Aanchal Ispat Limited

CIN : L27106WB1996PLC076866 | GSTN/UID : 19AAACV8542M1ZQ | UAN : WB10C0007296

An ISO 9001:2015 Company

MAKE IN INDIA

Date: 25.09.2021

To,
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy towers
Dalal Street
Mumbai – 400001

Dear Sir,

Ref:-SCRIP CODE: 538812; ISIN: INE322R01014

Subject: Revised 26th Annual Report of Aanchal Ispat Limited.

With reference to the above captioned subject, please find attached a copy of the revised 26th Annual Report of the Company under Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Annual report is also available on the website of the company www.aanchalispat.com.

The said Annual Report has been revised due to certain typographical errors done which are mentioned herein below:

- Amount of Earnings before Interest, Tax, Depreciation & amortization (EBITDA) in Board's Report, Page No. 6
- Indebtness details in Form MGT 9 referred to as Annexure A, Page No. 22
- Replacement in point 5 in Annexure A part of Audit Report and also replacement in point 5 under notes in Secretarial Audit Report.

You are requested to take note of the same.

Yours Faithfully

For Aanchal Ispat Limited

AANCHAL ISPAT LIMITED

Puja Kaul

Ms. Puja Kaul
(Company Secretary & Compliance Officer)

Encl: as above

Registered Office
J.L. No. 5, National Highway No.6,
Chamrail, Howrah 711114.
Phone : 033 22510128 / 033 23230052
Email : info@aanchalispat.com | aanchalispat1996@gmail.com
Visit us as www.aanchalispat.com

Relicon strength beyond steel
IS 1786:2008 CM/L 5525566
IS 2062:2011 CM/L 5489992
Script Code : 538812 BSE EXPERIENCE THE NEW
ISO 9001 REGISTERED

AANCHAL ISPAT LIMITED

ANNUAL REPORT

Relicon

2020 - 2021

CORPORATE INFORMATION

DIRECTORS

1. Mr. Mukesh Goel — Chairman &Managing Director
2. Mr. Manoj Goel — Non-Executive Director
3. Mr. Vijay Srivastava — Executive Director
4. Mr. Mukesh Agarwal — Independent Director
5. Ms. Nilu Nigania — Independent Director

REGISTERED OFFICE

Mouza-Chamrail
National Highway-6 11,
Liluah, Howrah-711114
Tel: 03212246121
Fax: 03212246069
E-Mail: cs@aanchalispat.com

CHIEF FINANCIAL OFFICER

Mr. Mukesh Kumar Agarwal
(Appointed w.e.f 01.07.2021)

SECRETARIAL AUDITOR

Ms. Manisha Saraf
11, Dacres Lane, 1st Floor,
Kolkata- 700069

COMPANY SECRETARY

Ms. Minu Agarwal
(Resigned w.e.f 29.10.2020)
Ms. Puja Kaul
(Appointed w.e.f13.05.2021)

REGISTRAR & SHARE TRANSFER AGENT

Purva Sharegistry (India) Pvt. Ltd.
Unit no. 9, Shiv Shakti Ind.Estt.
J.R. Boricha Marg
Opp. Kasturba Hospital Lane
Lower Parel(E) Mumbai-400 011
Email: support@purvashare.com

BANKERS

The Karur Vysya Bank Ltd
43, Strand Road, Burra bazaar
(Off) 9, Ram SevakMullick Lane
Kolkata-700001

STATUTORY AUDITOR

M/s Rajesh Jalan & Associates
Chartered Accountants
56, Metcalfe Street, 1st Floor, Room No. 1A,
Kolkata 700 013

INTERNAL AUDITOR

Sailesh Agarwal & Associates LLP
4/1, PanchananTala Road, 1st floor,
Howrah – 711101,West Bengal, India
214 Shyam Nagar Road, Kolkata-700055

COST AUDITOR

Mr. Rana Ghosh
9-B, Arpuli Lane, Kolkata-700012

CIN: **L27106WB1996PLC076866**
WEBSITE: ***www.aanchalispat.com***

❖ Ms. Babita Kaur Bagga, resigned from the office of Independent Director w.e.f 24.08.21.

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MANAGEMENT DISCUSSION & ANALYSIS REPORT

I. OVERVIEW

The objective of this report is to convey the Management's perspective on the external environment and steel industry, as well as strategy, operating and financial performance, material developments in human resources and industrial relations, risks and opportunities and internal control systems and their adequacy in the Company during the financial year 2020-21. This report should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Integrated Report. The Company's financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') complying with the requirements of the Companies Act, 2013, ('Act') and regulations issued by the Securities and Exchange Board of India ('SEBI'), each as amended from time to time.

II. EXTERNAL ENVIRONMENT

1. Macroeconomic condition

Global GDP contracted by 3.5% in 2020 as governments in both developed and emerging economies took measures to contain the spread of the COVID-19 virus. While the decline was sharper than the global financial crisis in 2009, but the scale of the fiscal response to the COVID-19 crisis was unprecedented and three times bigger than 2008-09 financial crisis. The response by policy makers prevented a collapse that would have been at least three times worse, and the medium-term losses for the global economy are expected to be smaller than the global financial crisis.

While China is forecasted to continue its rapid growth in 2021, Latin America and the Eurozone is expected to lag behind. US saw overall GDP decline of 3.5%. India's economy rebounded quickly from one of the world's longest and most stringent lockdowns, which also came with steepest fall in GDP in Q2. Real GDP grew by 0.4% in Q3FY2021 after a contraction in the previous two quarters. Real GDP is estimated to have contracted by ~8% in FY 2020-21.

2. Economic Outlook

The accelerating rollout of COVID-19 vaccines in many advanced economies has set the stage for rapid recovery in the second half of this year and into 2022. Advanced economies will remain less affected by the virus this year and beyond, with low-income countries and emerging markets suffering more which is a contrast to 2009. While, the global economy is expected to recover to its pre-pandemic level of output in 2022,the emerging-market and developing economies are expected to take until 2023 to recover to the pre-pandemic level. Policy rates in the United States, Eurozone, United Kingdom, and Japan will remain near zero, well beyond 2021. Emerging market and developing economies may take until 2023 to recover to the pre-pandemic level. Divergent recovery paths are likely to create wider gaps in living standards across countries compared to pre-pandemic expectations.

3. Indian Economy

India witnessed a gradual resumption of economic activity from Q2FY2021. The initial recovery was driven by government spending on infrastructure, exports and rural economy. The recovery gained momentum since August 2020 with pickup in consumption demand driven by festive buying and return of urban consumption. However, the growth projections for FY 2021-22 have been revised to be below 11% due to the acute resurgence of the virus in the country, as many cities and states went into lockdown. While the growth will depend upon the trajectory of the pandemic, the overall impact on the economy is expected to be less severe than last year. India is expected to witness a full economic recovery in H2FY2022 driven by (a) ongoing vaccination supporting the current recovery momentum; (b) restart of investment cycle with significant spending on infrastructure and (c) continued recovery in consumption supported by urban demand, accentuated by work-from-home and preferences for personal mobility along with rising rural income and affordability. However, normal growth levels would be seen in FY 2022-23 only, provided no further economic disruption occurs and success of the ongoing vaccination drive.

