of Fixed Assets	(37.45)	-
	Fixed Deposits/Margin Money (Given)/Refund	1.70	(4.91)
	Dividend Received	-	-
	Interest Received	0.39	0.41
	<b>Net Cash from Investing Activities</b>	<b>12.96</b>	<b>(4.50)</b>

## Cash Flow Statement for the year ended 31st March, 2015

(₹ in Lacs)

Sl. No.	Particulars	2014-15	2013-14
C	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Increase in Short Term Borrowings	686.75	-
	Repayment of Long Term Borrowings	(299.45)	-
	Interest Paid	(334.62)	-
	<b>Net Cash used in Financing Activities</b>	<b>52.68</b>	<b>-</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>320.22</b>	<b>(4.67)</b>
	Cash and Cash Equivalents as on 1st April, 2014	0.33	5.00
	Add: Transferred as per Scheme of Arrangement (Refer Note no. 26)	3.91	-
		4.24	5.00
	*Cash and Cash Equivalents as on 31st March'2015	324.46	0.33

\* Represents Cash and Bank Balances as indicated in Note 17.

### Note:

- 1) As the Ferro Alloys Division of Star Ferro and Cement Limited (SFCL) has been transferred to the Company, the current year Cash Flow Statement is not comparable with the corresponding previous year Cash Flow Statement.
- 2) The Cash Flow Statement for the current financial year has been reported after taking into consideration the financial statements of Ferro Alloys business as on 01.04.2014.

As per our report of even date

For Kailash B. Goel & Co.  
Firm Registration No. 322460E  
Chartered Accountants

For and on behalf of the Board of Directors

CA. Arun Kumar Sharma  
Partner  
Membership No.: 57329

Hasti Doshi  
Chief Financial Officer

Sajjan Bhajanka  
Director  
DIN: 00246043

Place: Kolkata  
Date: 7th May, 2015

Rachna Pareek  
Company Secretary

Nag Raj Tater  
Director  
DIN: 00266072

# Notes to Financial Statements

## 1 CORPORATE INFORMATION

Shyam Century Ferrous Limited (the Company) is a public company domiciled in India and incorporated on 12.04.2011 under the provisions of the Companies Act, 1956. Pursuant to the Scheme of Arrangement between Star Ferro and Cement Limited (SFCL), the Company and their respective shareholders as approved by the Hon'ble High Court of Meghalaya at Shillong vide its order dated 31st March, 2015, all the assets and liabilities of the Ferro Alloys division (i.e. business and interest of SFCL in manufacture of Ferro Alloys including captive power plant at Byrnihat) have been transferred to and vested in the Company at their respective book values on a going concern basis with effect from 1st April, 2014 being the appointed date. The Company is engaged in manufacturing of Ferro Alloys and generation of Power. The manufacturing unit is located at Byrnihat, Meghalaya. The company is selling its product across India.

### 1.1 Basis of Preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards as prescribed 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, to the extent notified. The financial statements are prepared under the historical cost convention on accrual basis and on the basis of going concern. The accounting policies are consistently followed by the company and changes in accounting policy are separately disclosed.

### 1.2 Summary of Significant Accounting Policies

#### (i) 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, actual results could differ from these estimates.

#### (ii) Revenue Recognition

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

(a) Revenue from sale of goods and services rendered is recognised upon passage of title which generally coincides with delivery of materials and rendering of services to the customers. The Company collects central sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company, hence excluded from revenues. Sales include excise duty and are net of rebates, trade discounts and returns.

(b) Dividend Income is recognised when the shareholders' right to receive the payment is established.

(c) Interest income is recognised on a time proportion basis taking into account the amount outstanding and rate applicable.

#### (iii) Fixed Assets

Fixed Assets are stated at cost or revalued amount, as the case may be, less accumulated depreciation / amortisation and impairment, if any, except freehold land which is carried at cost. Cost comprises the purchase price inclusive of duties (net of cenvat / VAT, wherever applicable), taxes, incidental expenses and erection / commissioning expenses etc. up to the date, the asset is ready for its intended use. In case of revaluation of fixed assets, the original cost as written-up by the value, is considered in the accounts and the differential amount is transferred to revaluation reserve.

#### (iv) Capital Work in Progress

Capital work in Progress is carried at cost comprising direct cost and pre-operative expenses during construction period to be allocated to the fixed assets on completion of construction.

#### (v) Expenditure during construction period

In case of new projects and substantial expansion of existing units, expenditure incurred including trial production expenses net of revenue earned, and attributable interest and financing cost, prior to commencement of commercial production are capitalised.

## Notes to Financial Statements *(Contd.)*

### (vi) Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and 'Value in use' of the assets. In assessing the 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 risks specific to the asset.

### (vii) Depreciation

Depreciation on fixed assets is provided under Written Down Value method in accordance with the provisions of Schedule II to the Companies Act, 2013 and considering the useful lives for computing depreciation specified in Part 'C', thereof. In respect of an asset for which impairment loss is recognised, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

### (viii) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and market value on individual investment basis. Long Term Investments are considered at cost, unless there is an "other than temporary" decline in value, in which case adequate provision is made for the diminution in the value of Investments.

### (ix) Inventories

Raw Materials, stores and spares are valued at lower of cost and net realisable value. However, these items are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Work in progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials & labour and a part of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Cost of Inventories is computed on FIFO basis.

Net realisable 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.

### (x) Government Grants and subsidies

Government grants / subsidies are recognised when there is reasonable certainty that the same will be received. Revenue grants, if any granted by way of recoupment / reimbursement of any item of expenditure are recognised in the Statement of Profit and Loss by way of deduction from related item of expenses. Capital grants / subsidies are credited to respective fixed assets where it relates to specific fixed assets. Other grants / subsidies are credited to the capital reserve.

### (xi) Retirement and other employee benefits

(a) Retirement benefit in the form of Provident Fund is a defined contribution scheme and is charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due. The Company has no obligations other than the contribution payable to the respective funds.

(b) Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

(c) Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation which is done as per projected unit credit method at the end of each financial year.

(d) Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

### (xii) Earnings per Share

Basic Earnings per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deductible preference dividend and attributable taxes) by the weighted number of equity shares outstanding during the year.

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

## Notes to Financial Statements *(Contd.)*

### (xiii) Excise Duty and Custom Duty

Excise duty on finished goods stock lying at the factories is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories as on the balance sheet date. Similarly, customs duty on imported material in transit/lying in bonded warehouse is accounted for at the time of import/ bonding of materials.

### (xiv) Borrowing Costs

Borrowing costs includes interest, amortisation of ancillary costs incurred in connection with the arrangements of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing cost directly attributable to the acquisition, construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur.

### (xv) Taxation

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

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised 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 realised. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realised.

The carrying amounts of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of deferred tax assets to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendation contained in guidance note issued by the Institute of Chartered Accountants of India, the said assets is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The company reviews the carrying amount of MAT at each Balance Sheet date and writes down MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal income-tax during specified period.

### (xvi) Segment Reporting

#### a) Identification of segments:

The company has identified that its business segments are the primary segments. The Company's business are organised and managed separately according to the nature of products/services, with each segment representing a strategic business unit that offers different product / services and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

#### b) Inter segment transfers:

The Company generally accounts for intersegment sales and transfers at cost.

## Notes to Financial Statements *(Contd.)*

### c) Allocation of Common Costs:

Common revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head "Unallocated".

The accounting policies adopted for segment reporting are in line with those of the Company's accounting policies.

### (xvii) Cash and Cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash in hand, demand deposits with Banks and other short-term highly liquid investments / deposits with an original maturity of three months or less.