III. STEEL INDUSTRY

1. Global Steel Industry Disruption on both demand and supply resulted in global steel demand in 2020 to fall by 0.2% against a growth of 3.7% in 2019. The total demand in 2020 was 1,772 MnT against 1,775 MnT in 2019. The impact of COVID-19 has been much more benign for the steel industry due to resurgent demand in China and better than expected post lockdown recovery globally in second half of 2020. China and Turkey were two key countries that saw an increase in finished steel demand of 9% and 13% respectively in 2020. North America and the European Union ('EU') have experienced strong decline in steel demand owing to the COVID-19 pandemic. Both regions experienced demand decline of around 11%-16%. India also contributed to global decline, as steel consumption in India declined by 13.7% to 88.5 MnT in 2020 against 102.6 MnT in 2019. Up to 30% of global steelmaking capacity (excluding China) was idled or production at steel mills significantly reduced in response to a pandemic-induced drop in demand. However, the recovery in automotive production and white goods manufacturing was quicker than expected when the strictest lockdown measures were lifted. The construction sector was less affected, as it was supported by government stimulus schemes in many regions. As a result, steel prices rallied in all regions in late 2020.

IV. INDIAN IRON & STEEL INDUSTRY OVERVIEW

Industry Profitability Outlook

India's steel industry has also suffered the production loss due to lockdown last year and recovered gradually since then, initially driven by export followed by gradual recovery in domestic demand. Strong rebound in manufacturing and infrastructure development activity has led to a sharp rise in both production and consumption of steel in India. In 2021, India's steel demand is expected to grow by 20% over 2020,taking the demand higher than the pre-pandemic level of 103 MnT, driven by strong infrastructure spending and sustained demand of automotive and consumer durables.

The key opportunities boosting the steel demand are as follows:

- Government's focus on strengthening the domestic manufacturing base under the flagship "Atmanirbhar Bharat" programme. The Production Linked Incentive scheme has been introduced to boost the manufacturing sector in industries like automobile & auto components, consumer durables, solar equipment, telecom, etc. These are expected to boost steel consumption.

- Government has announced an investment of over ₹1trillion in infrastructure over the next 5 years. This would be key growth driver not only for steel industry but will also be a multiplier of growth across the sectors, boosting steel demand from sectors such as transportation, real estate and infrastructure.

Emergence of new trends after COVID-19 such as work from home, preference to physical distancing would create additional demand for furniture, personal mobility, etc. In addition, the rise in e-commerce activity will support the growth of warehousing and light commercial vehicles.

However, the downside to these opportunities are as follows:

• Resurgence of infections leading to fresh lockdowns, both localised as well as regional / national level resulting in disruption in economic activity.

• Heavy dependence of agriculture sector on monsoon. In last 2 years, a normal monsoon has supported the growth in agriculture sector.

• Slower recovery in contact-based services, which is an integral part of Indian economy and affects lives & livelihood of service sector

Initiatives taken by the Company

The Company is in continuous pursuit of creating more value for all its stakeholders. The Company's various functional teams have taken some initiatives to not only strengthen its profitability in near future but also gain medium to long-term competitive advantage over its peers.

OPPORTUNITIES AND CHALLENGES

Opportunities:

On the back of sustained domestic demand, India's steel industry witnessed robust growth in the last 10–12 years. Since 2008, production has gone up by 75% while domestic steel demand has grown by around 80%. Steel-making capacity has also increased in tandem, and the growth has been fairly organic.7The Indian government has always supported the steel industry and introduced the National Steel Policy in 2017, which envisions the growth trajectory of the Indian steel industry till 2030–31. The broad contours of the policy are as follows:

- *Steel-making capacity is expected to reach 300 million tones per annum by 2030–31.*
- *Crude steel production is expected to reach 255 million tones by 2030–31, at 85% capacity utilization.*
- *Production of finished steel to reach 230 million tonnes, assuming a yield loss of 10% for conversion of crude steel to finished steel – that is, a conversion ratio of 90%.*
- *With 24 million tonnes of net exports, consumption is expected to reach 206 million tonnes by 2030–31.*
- *As a result, per capita steel consumption is anticipated to rise to 160 kg.*
- *An additional investment of INR 10 lakh crore is envisaged.*

While the National Steel Policy, 2017, is a vision document of the Indian government, it nevertheless emphasises the growth potential of the Indian steel industry.

Challenges:

The growth trajectory of the steel industry has its own set of challenges. The Indian steel industry is often regarded as uncompetitive globally. In 2016, World Steel Dynamics ranked India second in terms of cost of conversion of iron ore to steel, after Ukraine. Indian mills were found to be more cost efficient in converting iron ore to steel than their counterparts in China, Japan or Korea. Most Indian integrated steel producers ranked within the top 35 steel mills globally.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company has no other segments apart from steel business, details of which have been included in the financial performance. Hence, no separate details on segment wise or product wise performance are being reported.

RISKS & CONCERNS

Here are some of the key risks which could emerge and the corresponding mitigation measures:

Sr.No.	Type	Impact	Mitigation Strategies
1.	Macroeconomic Risk	• Overcapacity and oversupply in global steel industry may affect steel prices. • Newer developments in competitive global business. • Cheaper imports and raw material deficiencies may lead to low capacity utilization despite of the ability of Indian steel sector to work at full capacity level.	• Diversification of product portfolio. • Development of alternate techniques to ensure better capacity utilization.
2.	Operational Risk	• Risk of limitation or disruption in the supply of raw materials.	• Establishing sources of supplies from al ternate geographies.
3.	Market Related Risk	• Excess volatility in steel and raw material markets may affect financial condition. • Competition from substitute materials may lead to change in demand pattern.	• Enhanced product development and focus on value addition.
4.	Environmental Risk	• Share of iron and steel industry in CO_2 emissions is around 7%. • Stringent international and domestic regulations relating to climate control.	• Innovation in products and methods to ensure sustainable development. • Investment in environmental related projects.
5.	Regulatory Risk	• Non-compliance to increasing stringent regulatory norms. • Removal of favorable trade measures.	• Focus on compliance and fulfilling regulatory requirements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Financial Controls ('IFC') framework, commensurate with the size, scale, and complexity of the Company's operations. The Board of Directors of the Company is responsible for ensuring that IFC have been laid down by the Company and that such controls are adequate and operating effectively. The internal control framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorised use, executing transactions with proper authorization and ensuring compliance with corporate policies. The Company's internal financial control framework is commensurate with the size and operations of the business and is in line with requirements of the Companies Act, 2013.

The Company has laid down Standard Operating Procedures and policies to guide the operations of each of its functions. Business heads are responsible to ensure compliance with these policies and procedures. Robust and continuous internal monitoring mechanisms ensure timely identification of risks and issues. The management, statutory auditors and internal auditors have also carried out adequate due diligence of the control environment of the Company through rigorous testing.

The Internal Audit team monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures, and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action(s) in their respective area(s) and thereby strengthen the controls. Significant audit observations and corrective action(s) thereon are presented to the Audit Committee. The Audit Committee at its meetings, reviews the reports submitted by the Internal Auditor. Also, the Audit Committee at frequent intervals has independent sessions with the statutory auditor and the Management to discuss the adequacy and effectiveness of internal financial controls.