### (xviii) Provision

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions made in terms of Accounting Standard 29 are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### (xix) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

## Notes to Financial Statements (Contd.)

### 2. Share Capital

	(₹ in Lacs)	
	31.03.2015	31.03.2014
<b>Authorised</b>		
10,00,000 (10,00,000 as at 31.03.2014) Equity Shares of ₹1/- each	10.00	10.00
<b>Total</b>	10.00	10.00
<b>Issued</b>		
5,00,000 (5,00,000 as at 31.03.2014) Equity Shares of ₹1/- each	5.00	5.00
<b>Total</b>	5.00	5.00
<b>Subscribed and Paid up</b>		
5,00,000 (5,00,000 as at 31.03.2014) Equity Shares of ₹1/- each #	5.00	5.00
<b>Total</b>	5.00	5.00

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

Equity Shares	31.03.2015		31.03.2014	
	No. of Shares	(₹ in Lacs)	No. of Shares	(₹ in Lacs)
At the Beginning of the year	500,000	5.00	500,000	5.00
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>500,000</b>	<b>5.00</b>	<b>500,000</b>	<b>5.00</b>

b) Terms/Rights attached to the Equity Shares & Notes

The company has only one class of equity shares having par value of ₹1/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

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

c) Details of Shareholders holding more than 5% shares in the company

Particulars	31.03.2015		31.03.2014	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity Shares of ₹1/- each fully paid-up				
Star Ferro and Cement Limited	500,000	100.00	-	-
Shri Sajjan Bhajanka	-	-	110,000	22.00
Shri Sanjay Agarwal	-	-	12,500	22.50
Shri Mahabir Prasad Agarwal	-	-	100,000	20.00
Shri Brij Bhushan Agarwal	-	-	100,000	20.00
Shri Sanjay Agarwal	-	-	50,000	10.00

# The existing share capital would be cancelled upon allotment of shares pursuant to Scheme of Arrangement (Refer Note no. 26)

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownerships of shares.

	31.03.2015	31.03.2014
<b>Particulars</b>		
<b>Share Capital - Pending Allotment</b>		
Shares to be allotted as per Scheme of Arrangement (net of shares to be cancelled on allotment, Refer Note no. 26)	2,216.73	-
<b>Total</b>	<b>2,216.73</b>	<b>-</b>

## Notes to Financial Statements (Contd.)

### 3. Reserves & Surplus

(₹ in Lacs)

	31.03.2015	31.03.2014
<b>Capital Reserves</b>		
Balance as per last account	-	-
Amount adjusted pursuant to Scheme of Arrangement (Refer note no. 26)	6,087.77	-
Addition/(Deduction) during the Year	-	-
<b>Closing Balance</b>	<b>6,087.77</b>	<b>-</b>
<b>Surplus as per Statement of Profit &amp; Loss</b>		
Balance as per the last Financial Statements	0.17	(0.04)
Add: Profit /(Loss) for the year	532.21	0.21
<b>Net Surplus in the Statement of Profit and Loss</b>	<b>532.38</b>	<b>0.17</b>
<b>Total Reserves and Surplus</b>	<b>6,620.15</b>	<b>0.17</b>

### 4. Long Term Borrowings

(₹ in Lacs)

	31.03.2015	31.03.2014
<b>Term Loans (Secured)</b>		
-Rupee Term Loan from a Financial Institution	703.98	-
<b>Other Loans &amp; Advances (Secured)</b>		
-Hire Purchase Finance from a bank	14.16	-
	718.14	-
Less: Current Maturities of Long Term Borrowing & Hire Purchase Obligations	164.16	-
<b>Total</b>	<b>553.98</b>	<b>-</b>

#### Notes:-

- Rupee Term Loan from financial institution is secured by equitable mortgage of leasehold rights of land and first charge on fixed assets of the Company's Ferro Alloys Plant at Byrnihat, Meghalaya and second charge on current assets of the said unit. The Loan is to be repaid in further 18 quarterly instalments.
- Hire Purchase Finance from bank is secured by hypothecation of respective vehicle/asset and is repayable within two years having varying date of payment.

### 5. Deferred Tax Asset / (Liability) (Net)

(₹ in Lacs)

	31.03.2015	31.03.2014
<b>Deferred Tax Asset</b>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes upon payment	13.51	-
	13.51	-
<b>Deferred Tax Liability*</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged	86.65	-
	86.65	-
<b>Net Deferred Tax Asset / (Liability)</b>	<b>(73.14)</b>	<b>-</b>

\* Deferred Tax Liability of ₹78.10 Lacs transferred to the company pursuant to the Scheme of Arrangement (Refer note no. 26)

## Notes to Financial Statements (Contd.)

### 6. Long Term Provisions

	(₹ in Lacs)	
	31.03.2015	31.03.2014
<b>Provisions for employee benefits</b>		
- Gratuity	27.26	-
- Leave Encashment	9.74	-
<b>Total</b>	<b>37.00</b>	<b>0.00</b>

\* Deferred Tax Liability of ₹78.10 Lacs transferred to the company pursuant to the Scheme of Arrangement (Refer note no. 26)

### 7. Short Term Borrowings

	(₹ in Lacs)	
	31.03.2015	31.03.2014
<b>Working Capital Facilities</b>		
- Cash Credit from a bank (Secured)	2,420.47	-
<b>Total</b>	<b>2,420.47</b>	<b>-</b>

Notes:-

Working Capital facility from bank is secured by first charge on the current assets and second charge on the fixed assets of the company's Ferro Alloys Plant at Byrnihat, Meghalaya.

### 8. Other Current Liabilities

	(₹ in Lacs)	
	31.03.2015	31.03.2014
Current Maturities of long term borrowings	164.16	-
<b>Other Payables</b>		
-Statutory Liabilities	88.46	-
-Creditors-Micro, Small & Medium Enterprises (Refer note no. 29)	-	-
-Advances from customer	52.26	-
-Salary & Bonus Payable to Employees	55.38	-
-Other Liabilities	431.00	0.04
<b>Total</b>	<b>791.26</b>	<b>0.04</b>

### 9. Short Term Provisions

	(₹ in Lacs)	
	31.03.2015	31.03.2014
<b>Provisions for employee benefits</b>		
-Gratuity	1.58	-
-Leave Encashment	1.16	-
<b>Other Provisions</b>		
-Provision for Taxation (Net of Advance Tax)	46.28	0.03
<b>Total</b>	<b>49.02</b>	<b>0.03</b>

## Notes to Financial Statements (Contd.)

### 10. Tangible Assets

(₹ in Lacs)

	Land & Site Development	Factory Buildings	Non-Factory Buildings	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Total
<b>Cost</b>										
At 1st April, 2013	-	-	-	-	-	-	-	-	-	-
Addition	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
<b>At 31st March, 2014</b>	-	-	-	-	-	-	-	-	-	-
Transfer pursuant to Scheme of Arrangement (Refer Note no. 26)	86.16	1,016.31	387.17	4,559.03	1,117.78	34.41	12.16	28.59	596.56	7,838.17
Addition	-	10.40	-	40.78	1.84	0.69	1.16	2.10	26.41	83.38
Disposals	-	-	-	-	-	-	-	-	300.06	300.06
<b>At 31st March, 2015</b>	<b>86.16</b>	<b>1,026.71</b>	<b>387.17</b>	<b>4,599.81</b>	<b>1,119.63</b>	<b>35.10</b>	<b>13.32</b>	<b>30.68</b>	<b>322.91</b>	<b>7,621.49</b>
<b>Depreciation</b>										
At 1st April, 2013	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
<b>At 31st March, 2014</b>	-	-	-	-	-	-	-	-	-	-
Transfer pursuant to Scheme of Arrangement (Refer Note no. 26)	-	543.22	141.14	2,965.48	747.38	26.92	5.76	23.16	426.00	4,879.06
Charge for the year	-	44.98	36.30	151.62	166.78	3.17	4.51	3.88	52.13	463.37
Disposals	-	-	-	-	-	-	-	-	234.37	234.37
<b>As at 31 March, 2015</b>	<b>-</b>	<b>588.20</b>	<b>177.44</b>	<b>3,117.10</b>	<b>914.16</b>	<b>30.09</b>	<b>10.27</b>	<b>27.04</b>	<b>243.76</b>	<b>5,108.06</b>
<b>Net Block</b>										
As at 31 March, 2014	-	-	-	-	-	-	-	-	-	-
<b>As at 31 March, 2015</b>	<b>86.16</b>	<b>438.51</b>	<b>209.73</b>	<b>1,482.71</b>	<b>205.47</b>	<b>5.01</b>	<b>3.05</b>	<b>3.64</b>	<b>79.15</b>	<b>2,513.43</b>

### 11. Intangible Assets

(₹ in Lacs)

	Computer Software
<b>Cost</b>	
At 1st April, 2013	-
Addition	-
Disposals	-
<b>At 31st March, 2014</b>	-
Transfer pursuant to Scheme of Arrangement (Refer Note no. 26)	1.75
Addition	-
Disposals	-
<b>At 31st March, 2015</b>	<b>1.75</b>
<b>Depreciation</b>	
At 1st April, 2013	-
Charge for the year	-
Disposals	-
<b>At 31st March, 2014</b>	-
Transfer pursuant to Scheme of Arrangement (Refer Note no. 26)	0.63
Charge for the year	0.61
Disposals	-
<b>As at 31 March, 2015</b>	<b>1.24</b>
<b>Net Block</b>	
As at 31 March, 2014	-
<b>As at 31 March, 2015</b>	<b>0.51</b>