FINANCIAL PERFORMANCE

The Company had prepared its financial statements based on Indian Accounting Standard (Ind AS).The financial statements were prepared under the historical cost convention on an accrual basis. Figures of the previous years were reclassified/ regrouped to confirm the presentation requirements under Ind AS and the requirements laid down under Schedule III of the Companies Act,2013

The Company's revenue in FY 2020-21 was Rs. 1,24,30,92,099, EBIDTA stood at Rs. 98,46,037 compared to Rs.(2,43,09,795) in the previous year. The Company reported post-tax loss of Rs. (5,38,62,279) in FY 2020-2021 compared to a post-tax profit of Rs. (8,28,84,141) in the previous year.

KEY FINANCIAL RATIO

Particulars	F.Y. 2020-21	F.Y. 2019-20
Inventory Turnover (Months)	1.76	1.62
Interest Coverage Ratio	0.05	(0.62)
Current Ratio	4.99	1.43
EBITDA/Turnover (%)	0.79	(1.41)
EBITDA/Net Interest (%)	0.15	(0.47)
Debt- Equity Ratio	1.40	1.10
Operating Profit Margin (%)	0.30	(1.84)
Net Profit Margin (%)	(4.33)	(4.81)
Return on Net Worth	(0.103)	(0.148)
Earning Per Shares	(2.57)	(3.97)

HUMAN RESOURCE

The Company recognizes the importance of human resources in realizing its growth ambitions and believes in nurturing talent within the organization to take up leadership positions. The Company believes in investing in people development and process improvements, aligned with Company's vision and values. As on March 31, 2021 the Company has 95 employees.

CAUTIONARY STATEMENT

Statements made in Management Discussion and Analysis Report describing the Company's objectives, estimates, expectations or predictions are "Forward looking Statement" within the meaning of applicable laws and regulations. They are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include global and Indian demand- supply condition, raw material availability, trained manpower, changes in Government regulations, tax regimes, economic development within India and the countries within which the Company conducts business and other incidental factors.

BOARD'S REPORT

To the Members,

The Board of Directors present the 26TH Integrated Annual Report of Aanchal Ispat Limited (the Company) along with the audited financial statements for the financial year ended March 31, 2021.

1. FINANCIAL RESULTS

The Company's financial performance for the year ended 31stMarch, 2021 is summarised below:

PARTICULARS	2020-2021	2019-2020
Sales and other operating Income	**1,24,30,92,099**	**1,72,23,24,148**
Earnings before Interest, Tax, Depreciation & amortization (EBITDA)	**98,46,037**	**(2,43,09,795)**
Finance costs	6,73,68,852	5,15,22,580
Depreciation and amortization expenses	61,72,106	73,87,063
Profit/ (loss) before tax	**(6,36,94,921)**	**(8,32,19,438)**
a) Current Tax	-	-
b) Current Tax Expense relating to Prior Year's	-	-
c) Deferred Tax	(98,32,642)	(3,35,297)
Profit/(loss) for the period	**(5,38,62,279)**	**(8,28,84,141)**

2. RESULTS OF OPERATIONS AND STATE OF THE COMPANY'S AFFAIRS:

The Company's revenue in FY2020-21 was Rs. 1,24,30,92,099, EBIDTA stood at Rs.98,46,037 compared to Rs.(2,43,09,795)in the previous year. The Company reported post-tax loss of Rs.(5,38,62,279) in FY2020-2021 compared to a post-tax profit of Rs. (8,28,84,141) in the previous year.

3. TRANSFER TO RESERVES

The Company has not transferred any amount to the Reserves for the year ended 31st March, 2021.

4. DIVIDEND

The Board of Directors do not recommend the payment of any dividend on equity shares for the year ended 31st March, 2021.

5. CHANGE IN THE NATURE OF BUSINESS

The company is engaged in manufacturing of wide range of TMT Bars, MS Rounds & Structurals, besides Trading of Steel Products etc. There has been no change in the nature of business of the Company.

6. SHARE CAPITAL

The paid up Equity Share Capital as at March 31, 2021 stood at Rs. 20.85 cores. During the year under review, the Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants. As on March 31, 2021, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

7. ANNUAL RETURN

In terms of provisions of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management & Administration) Rules, 2014, a copy of the Annual return as prescribed under Section 92 of the Companies Act, 2013 forms a part of this report and is annexed as **Annexure –"A"** and the same can also be assessed at the website of the Company at ***www.aanchalispat.com***.

8. DEPOSITS

The Company has not accepted any public deposit during the year under review and no amount against the same was outstanding at the end of the year.

9. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The company is not having holding or subsidiary company during the year and no other company has become holding / subsidiary/ joint venture.

10. SECRETARIAL STANDARDS OF ICSI

The Ministry of Corporate Affairs has mandated SS-1 and SS-2 with respect to board/committee meetings and general meetings respectively. The Company has ensured compliance with the same.

11. REGULATORY STATEMENT

In conformity with provision of regulation 34(2)(c) of SEBI (LODR), Regulations 2015, the Cash Flow Statement for the year ended 31.03.2021 is annexed hereto. The equity shares of the Company are listed on the BSE Ltd.

12. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under Section 134 (3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, particulars relating to conservation of Energy, R & D, Technology absorption and foreign Exchange earnings / outgo are separately provided in the annexure to this report as **Annexure – "B"**.

13. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

As per the terms of Regulation 34(2) read with Schedule V of SEBI Listing Regulations, Management's Discussion and Analysis Report for the year under review, is presented in a separate section forming part of the Annual Report.

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

There were changes in the composition of the Board of Directors. None of the Directors are disqualified from being appointed as Directors, as specified in Section 164 of the Companies Act, 2013.

None of the Directors of the Company is disqualified for being appointed as Director, as specified under section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Following director/officials of the Company have been designated as Key Managerial Personnels (KMP's) of the Company by the Board of Directors in terms of provisions of Section 203 of the Companies Act, 2013 and the Regulations:

1. Mr. Mukesh Goel, Managing Director;
2. Ms. Puja Kaul appointed as the Company Secretary & Compliance Officer of the Company in the Board Meeting held on 13TH May, 2021 with immediate effect.;
3. Mr. Mukesh Kumar Agarwal appointed as the Chief Financial Officer of the Company w.e.f 01ST July, 2021.

15. RETIREMENT BY ROTATION AND SUBSEQUENT REAPPOINTMENT

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, Mr. Vijay Srivastava, Executive Director, is liable to retire by rotation at the ensuing AGM and being eligible have offered himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment along with other required details forms part of the Notice.

The Managing Director & CEO and Independent Directors of the Company are not liable to retire by rotation.

16. DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company.

17. NUMBER OF MEETINGS OF THE BOARD

7 (seven) meetings of the Board of Directors were held during the financial year 2020-2021. The details of the meetings of the Board of Directors of the Company convened and attended by the Directors during the financial year 2020-21 are given in the Corporate Governance Report which forms part of this Annual Report.

18. NOMINATION AND REMUNERATION POLICY

The salient features of the Nomination and Remuneration Policy of the Company are set out in the Corporate Governance Report which forms part of this Annual Report. The said Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment & re-appointment of Directors on the Board of the Company and persons holding Senior Management positions in the Company, including their remuneration and other matters as provided under Section 178 of the Act and Listing Regulations.

19. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The Board's performance for the year under review was assessed on the basis of participation of directors, quality of information provided/available, quality of discussion and contribution etc. A structured questionnaire was prepared after taking into consideration inputs received from the directors, covering the aforesaid aspects of the Board's functioning. The overall performance of the Board and Committees of the Board was found satisfactory. The overall performance of Chairman, Executive Directors and the Non-Executive Directors of the Company was found satisfactory. The review of performance was based on the criteria of performance, knowledge, analysis, quality of decision making etc. The manner and detail in which evaluation was carried out is stated in the Corporate Governance Report which is annexed and forms a part of this report.

20. COMMITTEES

As on 31st March, 2021, the Board has three committees: Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee

During the year, all recommendations made by the committees were approved by the Board. A detailed note on the composition of the Board and its committees is provided in the corporate governance report.

➢ AUDIT COMMITTEE

The Audit Committee comprises of 4 non-executive directors, out of which are three are independent. During the year, the Audit Committee met 4 (Four) times to deliberate on various matters on 05.11.2020, 23.11.2020, 14.12.2020 and 13.02.2021.

The Composition of the Audit Committee and the attendance of each member at these meetings are as follows:-

Name	Position Held	Number of Meeting during the Financial Year 2020-21	
		Entitled	Attended
Ms. Nilu Nigania	Chairperson	4	4
Mr. Mukesh Agarwal	Member	4	4
Mr. Manoj Goel	Member	4	4
Mr. Babita Kaur Bagga	Member	4	4

The Quarterly Un-audited Financial Results as well as the Annual Financial Statements are reviewed and examined by the members of the Audit Committee before recommendation of the same to the Board of Directors of the Company for their perusal and approval. The Audit Committee ensures an effective internal control system.

➢ NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of 4 non-executive directors, out of which are three are independent. During the year, the Nomination and Remuneration Committee met 2 (Two) times to deliberate on various matters on 05.11.2020 and 23.11.2020.

The Composition of the Nomination and Remuneration Committee and the attendance of each member at these meetings are as follows:-

Name	Position Held	Number of Meeting during the Financial Year 2020-21	
		Entitled	Attended
Mr. Mukesh Agarwal	Chairman	2	2
Ms. Nilu Nigania	Member	2	2
Mr. Manoj Goel	Member	2	2
Mr. Babita Kaur Bagga	Member	2	2

- **STAKEHOLDER'S RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee comprises of 4 non-executive directors, out of which are three are independent. During the year, the Nomination and Remuneration Committee met 3 (Three) times to deliberate on various matters on 05.11.2020, 14.12.2020 and 13.02.2021.

The Composition of the Nomination and Remuneration Committee and the attendance of each member at these meetings are as follows:-

Name	Position Held	Number of Meeting during the Financial Year 2020-21	
		Entitled	Attended
Mr. Mukesh Agarwal	Chairman	3	3
Ms. Nilu Nigania	Member	3	3
Mr. Manoj Goel	Member	3	3
Mr. Babita Kaur Bagga	Member	3	3

21. SEPARATE MEETING OF INDEPENDENT DIRECTORS

Detail of the separate meeting of the Independent Directors held and attendance of Independent Directors therein are provided in the Report on Corporate Governance forming part of this Report.

22. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

All independent directors inducted into the Board are familiarized with the operations and functioning of the Company. The details of the training and familiarization program are provided in the Corporate Governance report.

23. DIRECTORS RESPONSIBILITY STATEMENT

In compliance with the provisions of Section 134(5) of the Companies Act, 2013 the Board of Directors to the best of their knowledge and hereby confirm the following:

(a) in the preparation of the annual accounts for the financial year ended 31st March 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2021and profit and loss account of the Company for that period

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) The directors of the company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

24. AUDITORS & AUDITORS' REPORT

Statutory Auditors

M/s Rajesh Jalan & Associates, Chartered Accountants, Kolkata (FRN 326370E) were appointed as Statutory Auditors of the Company for the term of five years at the 25TH Annual General Meeting held on 15TH December, 2020 as per the provisions of Companies Act, 2013.

The Auditors have issued a modified opinion on the Financial Statements for the financial year ended 31st March, 2021. The Auditors' Report for the financial year ended 31st March, 2021 on the financial statements of the Company is a part of this Annual Report.

Cost Auditor

Mr. Rana Ghosh & Co. (firm registration number 102189), was appointed by the Board of Directors at its meeting held on 23RD November, 2020 to audit the cost accounting records, as may be applicable to the Company for FY 2020-21 , and their remuneration was approved during the previous Annual General Meeting. Mr. Rana Ghosh was reappointed as cost auditors for FY 2021-22 by the Board of Directors in its meeting held on 30TH June, 2021 and the remuneration payable to the cost auditors is required to be placed before the members in the ensuing Annual General Meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to them is included in the notice convening the Annual General Meeting. The Board recommends the same for approval by members at the ensuing Annual General Meeting.

Internal Auditor

The Company appointed M/s. Sailesh Agarwal& Associates LLP (FRN: E300263) for the FY 2020-21 an Independent firm of Chartered Accountants to act as an Internal Auditor as per suggestion of auditors and recommendation of the Audit Committee in the Board Meeting held on 23RD November, 2020 in order to strengthen the internal control system for the Company.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s Manisha Saraf & Associates, Practicing Company Secretaries, as its secretarial auditor to undertake the Secretarial Audit for FY 2020-21. The Company has received consent from M/s. Manisha Saraf & Associates to act as the auditor for conducting audit of the secretarial records for the financial year ending 31st March, 2021.The secretarial audit report certified by the secretarial auditors, in the specified form MR-3 is annexed herewith and forms part of this report (**Annexure** "**C**"). The secretarial audit report does not contain any qualifications, reservations or adverse remarks.

25. CODE OF CONDUCT

The Code of Conduct of Directors, KMP's and Senior executive of the Company is already in force and the same has been placed on the Company's website *www.aanchalispat.com* and the declaration for the affirmation with the same forms a part of this report.

26. CORPORATE GOVERNANCE

Your Company has practised sound Corporate Governance and taken necessary actions at appropriate times for enhancing and meeting stakeholders' expectations while continuing to comply with mandatory provisions of Corporate Governance. Your Company has complied with the requirements of all applicable regulations read with Schedule-V of SEBI Listing regulations as issued by SEBI and amended from time to time.

A report on Corporate Governance along with certificate from M/s Rajesh Jalan & Associates, Chartered Accountants, regarding compliance of conditions is presented in a separate section forming part of the Annual Report.

27. POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, independence and other matters is as provided under subsection(3) of Section 178 of the Companies Act, 2013 is available on the company's website at www.aanchalispat.com.

28. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The particulars of employees as required under Section 197 (12) of the Act read with Rule 5 (1)of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (as amended) are given in separate annexure attached hereto as **Annexure-"D"** and forms a part of this report.