## Notes to Financial Statements (Contd.)

### 12. Non Current Investments

	(₹ in Lacs)	
	31.03.2015	31.03.2014
Trade Investments (valued at cost unless stated otherwise)		
Investment in Unquoted Equity Instruments		
Investment in Associate		
Meghalaya Power Limited		
83,58,998 ( Nil as at 31.03.14 ) Equity Shares of ₹10/- each fully paid up	3,373.50	-
<b>Total</b>	<b>3,373.50</b>	<b>-</b>

### 13. Long Term Loans and Advances

	(₹ in Lacs)	
	31.03.2015	31.03.2014
Security Deposits		
-Unsecured, Considered Good	60.77	-
	60.77	-
Other Loans and advances		
-Unsecured considered Good		
Prepaid expenses	0.29	-
Balance with Statutory/Government Authorities	1,062.79	-
	1,063.08	-
<b>Total</b>	<b>1,123.85</b>	<b>-</b>

### 14. Other Non Current Assets

	(₹ in Lacs)	
	31.03.2015	31.03.2014
-In Fixed Deposit accounts with original maturity of more than 12 months	4.49	4.91
<b>Total</b>	<b>4.49</b>	<b>4.91</b>

### 15. Inventories

	(₹ in Lacs)	
	31.03.2015	31.03.2014
Inventories		
Raw Materials	547.39	-
Finished Goods	999.13	-
Fuels, packing materials, etc.	1,676.34	-
Stores & Spare Parts	361.54	-
<b>Total</b>	<b>3,584.40</b>	<b>-</b>

## Notes to Financial Statements (Contd.)

### 16. Trade Receivables

(₹ in Lacs)

	31.03.2015	31.03.2014
<b>Unsecured</b>		
Over Six Months		
Considered Good	76.85	-
	76.85	-
<b>Other Debts</b>		
Unsecured Considered Good	1,150.00	-
	1,150.00	-
<b>Total</b>	<b>1,226.85</b>	<b>-</b>

### 17. Cash & Cash Equivalents

(₹ in Lacs)

	31.03.2015	31.03.2014
Cash On Hand	30.96	0.03
Balance with Banks:		
- In current accounts	293.50	0.30
<b>Total</b>	<b>324.46</b>	<b>0.33</b>

### 18. Short Term Loans and Advances

(₹ in Lacs)

	31.03.2015	31.03.2014
<b>Others</b>		
Advances to suppliers	66.81	-
Advances for Services & Expenses	259.07	-
Loans & Advances to Employees	1.90	-
Prepaid Expenses	10.72	-
Balances with / Receivable from Statutory/Government Authorities	764.83	-
<b>Total</b>	<b>1,103.33</b>	<b>-</b>

### 19. Revenue from Operations

(₹ in Lacs)

	2014-15	2013-14
Sale of products	11,810.75	-
Other Operating Revenues	16.04	-
<b>Total</b>	<b>11,826.79</b>	<b>-</b>
<b>Details of Products Sold</b>		
<b>Finished Goods Sold</b>		
Ferro Silicon	11,810.75	-
	11,810.75	-

## Notes to Financial Statements *(Contd.)*

### 20. Other Income

	(₹ in Lacs)	
	2014-15	2013-14
Interest Income on Fixed Deposits	0.39	0.42
<b>Total</b>	<b>0.39</b>	<b>0.42</b>

### 21. Cost of Raw Materials Consumed

	(₹ in Lacs)	
	2014-15	2013-14
Inventory at the beginning of the year	-	-
Add: Transfer pursuant to Scheme of Arrangement (Refer note no. 26)	204.80	-
Add: Purchases	3,877.81	-
	<b>4,082.61</b>	-
Less: Inventory at the end of the year	547.39	-
<b>Cost of Material Consumed</b>	<b>3,535.22</b>	-
<b>Details of Raw Material consumed</b>		
Charcoal	589.25	-
Quartz	444.19	-
Lam Coke	1,726.09	-
Mill Scale	333.87	-
Coal	135.76	-
Other	306.06	-
<b>Total</b>	<b>3,535.22</b>	-

### 22. (Increase)/Decrease in Inventories

	(₹ in Lacs)	
	2014-15	2013-14
Inventory at the beginning of the year	-	-
Add: Transfer pursuant to Scheme of Arrangement (Refer note no. 26)	219.16	-
Inventory at the end of the year	999.13	-
<b>(Increase) / Decrease</b>	<b>(779.97)</b>	-
<b>Details of Finished Goods</b>		
Ferro Silicon	989.28	-
Silicon Manganese	9.85	-
<b>Total</b>	<b>999.13</b>	-

### 23. Employee Benefit Expenses

	(₹ in Lacs)	
	2014-15	2013-14
Salaries & Wages	479.83	-
Contribution to Provident Fund and other Funds	24.17	-
Staff Welfare Expenses	45.83	-
<b>Total</b>	<b>549.83</b>	-

## Notes to Financial Statements (Contd.)

### 24. Finance Costs

(₹ in Lacs)

	2014-15	2013-14
Interest Expenses		
-On Fixed Loans	280.06	-
-On Other Loans	33.13	-
Other Finance Costs	21.43	-
<b>Total</b>	<b>334.62</b>	<b>-</b>

### 25. Other Expenses

(₹ in Lacs)

	2014-15	2013-14
Consumption of Stores & Spares	652.87	-
Packing Materials	80.69	-
Power & Fuel (Net)	4,798.40	-
Repairs & Maintenance		
- Building	28.49	-
- Plant & Machinery	197.91	-
- Others	8.77	-
Excise Duty variation on opening/ closing inventory	38.47	-
Insurance	47.92	-
Rent, Rates & Taxes	45.21	0.03
Travelling and Conveyance	21.60	-
Heavy Vehicle / Equipment Running Expenses	17.99	-
Miscellaneous Expenses	119.93	0.11
Outward Freight Charges	507.09	-
Commission, Discount & Incentives on Sale	12.45	-
<b>Total</b>	<b>6,577.79</b>	<b>0.14</b>

### 26. Scheme of Arrangement

- a) Pursuant to the Scheme of Arrangement ("The Scheme") between Star Ferro and Cement Limited (SFCL), the Company and their respective shareholders as approved by the Hon'ble High Court of Meghalaya at Shillong vide its order dated 31st March, 2015, all the assets and liabilities of the Ferro Alloys division (i.e. business and interest of the company in manufacture of Ferro Alloys including captive power plant at Byrnihat in the State of Meghalaya) and investment in 83,58,998 Equity Shares of Meghalaya Power Limited of face value of ₹10/- each held by SFCL have been transferred to and vested in the Company at their respective book values on a going concern basis with effect from 1st April, 2014 being the appointed date. The said order of the Hon'ble High Court has been filed with the Registrar of Companies on 10th April, 2015, the effective date of the scheme and accordingly, the Scheme of Arrangement has been given effect to in these accounts.
- b) The details of the assets and liabilities transferred from SFCL are as under:

(₹ in Lacs)

Particulars	Amount
<b>Assets</b>	
<b>Non-Current Assets</b>	
Fixed Assets	2,960.23
Capital Work in Progress	28.57
Long term Loans & Advances	837.30
Other Non - Current Assets	1.29

## Notes to Financial Statements (Contd.)

### 26. Scheme of Arrangement (Contd.)

(₹ in Lacs)	
Particulars	Amount
Non-Current Investments	3,373.50
	7,200.89
<b>Current Asset</b>	
Inventories	2,001.64
Sundry Debtors	1,656.20
Cash and Cash equivalents	3.90
Short term Loans & Advances	1,213.94
Other Current Assets	396.55
	5,272.23
<b>Total Assets (A)</b>	<b>12,473.12</b>
<b>Current Liabilities &amp; Short term Provisions</b>	
Short term Borrowings	1,733.72
Trade Payables	1,058.40
Other Current Liabilities	329.35
Short term Provisions	105.38
	3,226.85
<b>Non Current Liabilities</b>	
Long term Borrowings	835.98
Long term Provisions	27.70
Deferred Tax Liabilities	78.10
	941.78
<b>Total Liabilities (B)</b>	<b>4,168.63</b>
<b>Difference (A-B)</b>	<b>8,304.49</b>

- c) Pursuant to the Scheme, the difference between book value of assets and liabilities transferred from the SFCL has been credited to the Shareholders' Fund of the Company as under:

(₹ in Lacs)	
Particulars	Amount
Share Capital – Pending Allotment (net of shares to be cancelled pursuant to the Scheme of Arrangement)	2,216.73
Capital Reserve	6,087.76
<b>Total</b>	<b>8,304.49</b>

- d) Pursuant to the said Scheme of Arrangement, the Company will issue and allot Equity Shares to the shareholders of SFCL in ratio of 1 (one) Equity Share of ₹1/- each of the Company as fully paid – up for every 1 (one) Equity Share of ₹1/- each held by them in SFCL. Pending allotment of these shares, the amount of ₹2,216.73 Lacs is shown as 'Share Capital – Pending Allotment' (net of shares to be cancelled pursuant to the Scheme of Arrangement).
- e) Consequent to the allotment of new shares as per the Scheme of Arrangement, current share capital of the Company of ₹5 Lacs would be cancelled.