Further stating there were no such employees drawing remuneration in excess of the limits set out in Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) & 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

29. DETAILS OF RELATED PARTIES TRANSACTIONS PURUSANT TO SECTION 188(1) OF THE COMPANIES ACT, 2013

During the financial year, all transactions entered into with the Related Parties as defined under Companies Act, 2013, were in the ordinary course of business on arm's length basis and as such did not attract provisions of Section 188 (1) of Companies Act, 2013. Company has formulated policy on related party transactions. Particulars of related party transactions pursuant to Section 134(3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is attached at **Annexure – "E"**. Approvals from the Audit Committee are obtained even for transactions which are in ordinary course of business and repetitive in nature. Further, on quarterly basis, disclosures are made to the Audit Committee and to the Board in its meetings. Details of related party transactions are given in the notes to financial statements.

30. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of loans, guarantees and investments under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on 31st March, 2021, are set out in Note 9 to the Financial Statements of the Company.

31. RISK MANAGEMENT POLICY

The risk management strategy of your Company is based on a clear understanding of various risks, and adherence to well-laid out risk policies and procedures that are benchmarked with industry best practices. The Company has developed robust systems and embraced adequate practices for identifying, measuring and mitigating various risks – business, strategic, operational, market, credit, liquidity, reputational and process risks – and ensuring that they are maintained within pre-defined risk appetite levels.

32. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 as they are not applicable.

33. WHISTLE BLOWER POLICY

The Company has established an effective Whistle blower policy (Vigil mechanism) and procedures for its Directors and employees where by employees, directors and other stakeholders can report matters such as generic grievances, corruption, misconduct, fraud, misappropriation of assets and non-compliance of code of conduct to the Company. The policy safeguards the whistleblowers to report concerns or grievances and also provides a direct access to the Chairman of the Audit Committee. During the year under review none of the personnel has been denied access to the Chairman of Audit Committee. This policy is available on Company's website *www.aanchalispat.com.*

34. INTERNAL FINANCIAL CONTROLS

The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's Policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and the timely preparation of financial disclosures.

The Company has an Internal Control System commensurate with the size, scale and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditor. Significant audit observations and corrective action are reported to the Audit Committee.

The concerned executives monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee.

35. INSURANCE

The Company has taken appropriate insurance for all assets against foreseeable perils.

36. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

There were no complaints pending for the redresses at the beginning of the year and no complaints received during the financial year.

37. COURT/TRIBUNAL ORDERS

There were no instances of any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

38. MATERIAL CHANGES AFFECTING THE COMPANY

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

There has been no change in the nature of business of the Company.

39. APPRECIATION

The Board of Directors thank the shareholders for their continued support and they would like to place on record their appreciation for the dedicated services rendered by the Employees at all levels.

We thank our customers, vendors, dealers, investors, business associates and bankers for their continued support during the year.

We place on record our appreciation of the contribution made by the employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support.

For and on Behalf of the Board of Directors
Aanchal Ispat Limited

Sd/-
Mukesh Goel
Chairman & Managing Director
DIN:00555061

Sd/-
Vijay Srivastava
Director
DIN:03618949

Place: Howrah
Date: 14.08.2021

ANNEXURE –A TO THE BOARD'S REPORT

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2021
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &Administration) Rules, 2014.

1. REGISTRATION & OTHER DETAILS:

i	**CIN**	L27106WB1996PLC076866
ii	**Registration Date**	30/01/1996
iii	**Name of the Company**	AANCHAL ISPAT LIMITED
iv	**Category/Sub-category of the Company**	COMPANY LIMITED BY SHARES
v	**Address of the Registered office & contact details**	Mouza – Chamrail, National Highway-6, Liluah, Howrah-711114, West Bengal Email ID- cs@aanchalispat.com Website- www.aanchalispat.com Tel-033-22510128/23230052
vi	**Whether listed company**	Yes
vii	**Name, Address & contact details of the Registrar & Transfer Agent, if any.**	Purva Sharegistry (India) Pvt. Ltd. Unit No. 9 Shiv Shakti Ind. Estt. J.R Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel(E) Mumbai-400011 Tel- 022-23016761/23018261 Email- busicomp@vsnl.com Website- www.purvashare.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service
1	IRON & STEEL PRODUCTS	24105

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SL No	NAME & ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
NIL					

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

i. Category - wise Shareholding Category - wise Share holding

Category of Shareholders	No. of Shares held at the beginning of the year as on 01-04-2020				No. of Shares held at the end of the year as on 31-03-2021				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian		-				-			0%
a) Individual/HUF	3,801,750.00	-	3,801,750.00	18.23%	3,801,750.00	-	3,801,750.00	18.23%	0%
b) Central Govt. or State Govt.	-	-	-	0%	-	-	-	0%	0%
c) Bodies Corporates	9,783,856.00	-	9,783,856.00	46.92%	9,782,420.00	-	9,782,420.00	46.91%	0.01%
d) Bank/FI	-	-	-	0%	-	-	-	0%	0%
e) Any other	-	-	-	0%	-	-	-	0%	0%
				0%				0%	0%
SUB TOTAL:(A) (1)	**13,585,606.00**	**-**	**13,585,606.00**	**65.15%**	**13,584,170.00**	**-**	**13,584,170.00**	**65.14%**	**0.01%**
(2) Foreign									
a) NRI-Individuals	-	-	-	0%	-	-	-	0%	0%
b) Other Individuals	-	-	-	0%	-	-	-	0%	0%
c) Bodies Corp.	-	-	-	0%	-	-	-	0%	0%
d) Banks/FI	-	-	-	0%	-	-	-	0%	0%
e) Any other…	-	-	-	0%	-	-	-	0%	0%
SUB TOTAL (A) (2)	-	-	-	0%	-	-	-	0%	0%
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**13,585,606.00**	**-**	**13,585,606.00**	**65.15%**	**13,584,170.00**	**-**	**13,584,170.00**	**65.14%**	**-0.01%**
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	0%	-	-	-	0%	0%
b) Banks/FI	100.00	-	100.00	0%	-	-	-	0%	0%
C) Centralgovt	-	-	-	0%	-	-	-	0%	0%
d) State Govt.	-	-	-	0%	-	-	-	0%	0%

e) Venture Capital Fund	-	-	-	0%	-	-	-	0%	0%
f) Insurance Companies	-	-	-	0%	-	-	-	0%	0%
g) FIIS	-	-	-	0%	-	-	-	0%	0%
h) Foreign Venture Capital Funds	-	-	-	0%	-	-	-	0%	0%
i) Others (specify)	-	-	-	0%	-	-	-	0%	0%
SUB TOTAL (B)(1):	100.00	-	100.00	0%	-	-	-	0%	0%
(2) Non Institutions									
a) Bodies corporates									
i) Indian	1,797,782.00	-	1,797,782.00	8.62%	1,464,285.00	-	1,464,285.00	7.02%	1.60%
ii) Overseas	-	-	-	0%	-	-	-	0%	0%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1,717,373.00	2.00	1,717,375.00	8.24%	2,218,084.00	2.00	2,218,086.00	10.64%	2.40%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	3,241,483.00	-	3,241,483.00	15.54%	3,004,700.00	-	3,004,700.00	14.41%	-1.14%
c) Others (specify)	-	-	-	0%	-	-	-	0%	-
Non-resident individuals	9,228.00	-	9,228.00	0.04%	51,278.00	-	51,278.00	0.25%	0.20%
overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members Trusts	40,021.00	-	40,021.00	0.19%	74,180.00	-	74,180.00	0.36%	0.16%
HUF	462,155.00	-	462,155.00	1.64%	457,051.00	-	457,051.00	2.19%	0.55%
SUB TOTAL (B)(2):	7,268,042.00	2.00	7,268,044.00	34.85%	7,269,578.00	2.00	7,269,580.00	34.86%	0.58%
Total Public Shareholding (B)= (B)(1)+(B)(2)	**7,268,142.00**	**2.00**	**7,268,144.00**	**34.85%**	**7,269,578.00**	**2.00**	**7,269,580.00**	**34.86%**	**-0.01%**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	**20,853,748.00**	**-**	**20,853,750.00**	**100%**	**20,853,748.00**	**2.00**	**20,853,750.00**	**100%**	**0.00%**