## Notes to Financial Statements (Contd.)

### 27. Contingent Liabilities

(₹ in Lacs)

Particulars	31.03.2015	31.03.2014
<b>Contingent Liabilities not provided for in respect of:-</b>		
(a) Bills discounted with banks	17.86	-
(b) Solvent surety given to Excise Department against differential excise duty refund (Refer note no. 31)	606.34	-

Note: Based on discussion with the solicitors/favourable decisions in similar cases/legal opinion taken by the company, the management believes that the company has a good chance of success in cases mentioned here-in-above and hence, no provision there against is considered necessary.

28. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of the information available with the company.

### 29. Payment to Auditors

(₹ in Lacs)

Particulars	31.03.2015	31.03.2014
<b>As Auditor</b>		
-Audit Fees	0.50	0.05
-Tax Audit Fees	0.25	-
<b>In Other Capacity</b>		
Certification and Other Services	0.45	-
<b>Total</b>	<b>1.20</b>	<b>0.05</b>

### 30. Excise Duty Refund

Hon'ble High Court at Guwahati (Shillong Bench) vide its order dated 12th September, 2012, has directed the Excise Department to release 50% of the differential amount against furnishing of solvent surety in line with the Interim Order dated 13th January, 2012 passed by Hon'ble Supreme Court in case of "VVF Ltd and others". Based on the said judgment of Hon'ble High Court and legal opinion obtained by the company, the differential excise duty refund of ₹365.90 lakhs has been recognised as revenue in the books of account.

31. The Company has charged depreciation based on the remaining useful life of the assets as per the provisions and requirements of Schedule II to the Companies Act, 2013 effective from April 1, 2014. Had there not been any change in useful life of the Assets, depreciation for the year would have been lower by ₹6.01 Lacs and consequently profit before tax for the year would have been higher by ₹6.01 Lacs.

## Notes to Financial Statements (Contd.)

### 32. Employee Defined Benefits

- (a) Defined Contribution Plans: The Company has recognised an expense of ₹15.97 Lacs (Previous year ₹ Nil Lacs towards the defined contribution plans).
- (b) The Company has a defined benefit gratuity plan. Every employee who has completed five years or more service is entitled to Gratuity on terms not less than the provisions of The Payment of Gratuity Act, 1972. The following table summarises the components of net benefit expenses recognised in the Statement of Profit & Loss and amounts recognised in the balance sheet for the Gratuity.
- (c) Under leave encashment scheme, the company allows its employees to encash accumulated leave over and above thirty days at any time during the year.
- (d) Defined Benefit Plans – As per Actuarial Valuation as at 31st March, 2015.

(₹ in Lacs)

Particulars	2014-15		2013-14	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
I. Expense recognised in the statement of Profit and Loss for the year ended 31st March, 2015				
1. Current Service Cost	6.21	3.15	-	-
2. Interest Cost	1.98	0.79	-	-
3. Employee Contribution	-	-	-	-
4. Expected Return on Plan Assets	-	-	-	-
5. Actuarial (Gains)/Losses	1.73	1.91	-	-
6. Actuarial (Gains)/Losses on plan Assets	-	-	-	-
7. Total Expense	9.92	5.85	-	-
II. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March, 2015				
1. Present Value of Defined Benefit Obligation	28.84	10.90	-	-
2. Fair Value of Plan Assets	-	-	-	-
3. Funded Status [Surplus/(Deficit)]	(28.84)	(10.90)	-	-
4. Net Asset/(Liability) as at 31st March, 2015	(28.84)	(10.90)	-	-
III. Change in Obligation during the Year ended 31st March, 2015				
1. Present value of Defined Benefit Obligation at the beginning of the year	20.65	8.86	-	-
2. Current Service Cost	6.21	3.15	-	-
3. Interest Cost	1.98	0.79	-	-
4. Past Service Cost	-	-	-	-
5. Employee Contribution	-	-	-	-
6. Liabilities assumed on acquisition/(settled on divesture)	-	-	-	-
7. Actuarial (Gains)/Losses	1.73	1.91	-	-
8. Benefits Payments	(1.73)	(3.81)	-	-
9. Present Value of Defined Benefit Obligation at the end of the year	28.84	10.90	-	-
IV. Change in assets during the Year ended March, 2015				
1. Plan Assets at the beginning of the year	-	-	-	-
2. Assets acquired on amalgamation in previous year	-	-	-	-
3. Actual return on plan assets	-	-	-	-

## Notes to Financial Statements (Contd.)

### 32. Employee Defined Benefits (Contd.)

(₹ in Lacs)

Particulars	2014-15		2013-14	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
4. Contributions by employer	1.73	3.81	-	-
5. Actual Benefit Paid	(1.73)	(3.81)	-	-
6. Actuarial Gains/(Losses)	-	-	-	-
7. Plan Assets at the end of the year	-	-	-	-
8. Actual Return on plan assets	-	-	-	-
V. The Principal actuarial assumptions are as follows:				
- Discount Rate	8.00%	8.00%	-	-
- Expected Return on Plan Assets	-	-	-	-
- Salary increase	5%	5%	-	-
- Withdrawal rates (Varying between per annum depending upon the duration and age of the employees)	1%-8%	1%-8%	-	-

The details of the Experience adjustments for the current and previous periods are as follows:

(₹ in Lacs)

Particulars	2014-15		2013-14	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
1. Defined Benefit Obligation	28.84	10.90	-	-
2. Plan Assets	-	-	-	-
3. Surplus / (Deficit)	(28.84)	(10.90)	-	-
4. Experience adjustments on plan Liability	0.98	0.40	-	-
plan assets	-	-	-	-

### 33. Earnings per Share (EPS):

In terms of Accounting Standard - 20, the calculation of EPS is given below:-

Particulars	2014-15	2013-14
Profit/(Loss) attributable to Equity Shareholders for basic and diluted EPS	532.21	0.21
Weighted average number of Equity Shares for Basic EPS	5,00,000.00	5,00,000.00
Weighted average number of Equity Shares to be issued pursuant to Scheme of Arrangement (net of shares to be cancelled on allotment, Refer Note no. 27)	22,16,72,990.00	-
Weighted average number of Equity Shares for Diluted EPS	22,21,72,990.00	-
Nominal value of equity shares (₹)	1.00	1.00
Basic earnings per share (EPS) (₹)	106.44	0.04
Diluted earnings per share (₹)	0.24	0.04

## Notes to Financial Statements (Contd.)

### 34. Related Party Disclosures

Name of the related parties and related party relationship:

Names of Related parties with whom transactions have taken place during the year	
Associate	Cement Manufacturing Company Limited
	Megha Technical & Engineers Private Limited
	Meghalaya Power Limited
	Star Ferro and Cement Limited

Details of transactions between the Company and related parties and the status of outstanding balance as at 31st March, 2015 are given hereunder:

(₹ in Lacs)

Sl. No.	Particulars	2014-15	
		Gratuity	Leave Encashment
1.	<b>Purchase Transaction</b>		
	Megha Technical & Engineers Private Limited	1.22	-
	Meghalaya Power Limited	504.37	-
2.	<b>Sale Transaction</b>		
	Cement Manufacturing Company Limited	16.36	-
3.	<b>Loans Taken</b>		
	Meghalaya Power Limited	200.00	-
4.	<b>Loans Repaid</b>		
	Meghalaya Power Limited	200.00	-
5.	<b>Interest Paid</b>		
	Meghalaya Power Limited	5.40	-
6.	<b>Outstanding Balances as at 31st March, 2015:</b>		
	<b>Advance Payable</b>		
	Star Ferro and Cement Limited	72.36	-
	<b>Investment</b>		
	Meghalaya Power Limited	3,373.50	-

35. The Company's segment information as at and for the Year ended 31st March, 2015 are as below:

(₹ in Lacs)

Sl. No.	Particulars	2014-15			2013-14		
		Ferro Alloys	Power Unit	Total	Ferro Alloys	Power Unit	Total
a.	External sales	11,810.75	16.04	11,826.79	-	-	-
	Inter-segment sales		2,199.85	2,199.85	-	-	-
	Elimination		(2,199.85)	(2,199.85)			
	Total Revenue (Gross)	11,810.75	16.04	11,826.79	-	-	-
b.	Segment Results	1,548.35	(221.02)	1,327.33	-	-	-
	Unallocated Income/ (-) Expenses (Net of unallocated Income/ (-) Expenses) (Including Exceptional Items)	-	-	(115.17)	-	-	-
	Operating Profit/Loss (-)	-	-	1,212.16	-	-	-
	Finance Cost	-	-	(330.86)	-	-	-
	Provision for Taxation	-	-	(354.04)	-	-	-

## Notes to Financial Statements (Contd.)

35. The Company's segment information as at and for the Year ended 31st March, 2015 are as below: (Contd.)

(₹ in Lacs)

Sl. No.	Particulars	2014-15			2013-14		
		Ferro Alloys	Power Unit	Total	Ferro Alloys	Power Unit	Total
	Deferred Tax charge(-) / Credit	-	-	4.95	-	-	-
	Total Profit /(-) Loss after tax	-	-	532.21	-	-	-
a.	Other Information						
	Segment Assets	6,580.59	3,297.20	9,877.79	-	-	-
	Unallocated Corporate/ Other Assets	-	-	3,377.05	-	-	-
	TOTAL	6,580.59	3,297.20	13,254.84	-	-	-
b.	Segment Liabilities	932.17	277.64	1,209.81	-	-	-
	Unallocated Corporate/ Other Liabilities	-	-	3,203.15	-	-	-
	TOTAL	932.17	277.64	4,412.96	-	-	-
c.	Capital Expenditure	(32.11)	(184.56)	(216.67)	-	-	-
d.	Depreciation/ Amortisation	263.20	200.78	463.98	-	-	-

### Notes:

(a) Business Segments: The business segments have been identified on the basis of the products/activities of the Company. Accordingly, the Company has identified following business segments:

Ferro-Alloys	-	Manufacturing of Ferro Alloy
Power	-	Generation of Power

(b) Geographical Segments: The Company operates predominantly within the geographical limits of India and accordingly secondary segments have not been considered.

36. Value of Imported and indigenous Raw-materials and stores, Spare parts etc. and their percentage to total consumption

(₹ in Lacs)

Particulars	2014-15		2013-14	
	Value	%	Value	%
<b>Raw Materials</b>				
-Imported	-	-	-	-
-Indigenous	3,535.22	100	-	-
<b>Total</b>	<b>3,535.22</b>	<b>100</b>	<b>-</b>	<b>-</b>
<b>Stores &amp; Spare parts etc</b>				
-Imported	-	-	-	-
-Indigenous	653.55	100	-	-
<b>Total</b>	<b>653.55</b>	<b>100</b>	<b>-</b>	<b>-</b>

## Notes to Financial Statements *(Contd.)*

37. By virtue of Notification no. G.S.R. 723 (E) dated 14th October, 2014 issued by the Ministry of Corporate Affairs, a Company which does not have a subsidiary or subsidiaries but has one or more associate company, no consolidation of Financial statements in respect of associate companies is required to be made for the Financial Year commencing from the 1st day of April, 2014 and ending on the 31st March, 2015. Hence, the company is not required to consolidate its accounts in respect of its investment in associate. The disclosure for the same is made in Form No. AOC -1 .
38. Figures have been rounded off to the nearest ₹ in Lacs. Previous year's figures including those given in brackets have been rearranged and regrouped where necessary to confirm to the current year's classifications. Further, current year's figures include figures of Ferro Alloys business and investments which have been acquired by the company pursuant to the Scheme of Arrangement (Refer note no. 27). Hence, previous year's figures are not comparable with current year's figure.

As per our report of even date

**For Kailash B. Goel & Co.**  
Firm Registration No. 322460E  
Chartered Accountants

**CA. Arun Kumar Sharma**  
Partner  
Membership No.: 57329

Place: Kolkata  
Date: 7th May, 2015

**For and on behalf of the Board of Directors**

**Hasti Doshi**  
Chief Financial Officer

**Rachna Pareek**  
Company Secretary

**Sajjan Bhajanka**  
Director  
DIN: 00246043

**Nag Raj Tater**  
Director  
DIN: 00266072

# SHYAM CENTURY FERROUS LIMITED

CIN: U27310ML2011PLC008578

Regd. Office: Vill.: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210

Website: www.shyamcenturyferrous.com | email: investors@shyamcenturyferrous.com | Ph: (03655)-278215/16/18

## NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the FOURTH ANNUAL GENERAL MEETING of Shyam Century Ferrous Limited will be held on Friday, 25th September, 2015 at 3.00 P.M. at "Star Club", Vill: Lumshnong, P.O: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya - 793210 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and Statement of Profit and Loss for the year on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Nag Raj Tater (DIN: 00266072), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if, thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the Audit Committee and pursuant to the resolution passed by the members at the Annual General Meeting held on 31st July, 2014, the appointment of M/s Kailash B. Goel & Co., Chartered Accountants (Firm's Registration No. 322460E) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company be and is hereby ratified on such remuneration plus service tax, out-of-pocket, travelling and living expenses etc., as may be mutually agreed between the Board of Directors and the Auditors."

### SPECIAL BUSINESS:

4. To consider and if, thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution:  
  
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Mangilal Jain (DIN: 00353075), who was appointed as an Additional Director of the

Company with effect from 1st April, 2015 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Act, but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to 31st March, 2020 and whose office shall not be liable to determination by retirement of Directors by rotation."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Santanu Ray (DIN: 00642736), who was appointed as an Additional Director of the Company with effect from 1st April, 2015 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Act, but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to 31st March, 2020 and whose office shall not be liable to determination by retirement of Directors by rotation."

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

"RESOLVED THAT Mr. Aditya Vimalkumar Agarwal (DIN: 03330313), who was appointed as an Additional Director of the Company with effect from 1st April, 2015 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 but who is eligible for appointment and in respect of whom the Company has

received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mrs. Plistina Dkhar (DIN: 01375361), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from a Member in terms of Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company who shall hold office upto 31st March, 2020 and whose office shall not be liable to determination by retirement of Directors by rotation."

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies payment of remuneration of ₹50,000/- (Rupees fifty thousand only) per annum to the Cost Auditors to conduct the audit of the cost records of the Company for the Financial year ending March 31, 2016;

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient for giving effect to the aforesaid resolution."

9. To consider and if, though fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 94(1) and other applicable provisions, if any, of the Companies Act, 2013 and the rules and regulations framed thereto and subject to approval of the Members in their Meeting, the consent of the members be and are hereby accorded to the Board of Directors of the Company for keeping the Register and Index of Members of the Company along with Share Transfer books, copies of all Annual Returns together with copies of all certificates and

documents required to be annexed or attached thereto, books of accounts, all registers as required to be kept under Section 88 and Section 92 of the said act, be kept at a place other than the Registered Office of the Company being at the Corporate Office of the Company at Unit 9B, "Satyam Tower", 3, Alipore Road, Kolkata – 700027;

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things including filing of e-forms as are required and the Board may in its absolute discretion consider necessary, proper, desirable or appropriate in such manner as may be beneficial to the Company for giving effect to the aforesaid resolution."