ii SHAREHOLDING PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year as on 01-04-2020			Shareholding at the end of the year as on 31-03-2021			% 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	MAINA SECURITIES PVT. LTD.	4,715,000	22.61%	-	4,715,000	22.61%	-	0.00%
2	PRATIK SUPPLIERS PRIVATE LIMITED	4,128,000	19.80%	-	4,128,000	19.80%	-	0%
3	MUKESH GOEL	1,994,850	9.57%	-	1,994,850	9.57%	-	0%
4	MANOJ GOEL	1,716,900	8.23%	-	1,716,900	8.23%	-	0%
5	AANCHAL CEMENT LIMITED	940,856	4.51%	-	939,420	4.50%	-	-0.01%
6	MONIKA GOEL	42,000	0.20%	-	42,000	0.20%	-	0%
7	RASHMI GOEL	33,000	0.16%	-	33,000	0.16%	-	0%
8	SITARAM GOYAL	15,000	0.07%	-	15,000	0.07%	-	0%
	Total	**13,585,606**	**65.15%**	**-**	**13,584,170**	**65.14%**	**-**	**0.01%**

iii. CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Shareholding at the beginning of the Year as on 01-04-2020		Cumulative Shareholding during the Year as on 31-03-2021	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	13,585,606.00	65.15%	13,585,606.00	65.15%
	Change in Share-holding during the year	(1,436.00)	-0.01%	13,584,170.00	65.14%
	At the end of the year	13,584,170.00	65.14%	13,584,170.00	65.14%

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

Sl. No		Shareholding at the end of the year (01/04/2020)/ end of the year (31/03/2021)		Cumulative Shareholding during the year(01/04/2020 to 31/03/2021)	
	For Each of the Top 10 Shareholders	No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1	**SOLEX FINANCE PRIVATE LIMITED**				
	At the beginning of the year	306,000.00	1.47%	306,000.00	1.47%
	bought during the year	-	0.00%	306,000.00	0.00%
	Sold during the year	-	-	306,000.00	0.00%
	At the end of the year	306,000.00	1.47%	306,000.00	0.00%
2	**ANOOP KUMAR CHIRIPAL**				
	At the beginning of the year	200,000.00	0.96%	200,000.00	0.96%
	bought during the year	-	0.00%	200,000.00	0.96%
	Sold during the year	-	0.00%	200,000.00	0.96%
	At the end of the year	200,000.00	0.96%	200,000.00	0.96%
3	**NITU TRADING COMPANY LIMITED**				
	At the beginning of the year	179,622.00	0.00%	179,622.00	0.00%
	bought during the year	-	0.00%	179,622.00	0.00%
	Sold during the year	-	0.00%	179,622.00	0.00%
	At the end of the year	179,622.00	0.86%	179,622.00	0.00%
4	**SHRADHA TOWERS PRIVATE LIMITED**				
	At the beginning of the year		0.00%	-	0.00%
	bought during the year	139,925.00	0.67%	139,925.00	0.67%
	Sold during the year	-	0.00%	139,925.00	0.67%
	At the end of the year	139,925.00	0.67%	139,925.00	0.67%
5	**NEETA SETHIA**				
	At the beginning of the year	131,199.00	0.00%	131,199.00	0.63%
	bought during the year	-	0.00%	131,199.00	0.63%
	Sold during the year	-	0.00%	131,199.00	0.63%
	At the end of the year	131,199.00	0.63%	131,199.00	0.63%

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

6	**KEYNOTE COMMERCIAL PRIVATE LIMITED**				
	At the beginning of the year	130,800.00	0.63%	130,800.00	0.00%
	bought during the year	-	0.00%	130,800.00	0.63%
	Sold during the year	-	0.00%	130,800.00	0.63%
	At the end of the year	130,800.00	0.63%	130,800.00	0.63%
7	**YOUTHVISION COMMODITIES PRIVATE LIMITED**				
	At the beginning of the year	113,820.00	0.55%	113,820.00	0.00%
	bought during the year	-	0.00%	113,820.00	0.55%
	Sold during the year	-	0.00%	113,820.00	0.55%
	At the end of the year	113,820.00	0.55%	113,820.00	0.55%
8	**IL AND FS SECURITIES SERVICES LIMITED**				
	At the beginning of the year	107,000.00	0.51%	107,000.00	0.00%
	bought during the year	-	0.00%	107,000.00	0.51%
	Sold during the year	-	0.00%	107,000.00	0.51%
	At the end of the year	107,000.00	0.51%	107,000.00	0.51%
9	**RAMANAND RUSTAGI(HUF)**				
	At the beginning of the year	103,500.00	0.50%	103,500.00	0.00
	bought during the year	-	0.00%	103,500.00	0.50%
	Sold during the year	-	0.00%	103,500.00	0.50%
	At the end of the year	103,500.00	0.50%	103,500.00	0.50%
10	**PARMANAND AGARWAL**				
	At the beginning of the year	101,011.00	0.48%	101,011.00	0.00%
	bought during the year	-	0.00%	101,011.00	0.48%
	Sold during the year	-	0.00%	101,011.00	0.48%
	At the end of the year	101,011.00	0.48%	101,011.00	0.48%

v **Shareholding of Directors & KMP**

Sl. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
	For Each of the Directors & KMP	No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	**Mukesh Goel (Managing Director)**				
	At the beginning of the year	1,994,850	9.57%	1,994,850	9.57%
	Changes during the year	-	0%	1,994,850	9.57%
	At the end of the year	1,994,850	9.57%	1,994,850	9.57%
2	**Manoj Goel (Non-Executive Director)**				
	At the beginning of the year	1,716,900	8.23%	1,716,900	8.23%
	Changes during the year	-	0.00%	1,716,900	8.23%
	At the end of the year	1,716,900	8.23%	1,716,900	8.23%
3	**Vijay Srivastava**				
	At the beginning of the year	-	0%	-	0%
	Changes during the year	-	0%	-	0%
	At the end of the year	-	0%	-	0%
4	**Mukesh Agarwal**				
	At the beginning of the year	-	0%	-	0%
	Changes during the year	-	0%	-	0%
	At the end of the year	-	0%	-	0%
5	**Babita Kaur Bagga**				
	At the beginning of the year	-	0%	-	0%
	Changes during the year	-	0%	-	0%
	At the end of the year	-	0%	-	0%
6	**Nilu Nigania**				
	At the beginning of the year	-	0%	-	0%
	Changes during the year	-	0%	-	0%
	At the end of the year	-	0%	-	0%
7	**Mukesh Kumar Agarwal (Chief Financial Officer)***				
	At the beginning of the year	-	0%	-	0%
	Changes during the year	-	0%	-	0%
	At the end of the year	-	0%	-	0%
8	**Puja Kaul (Company Secretary)***				
	At the beginning of the year	-	0%	-	0%
	Changes during the year	-	0%	-	0%
	At the end of the year	-	0%	-	0%