10. To consider and if, though fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

"RESOLVED THAT in pursuance to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder {including any statutory modification(s) or re-enactment(s) thereof for the time being in force}, the consent of the shareholders be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee thereof) to borrow money from time to time as they may think fit for the purpose of the business of the Company, any sum or sums of money which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) either in foreign currency and / or in rupee currency, as may be deemed necessary, may exceed the aggregate of the paid-up capital of the Company and its free reserves, provided that aggregate of the moneys borrowed or to be borrowed by the Board of Directors shall not at any time exceed ₹60 crores (rupees sixty crores);

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, matters, deeds and other things as may be required or considered necessary or incidental thereto, for giving effect to the aforesaid resolution."

11. To consider and if, though fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

"RESOLVED THAT in pursuance to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder {including any statutory modification(s) or re-enactment(s) thereof for the time being in force}, the consent of the shareholders be and is hereby accorded

to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company on such movable and immovable properties, both present and future and in such form and manner as the Board may deem fit, together with power to take over the management and concerns of the Company in certain events in favour of Banks/Financial Institutions or other lenders, trustees to secure rupee/foreign currency loans, debentures/bonds and/or such other borrowings (hereinafter collectively referred to as "Loans") provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said

Loans, shall not at any time exceed the limit of ₹60 crores (rupees sixty crores only);

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do or cause to be done all such acts, matters, deeds and other things as may be required or considered necessary or incidental thereto, for giving effect to the aforesaid resolution."

By Order of the Board  
For Shyam Century Ferrous Limited

Place: Kolkata  
Date: 10th August, 2015

Rachna Pareek  
Company Secretary

## NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY (IES) TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
- Members holding shares in the physical form are requested to notify change in address, bank mandate and bank particulars, if any, under their signatures to M/s Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane (Surendra Mohan Ghosh Sarani), 2nd Floor, Kolkata – 700001, the Registrars and Share Transfer Agents (RTA) of the Company, quoting their Folio nos. Members holding shares in electronic form may update such information with their respective depository participants.
- Additional information pursuant to Clause 49 of the Listing Agreement with the stock exchanges in respect of the Directors seeking appointment / re-appointment at the AGM are furnished as an Annexure and forms a part of the Notice. The Directors have furnished the requisite consents/ declarations for their appointment / re-appointment.
- The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 22nd September, 2015 to Friday, 25th September, 2015 (both days inclusive).
- Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant(s). Members who have not registered their e-mail address with the Company can now register the same by writing to the Registrar of the Company, M/s. Maheshwari Datamatics Private Limited at the following address:-  
Maheshwari Datamatics Private Limited  
6, Mangoe Lane, 2nd Floor,  
Kolkata - 700001  
Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number to the Company/ RTA for registration of transfer of shares, for securities market transactions and off-market/ private transactions involving transfer of shares in physical form. In this connection, the Transferees of Company's shares are requested to submit a copy of their PAN card along with the Transfer Deed. Members holding shares in electronic form are requested to submit their PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Maheshwari Datamatics Private Limited.
  7. Members seeking information regarding financial accounts of the Company are requested to write to the Company at least 7 (seven) days before the date of meeting so as to enable the management to keep the information ready.
  8. All documents meant for inspection and referred to in the Notice and accompanying Annual Report are open for inspection at the Corporate Office of the Company during office hours between 11:00 A.M to 1:00 P.M on all working days till the date of the Annual General Meeting.
  9. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM. Members are requested to bring their admission slip along with copy of the Annual Report at the Annual General Meeting.
  10. Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide the facility of remote e-voting (i.e. the facility to cast vote electronically from a place other than the venue of Annual General Meeting) to all the Members for which the Company has engaged the services of National Securities Depository Limited (NSDL). The Members holding shares either in physical form or in dematerialised form, desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.
  11. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the Members who have not cast their votes by remote e-voting as on Cut-off date i.e. Friday, 18th September, 2015 shall be able to exercise their right at the Annual General Meeting through ballot paper. Members who cast their votes by remote e-voting prior to the meeting, may attend the meeting but will not be entitled to cast their vote again.
  12. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, 18th September, 2015 are entitled to vote on the Resolutions set forth in this Notice and a person who is not a Member as on cut-off date should treat this notice for information purpose only. The members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). Members who have acquired shares after the despatch of the Notice of Annual General Meeting and before the cut-off date may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.
  13. The e-voting period will commence at 9.00 a.m. on Tuesday, 22nd September, 2015 and will end at 5.00 p.m. on Thursday, 24th September, 2015. The Company has appointed Mr. Niaz Ahmed, Practising Company Secretary, to act as the Scrutiniser, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting.
- 14. PROCEDURE FOR REMOTE E-VOTING**
- The Company has entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating e-voting for AGM. The instructions for remote e-voting are as under:
- A. In case of Members who receive the Notice in electronic mode:**
1. Open the PDF file 'SCFL e-Voting.pdf' attached to the e-mail, using your Client ID / Folio No. as password. The PDF file contains your User ID and Password for e-voting. Please note that the Password provided in PDF is an 'Initial Password'.
  2. Launch an internet browser and open <https://www.evoting.nsdl.com>
  3. Click on Shareholder - Login.
  4. Insert 'User ID' and 'Initial Password' as noted in step (i) above and click 'Login'.
  5. Password change menu will appear. Change the Password with a new Password of your choice. Please keep a note of the new Password. It is strongly recommended not to share your

Password with any person and take utmost care to keep it confidential.

6. Home page of e-voting will open. Click on e-Voting - Active Voting Cycles.
7. Select the 'EVEN' (E-Voting Event Number) of Shyam Century Ferrous Limited.
8. Now you are ready for e-voting as 'Cast Vote' page opens.
9. Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'Confirm' when prompted.
10. Upon confirmation, the message 'Vote cast successfully' will be displayed.
11. Once you have voted on the resolution, you will not be allowed to modify your vote.
12. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory (ies) who are authorised to vote, to the Scrutiniser by an e-mail at csniazahmed@gmail.com with a copy marked to evoting@nsdl.co.in

**B. In case of Members who receive Notice by post:**

1. Initial Password is provided, as follows, at the bottom of the Attendance Slip.

EVEN (E-voting Event Number)	USER ID	PASSWORD
-	-	-

2. Please follow all steps from Sl. No. 2 to Sl. No. 12 above, to cast vote.

- C. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of NSDL's e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- D. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for casting vote.
- E. The voting rights shall be as per the number of equity share held by the Member(s) as on Friday, 18th September, 2015. Members are eligible to cast vote electronically only if they are holding shares as on that date.
- F. The Companies (Management and Administration) Rules, 2014 provides that the electronic voting period remain open for atleast three days and shall close at 5.00 p.m. on the date preceding the date of the AGM. Accordingly, the voting period shall commence at 9.00 a.m. on Tuesday, 22nd September, 2015 and will end at 5.00 p.m. on Thursday, 24th September, 2015.
- G. The results shall be declared within 48 hours from the conclusion of the AGM. The results along with the Scrutiniser's Report shall also be placed on the website of the Company and such results will also be forwarded to the Stock Exchanges where the Company's shares are listed.
- H. The Route map of the venue of Annual General Meeting i.e. "Star Club", Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya - 793210 is annexed at the end of this Notice.

## EXPLANATORY STATEMENT (PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013)

### Item No. 4 & 5:-

Mr. Mangilal Jain and Mr. Santanu Ray were appointed as Additional Directors (Category – Independent) of the Company with effect from 1st April, 2015, pursuant to the provisions of Sections 161 of the Companies Act, 2013 and holds office as such upto the date of the ensuing Annual General Meeting (AGM).

The Company has received notices in writing under the provisions of Section 160 of the Companies Act, 2013, from the members, along with a deposit of ₹1,00,000/- each proposing the candidature of Mr. Mangilal Jain and Mr. Santanu Ray for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The approval is sought from the members for the appointment of aforesaid Independent Directors for a term of five consecutive years w.e.f. 1st April, 2015 at the ensuing AGM. They shall not be liable to retire by rotation.

In the opinion of the Board, Mr. Mangilal Jain and Mr. Santanu Ray fulfill the conditions specified in the Companies Act, 2013 and rules made thereunder for their appointment as Independent Directors of the Company. Brief resume of proposed appointee Directors, nature of their expertise in specific functional areas and names of companies in which they hold Directorships and Memberships / Chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, have been provided as an Annexure to this Notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Mangilal Jain and Mr. Santanu Ray for their respective appointment, are concerned or interested, financially or otherwise, in these Resolutions.

The Board recommends the Ordinary Resolutions as set out at item no. 4 to 5 for approval of the Members.