**Ms. Minu Agarwal resigned from the post of company secretary w.e.f 29-10-2020. Ms. Puja Kaul appointed as Company Secretary of the Company w.e.f 13-05-2021.*

**Mr. Mukesh Kumar Agarwal appointed as the Chief Financial Officer of the Company w.e.f 01-07-2021.*

**Ms. Babita Kaur Bagga resigned from the office of Independent Director w.e.f 24-08-2021*

V **INDEBTEDNESS**

(in Lakhs)

Indebtedness of the Company including interest outstanding/accrued but not due for payment			
	Secured Loans excluding deposits	**Unsecured Loans**	**Deposits**
Indebtness at the beginning of the financial year			
i) Principal Amount	6,108.99	69.33	-
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
Total (i+ii+iii)	6,108.99	69.33	-
Change in Indebtedness during the financial year			
Additions	11,896.00		-
Reduction	10,923.59	69.33	-
Net Change	972.41		-
Indebtedness at the end of the financial year			
i) Principal Amount	7081.40	-	-
ii) Interest due but not paid	-	-	
iii) Interest accrued but not due	-	-	-
Total (i+ii+iii)	7081.40	-	-

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager/Executive Director:

(in Lakhs)

Sl.No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Mukesh Goel (Managing Director)	**Mr. Vijay Srivastava (Executive Director)**	
1	**Gross salary**	7.50	6.30	13.80
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others, please specify	-	-	-
	Total (A)	7.50	6.30	13.80
	Ceiling as per the Act	Schedule V of Companies Act, 2013		

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors			Total Amount
		Ms. Nilu Nigania	Ms. Babita Kaur Bagga	Mr. Mukesh Agarwal	
1	**Independent Directors**				
	(a) Fee for attending board committee meetings	0.60	0.42	0.22	1.24
	(b) Commission	-	-	-	0
	(c) Others, please specify	-	-	-	0
	Total (1)	**0.60**	**0.42**	**0.22**	**1.24**
2	Other Non-Executive Directors	**Mr. Manoj Goel**			
	(a) Fee for attending board committee meetings	0.27		-	
	(b) Commission	-			
	(c) Others, please specify.	5.40			
	Total (2)	**5.67**			**5.67**
	Total (B)=(1+2)				**6.91**
	Overall Ceiling as per the Act.	Schedule V of Companies Act, 2013			

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
1	**Gross Salary**	**CFO**	**Ms. Minu Agarwal (Company Secretary)***	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	1.11	
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	-	1.11	

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

For and on Behalf of the Board of Directors
Aanchal Ispat Limited

Sd/-
Mukesh Goel
Chairman & Managing Director
DIN:00555061

Sd/-
Vijay Srivastava
Director
DIN:03618949

Place: Howrah
Date: 14.08.2021

ANNEXURE -B TO THE BOARD'S REPORT

Particulars pursuant to the provisions of Section 134 (m) of the Companies Act, 2013 and Rule 8 (3) of the Companies Accounts Rules, 2014

- **CONSERVATION OF ENERGY:**

  Your company gives priority to Energy conservation. It regularly reviews measures to be taken for Energy Conservation/ Consumption and its effective utilization.

1. The steps taken or impact on conservation of energy:

- Installation of Automatic Power Factor Correction Equipment;
- Using Energy Star Equipment;
- Became a paperless business;
- Unplug computers over the weekend;
- Good insulation;
- Proper use of compressors;
- Use of recuperator in rolling mill;
- Adoption of LED light for the entire plant lightening;
- Adoption of Solar Energy is in pipeline for Domestic Consumption and common pathway lightening;
- Rainwater Water Harvesting is being adopted for its water requirement for Manufacturing during the monsoon which will result in saving electrical energy for extracting ground water.

2. The steps taken by the Company for utilising alternate sources of energy:

- Use of translucent sheets;
- Embrace natural lighting.

3. The capital investment on energy conservation equipment: 2.25 Lakhs

- **TECHNOLOGY ABSORPTION:**

1. Efforts made towards technology absorption:

- Method improvements in manufacturing process;
- Increasing level of Automation in the production side;
- Improvement in safety measures for workers at the plant;
- Upgrading Pollution control equipment for air/water;
- The re-heating Furnace of Structural Unit and TMT Unit's Internal Lining was re-casted with latest engineering technology to get maximum yield of Heat with lesser consumption of Fuel.

2. Benefits derived as a result of such efforts:

- Improvement in productivity;
- Cost Reduction;
- Improvement in profit;
- Energy conservation;
- Better quality products.

3. No fresh technology has been imported during the year.

4. The expenditure incurred on research or development: NIL

- **FOREIGN EXCHANGE EARNINGS AND OUTGO:**

  The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflow is as follows:

Particulars	FY 2020-2021(Rs. in Lakhs)
Foreign Exchange earned in terms of actual inflows	NIL
Foreign Exchange outgo in terms of actual outflows	NIL

ANNEXURE -C TO THE BOARD'S REPORT

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
AANCHAL ISPAT LIMITED
Mouza- Chamarail National Highway 6
Liluah, Howrah-711114
West Bengal

Ihave conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Aanchal Ispat Limited** (hereinafter called '**the company**'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, registers, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

I have examined the books, papers, minute books, registers, forms and returns filed and other records maintained by Aanchal Ispat Limited ("the Company") as given in**Annexure I**, for the financial year ended on 31stMarch, 2021according to the provisions of:-

(i) The Companies Act, 2013 ("the Act") and the rules made thereunder including statutory amendments made thereto and modifications thereof forthe time being in force;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and ExternalCommercial Borrowings; **(Not Applicable to the company during the audit period);**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the company during the audit period)**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not Applicable to the company during the audit period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the company during the audit period)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;**(Not Applicable to the company during the audit period)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the company during the audit period)**and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.**(Not Applicable to the company during the audit period)**

(vi) I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The sector specific and other list of head/groups of general Acts, Laws and Regulations as applicable to the Company is given in Annexure II.

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

(a) Secretarial Standards issued by The Institute of Company Secretaries of India.