### Item No. 6

The Board of Directors, at its meeting held on 29th March, 2015, appointed Mr. Aditya Vimalkumar Agarwal as an Additional Director of the Company with effect from 1st April, 2015, pursuant to the provisions of Section 161 of the Companies Act, 2013.

In terms of Section 161 of the Act, Mr. Aditya Vimalkumar Agarwal holds office only upto the date of the ensuing Annual General Meeting (AGM) but is eligible for appointment as a Director. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of ₹1,00,000/- proposing the candidature of Mr. Aditya Vimalkumar Agarwal as a Director.

Brief resume of the Director, nature of expertise in specific functional areas and names of companies in which he holds Directorships and Memberships / Chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, have been provided as an Annexure to this Notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives, except Mr. Aditya Vimalkumar Agarwal is concerned or interested, financially or otherwise, in the Resolutions.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

### Item No. 7

Mrs. Plistina Dkhar, who was appointed by the Board as Non-Executive (Independent) Director of the Company is proposed to be appointed as Independent Directors of the Company, for a term of five years w.e.f. 1st April, 2015, pursuant to the provisions of Sections 149, 152 and other applicable provisions and the Rules made thereunder read with Schedule IV to the Companies Act, 2013.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of ₹1,00,000/- proposing the candidature of Mrs. Plistina Dkhar for the office of Independent Director under the provisions of Section 149 of the Companies Act, 2013.

The approval is sought from the members for the appointment of Mrs. Plistina Dkhar, independent director for a term of five consecutive years w.e.f. 1st April, 2015 at the ensuing Annual General Meeting (AGM). She shall not be liable to retire by rotation.

In the opinion of the Board, Mrs. Plistina Dkhar fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company. Brief resume of the Director, nature of expertise in specific functional areas and names of companies in which she hold Directorships and Memberships/Chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, have been provided as an Annexure to this Notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives, except Mrs. Plistina Dkhar is concerned or interested, financially or otherwise, in the Resolutions.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the Members.

**Item No. 8**

The Board of Directors on the recommendation of Audit Committee has appointed M/s B. G. Chowdhury & Co., Cost Accountants to conduct the Cost Audit of the Company for the Financial Year 2015-16 on remuneration of ₹50,000/- (Rupees fifty thousand only) per annum.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the shareholders.

**Item No. 9**

The Registers required to be kept and maintained by a Company under Section 88 of Companies Act, 2013 and copies of the Annual Return filed under Section 92 of Companies Act, 2013 shall be kept at the Registered Office of the Company. However Section 94(1) of the Companies Act, 2013 also provides that a Company can keep the said Registers and Annual Return and other documents at a place in India in which more than one-tenth of the total number of members entered in the register of members reside if the said proposal is approved by the members of the Company. The Company proposes to keep its Registers and copies of Annual Return at its Corporate Office at Unit 9B, "Satyam Tower", 3, Alipore Road, Kolkata – 700027.

Accordingly consent of the members is sought for passing the Special Resolution as set out at Item No. 9 of the Notice for keeping the registers and copies of Annual Return at the said place.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

**Item No. 10**

As per Section 180(1)(c) of the Companies Act, 2013, borrowings (apart from temporary loans repayable on demand or within six months from the date of the loan, such as short term, cash credit arrangements and temporary loans, if any, obtained from the Company's bankers in ordinary course of

business) by the Company in excess of the paid-up capital of the Company and its free reserves, requires the approval from the shareholders by means of Special Resolution.

With a view to meet the funds requirements of the Company, the Company may require to borrow from time to time by way of loans and/or guarantees and/or issue of Bonds, Debentures or other securities. The Directors of the Company, therefore, recommended the above Special Resolution for approval of the shareholders.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

The Board of Directors recommends the Special Resolution set out at Item No. 10 for approval by the Shareholders.

**Item No. 11**

The Company is required to create security in favour of the Lenders/ Trustees for the loans/ financial assistance availed by the Company from banks and other financial institutions, by way of creation of mortgage and/ or charge on the assets of the Company, as stated in the resolution.

In furtherance to the Resolution No. 10 of this notice, the said borrowings/ issue of securities may be required to be secured by way of mortgage/ charge over all or any part of the movable and/or immovable assets of the Company and as per provisions of Section 180(1)(a) of the Companies Act, 2013, the mortgage or charge on all or any part of the movable and/or immovable properties of the Company, may be deemed as the disposal of the whole, or substantially the whole, of the undertaking of the Company and hence, requires approval from the shareholders of the Company.

Accordingly, it is proposed to pass an enabling resolution authorising the Board to create charge on the assets of the Company for a value not exceeding ₹60 crores (rupees sixty crores Only).

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

The Board of Directors recommends the Special Resolution set out at Item No.11 for approval by the Shareholders.

By Order of the Board  
For Shyam Century Ferrous Limited

Place: Kolkata  
Date:10th August, 2015

Rachna Pareek  
Company Secretary

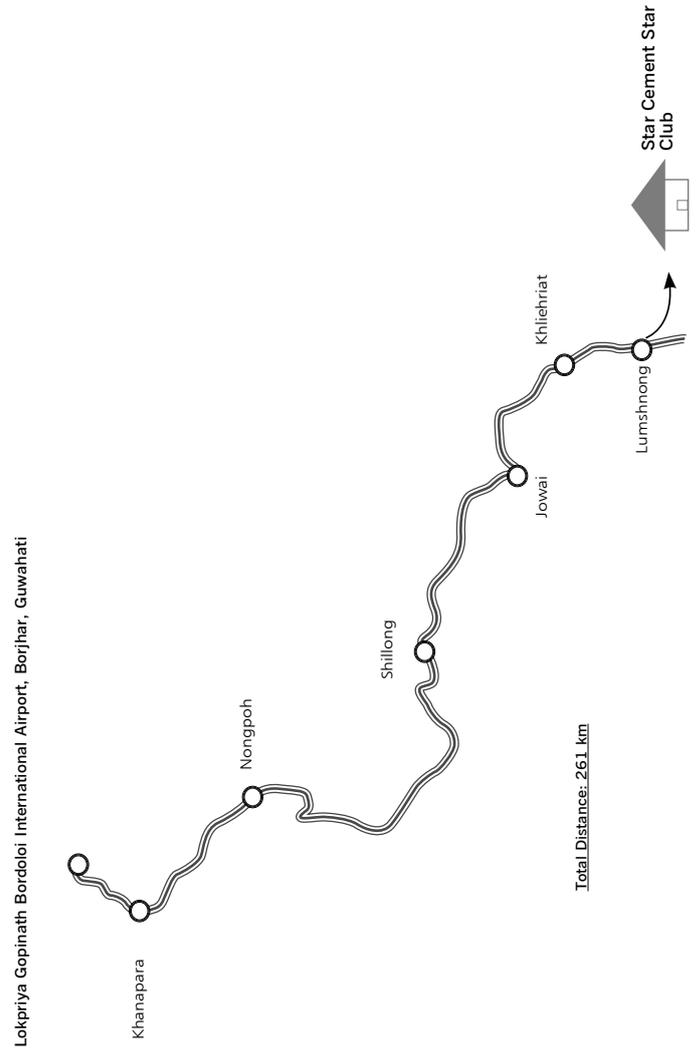
## ANNEXURE

Information provided pursuant to Clause 49 of the Listing Agreement with the Exchange(s) in respect of individuals proposed to be Appointed/Re-appointed as Director(s) as on 31st March, 2015

Name of the Director	Mr. Nag Raj Tater	Mr. Mangilal Jain	Mr. Santanu Ray	Mr. Aditya Vimalkumar Agarwal	Mrs. Plistina Dkhar
Date of Birth	1st July, 1952	14th July, 1931	30th June, 1947	22nd August, 1989	1st January, 1960
Date of Appointment	9th June, 2014	1st April, 2015	1st April, 2015	1st April, 2015	1st March, 2013
No. of Shares Held	-	-	Nil	-	-
No. of warrants Held	Nil	Nil	Nil	Nil	Nil
Qualification	Commerce Graduate	ACA	FCA	MBA	Undergraduate
Experience in special functional Area	He is having over 38 years' experience in Finance, Accounts and Taxation.	He has an experience of over 56 years and has worked in senior positions with various companies of repute. He is an expert in the field of accounts and finance.	He is a Chartered Account and had worked at senior positions as well as consultant with several reputed Companies and has vast experience in the field of research and education. He has served as Chief Mentor at various Business Schools.	He is 26 years of age and a Commerce Graduate and Master's in Business administration.	She has an experience of over 28 years and has been associated with the Company since 2013. She is also Director of, Riangdo Veneers Pvt. Ltd., amongst others.
Relationship with the Company	Non-Executive, Non-Independent Director	Non-Executive, Independent Director	Non-Executive, Independent Director	Non-Executive, Non-Independent Director	Non-Executive, Independent Director
Remuneration last drawn	Nil	Nil	Nil	Nil	Nil
Directorship held in other Public Companies (As on 31.03.2015)	1. Century Infotech Limited 2. Century Plantations Limited 3. Century Star Shipping Limited 4. Century Crop Sciences Pvt. Limited 5. Century Sumeru Development Limited 6. Century Sumeru Infrastructure Limited 7. Century Plyboards (Meghalaya) Limited 8. Century LED Limited 9. Puri Ports Limited	1. Century Plyboards (India) Limited 2. Cement Manufacturing Company Limited 3. Star Cement Meghalaya Limited 4. Meghalaya Power Limited 5. NE Hills Hydro Limited 6. Zenith Exports Limited 7. Megha Technical and Engineers Private Limited 8. Star Ferro and Cement Limited	1. Century Plyboards (India) Limited 2. Star Ferro and Cement Limited 3. Megha Technical and Engineers Private Limited 4. Star Cement Meghalaya Limited	1. Shyam Ferro Alloys Limited	1. Century Plyboards (Meghalaya) Limited 2. Star Ferro and Cement Limited

Memberships/ Chairmanship in Committees of other Companies (As on 31.03.2015)	<b>Member</b> <ul style="list-style-type: none"> <li>Stakeholder Relationship Committee/Investor grievance Shyam century Ferrous Limited</li> </ul>	<b>Chairman</b> <ul style="list-style-type: none"> <li>Audit committee Century Plyboards (India) Limited Star Ferro and Cement Limited Shyam Century Ferrous Limited Cement Manufacturing Company Limited</li> </ul> <b>Member</b> <ul style="list-style-type: none"> <li>Audit committee Zenith Exports Megha Technical &amp; Engineers Private Limited Star Cement Meghalaya Limited Meghalaya Power Limited Stakeholder Relationship Committee/Investor grievance Zenith Exports</li> </ul>	<b>Chairman</b> <ul style="list-style-type: none"> <li>Audit committee Megha Technical &amp; Engineers Private Limited Star Cement Meghalaya Limited Stakeholder Relationship Committee/Investor grievance Shyam century Ferrous Limited</li> </ul> <b>Member</b> <ul style="list-style-type: none"> <li>Audit committee Century Plyboards (India) Limited Star Ferro and Cement Limited Shyam Century Ferrous Limited</li> </ul>	<b>Member</b> <ul style="list-style-type: none"> <li>Audit committee Shyam Century Ferrous Limited Stakeholder Relationship Committee/Investor grievance Shyam century Ferrous Limited</li> </ul>	Nil
No. of Board Meeting attended during FY 2014-15	-	-	-	-	1

### ROUTE MAP





# SHYAM CENTURY FERROUS LIMITED

CIN: U27310ML2011PLC008578

Regd. Office: Vill.: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210

Website: www.shyamcenturyferrous.com | email: investors@shyamcenturyferrous.com | Ph: (03655)-278215/16/18

## PROXY FORM - MGT - 11

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

Name of the Member(s):

Registered Address:

Email Id:

Folio No/DP ID and Client ID:

I/We, being the member(s) of the Company and holding \_\_\_\_\_ shares of the Company, hereby appoint:-

- Name: \_\_\_\_\_, Address: \_\_\_\_\_  
Email: \_\_\_\_\_, Signature: \_\_\_\_\_, or failing him/her
- Name: \_\_\_\_\_, Address: \_\_\_\_\_  
Email: \_\_\_\_\_, Signature: \_\_\_\_\_, or failing him/her
- Name: \_\_\_\_\_, Address: \_\_\_\_\_  
Email: \_\_\_\_\_, Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Fourth Annual General Meeting of the company, to be held on Friday, 25th day of September, 2015 at 3.00 P.M. at "Star Club", Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya- 793210 and at any adjournment thereof in respect of such resolutions as are indicated below:

SL. No.	RESOLUTIONS	Optional*	
		For	Against
<b>Ordinary Business</b>			
1	Adoption of Audited Financial Statements for the year ended March 31, 2015		
2	Re-appointment of Mr. Nag Raj Tater as a Director of the Company, liable to retire by rotation		
3	Re -appointment of M/s Kailash B. Goel & Co., Chartered Accountants as Statutory Auditors of the Company and fixing their remuneration		
<b>Special Business</b>			
4	Appointment of Mr. Mangilal Jain as Independent Director of the Company under the provisions of Section 149 of the Companies Act, 2013		
5	Appointment of Mr. Santanu Ray as Independent Director of the Company under the provisions of Section 149 of the Companies Act, 2013		
6	Appointment of Mr. Aditya VimalKumar Agarwal as Director of the Company under the provisions of Section 160 of the Companies Act, 2013		
7	Appointment of Mrs. Plistina Dkhar as Independent Director of the Company under the provisions of Section 149 of the Companies Act, 2013		
8	Fixation of remuneration of Cost Auditors for the Financial Year 2015-16.		
9	Special Resolution under Section 94(1) of Companies Act, 2013 for keeping registers, books of accounts and other statutory documents at a place other than registered office of the Company.		
10	Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing an amount not exceeding ₹500 Crores.		
11	Special Resolution under Section 180(1)(a) of the Companies Act, 2013 for creating charges, mortgages and hypothecation on the assets of the Company to secure the borrowing made under resolution no. 10		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2015

Signature of the shareholder \_\_\_\_\_

Signature of the proxy holder \_\_\_\_\_

Affix  
Revenue  
Stamp of  
Re.1/-

### Notes:

- 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 Resolutions, Explanatory Statements and Notes, please refer to the Notice of 4th Annual General Meeting.
- \* It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate.
- Please complete all details including details of member(s) in the above box before submission



# SHYAM CENTURY FERROUS LIMITED

CIN: U27310ML2011PLC008578

Regd. Office: Vill.: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210

Website: www.shyamcenturyferrous.com | email: investors@shyamcenturyferrous.com | Ph: (03655)-278215/16/18

## ATTENDANCE SLIP

FOR ANNUAL GENERAL MEETING 25th September, 2015 at 3.00 P.M

Folio No./DP ID & Client ID:

Name:

Address:

No. of Shares held :

I certify that I am a registered shareholder/Proxy for the registered shareholder of the Company.

I hereby record my attendance at the Fourth Annual General of the Company at "Star Club", Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210 on Friday, 25th September, 2015.

\_\_\_\_\_  
Member's/Proxy's name in block letters

\_\_\_\_\_  
Member's/Proxy's signature

### Notes:

1. Registration will start at 1:00 P.M. and close at 3:00 P.M. on the day of Annual General Meeting.
2. The members are required to produce their duly signed Attendance Slips and get their entry passes from the registration counter.
3. The members should produce their entry passes at the entrance of the AGM Hall for attending the AGM.
4. The Members are informed that in case of joint holders attending the meeting, only such joint holder whose name appears in the chronological order in the Demat account /Folio will be entitled to vote.
5. This Attendance Slip is valid only in case shares are held on the date of the Annual General Meeting.
6. The Members who have received Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit duly filled in Attendance Slip at the registration counter to attend the Annual General Meeting.

### Electronic Voting (e-voting):

7. The Company is pleased to offer the option of e-voting facility to the Members. The Members shall have the option to vote either through e-voting or in person at the Annual General Meeting. The voting period will commence at 9:00 A.M on Tuesday, 22nd September, 2015 and will end at 5:00 P.M on Thursday, 24th September, 2015. The Members desiring to exercise e-voting option may refer to the detailed procedure onelectronic voting provided along with the intimation of their USER ID and Password.







A **TRISYS** PRODUCT

[info@trisyscom.com](mailto:info@trisyscom.com)

print anderson +91 99030 58982

**SHYAM CENTURY FERROUS LIMITED**

Registered Office:-

Vill: Lumshnong, P.O.: Khaliehriat,

Dist: East Jaintia Hills, Meghalaya - 793210

[www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com)

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