(b) The Listing Agreements entered into by the Company with Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent mentioned below:-

Sr. No.	Compliance Requirement	Deviations	Observations/Remarks
1	Regulation 31(1)(b) of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015	Delay in submission of Shareholding Pattern for the quarter ended 30th September, 2020.	The listed entity was required to submit its Shareholding Pattern for the quarter ended 30th September, 2020 by 21st October, 2020. But the same was submitted on 1st January, 2021.
2	Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015	Delay in Submission of Unaudited Standalone Financial Results for the quarter ended 30th June, 2020.	The listed entity was required to submit its Unaudited Standalone Financial Results for the Quarter ended June, 2020 with the Exchange by 14th August, 2020. The SEBI vide circular No SEBI/HO/CFD/CM D1/CIR/P/2020/140 dated July 29, 2020 extended the timeline for submission of financial results under Regulation 33 of the LODR Regulations, for the quarter/half year/financial year ended 30th June 2020, to September 15, 2020. The same was submitted on 5th November, 2020.
3	Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015	Delay in Submission of Unaudited Standalone Financial Results for the quarter and half year ended 30th September, 2020.	The listed entity was required to submit its Unaudited Standalone Financial Results for the Quarter and Half year ended September, 2020 with the Exchange by 14th November, 2020 but the same was submitted on 16th December, 2020.
4	Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015	Delay in Submission of Unaudited Standalone Financial Results for the quarter and nine months ended 31st December, 2020.	The listed entity was required to submit its Unaudited Standalone Financial Results for the Quarter and Nine months ended December, 2020 with the Exchange by 14th February, 2021 but the same was submitted on 17th February, 2021.
5	Regulation 14 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015	Non-payment of Annual Listing Fees for Financial Year 2020-21	The Company has not paid the Listing Fees for the FY 2020-21.
6	Regulation 47 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015	Delay in publication of advertisement of un-audited financial results of the Company for the quarter ended 31st December, 2020 in newspaper "**Financial Express**" and "**Ek Din**"	The un-audited financial results of the Company for the quarter ended 31st December, 2020 was approved in the Board Meeting held on 13th February, 2021. The Company was supposed to publish the same in least one English language national daily newspaper circulating in the whole or substantially the whole of India and in one daily newspaper published in the language of the region, where the registered office of the listed entity is situated within 48 hours of the conclusion of the meeting. But the same was published on 20th February, 2021

7	Large Corporate Framework for fund raising by issuance of Debt Securities as per the SEBI Circular no. SEBI/HO/ DDHS/CIR/P/2018/144 dated November 26, 2018	Delay in intimating the Stock Exchanges regarding initial disclosure with respect to non-applicability of Large Corporate Framework for fund raising by issuance of Debt Securities as per the SEBI Circular no. SEBI/HO/ DDHS/CIR/P/ 2018/144 dated November 26, 2018	The Company was supposed to make the non-applicability disclosure within 30 days from the beginning of the FY i.e. 30.04.2020. But the same was reported on 21.07.2020.
8	Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Delay in submission of Related Party Transactions of the Company on consolidated basis, in accordance with the applicable accounting standards for the half year ended 30th September, 2020.	The Company was supposed to make the disclosure within 30 days from the date of publication of its standalone financial results for the half year ended i.e. 12.01.2021. But the same was reported on 20.01.2021.
9	Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Delay in Intimation to the Stock Exchanges of the outcome of the Board Meeting held on 14th December, 2020	The Company was required to submit the outcome of the meeting with 30 minutes of the conclusion of the meeting i.e. by 8.30 P.M. on 14.12.2020. The same was submitted on 15th December, 2020.
10	Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Delay in Intimation to the Stock Exchanges of the outcome of the Board Meeting held on 13th February, 2021.	The Company was required to submit the outcome of the meeting with 30 minutes of the conclusion of the meeting i.e. by 7.30 P.M. on 13.02.20201. The same was submitted on 17th February, 2020 at 09.13 P.M.
11	Regulation 47(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Delay in Intimation to the Stock Exchanges of the Newspaper Publishment of the Board Meeting held on 5th November, 2020.	The Company was supposed to intimate the Stock Exchange of the Newspaper Advertisement simultaneously with the submission of the notice to the stock exchange. The same was not intimated.
12	Regulation 30(1) and 30(2) of Securities & Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011	Delay in Intimation to the Stock Exchanges of disclosure in the specified format as at 31st March, 2020.	The Company was supposed to intimate Stock Exchange within 7 working days from the end of each financial year. But the same was intimated on 29.05.2020.
13	Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Delay in Submission to the Stock Exchanges a copy of the annual report sent to the shareholders along with the notice of the annual general meeting FY 2019-20 of the 25th Annual General Meeting.	The Company was supposed to intimate the same at least 21 days before the date of Annual General Meeting. The AGM was held on 15.12.2020 and the Company intimated the same on 28.11.2020.
14	Closure of Trading Window in compliance with SEBI	Non-compliance with the provision pertaining to Closure of Trading Window	The listed entity was required to close its Trading window with effect from 1st day of April, 2020 till

	(Prohibition of Insider Trading) Regulations, 2015	in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 for the quarter/year ended 31st March, 2020.	48 hours after the announcement of the financial results of the Company for the quarter/year ended 31st March, 2020. But the same was closed from 30th June, 2020.
15	Closure of Trading Window in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015	Non-compliance with the provision pertaining to Closure of Trading Window in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 for the quarter ended 30th June, 2020.	The listed entity was required to close its Trading window with effect from 1st day of July, 2020 till 48 hours after the announcement of the financial results of the Company for the quarter ended 30th June, 2020. But the same was neither closed nor reported to Stock Exchange.
16	Closure of Trading Window in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015	Non-compliance with the provision pertaining to Closure of Trading Window in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 for the quarter and half year ended 30th September, 2020.	The listed entity was required to close its Trading window with effect from 1st day of October, 2020 till 48 hours after the announcement of the financial results of the Company for the quarter and half year ended 30th September, 2020. But the same was closed from 22nd October, 2020. The same was intimated on 29th October, 2020.
17	Closure of Trading Window in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015	Non-compliance with the provision pertaining to Closure of Trading Window in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 for the quarter ended 31st December, 2020.	The listed entity was required to close its Trading window with effect from 1st day of January, 2021 till 48 hours after the announcement of the financial results of the Company for the quarter ended 31st December, 2020. But the same was closed from 18th January, 2021. The same was intimated to exchange on 19th January, 2021.
18	Closure of Trading Window in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015	Non-compliance with the provision pertaining to Closure of Trading Window in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 for the quarter ended 31st March, 2021.	The listed entity was required to close its Trading window with effect from 1st day of April, 2021 till 48 hours after the announcement of the financial results of the Company for the quarter and year ended 31st March, 2021. But the same was closed from 5th April, 2021.

Note:

1. *The Company was under Corporate Insolvency Resolution Process vide Application No. I.A.(IB)No. 1052 of 2020 IN C.P (IB) No. 1129/KB/2019. The matter between the Operational Creditor and the suspended Board of Directors of the Corporate Debtor i.e. Aanchal Ispat Limited was withdrawn and dismissed. The order for the said withdrawal and dismissal was passed on 12th October, 2020.*

2. *Mr. A S Nageswar Rao, CFO of the Company resigned w.e.f 31stDecember, 2019. As per the provisions of Companies Act, 2013, the CFO needs to be appointed within six months from the date of such vacancy. The Company has appointed Mr. Mukesh Kumar Agarwal as CFO of the Company with effect from 1stday of July, 2021. The appointment was made beyond the period of 6 (Six) months from the date of the resignation of the earlier CFO.*

3. *Ms. Minu Agarwal resigned from the post of Company Secretary w.e.f 29.10.2020. As per the provisions of Companies Act, 2013, the Company Secretary needs to be appointed within six months from the date of such vacancy. The Company has appointed Ms. Puja Kaul as the Company Secretary w.e.f 13th day of May, 2021. The Management informed that as they were in process of finding a suitable candidate commensurate to the size of the company and serve the organisation diligently. However, the appointment was made beyond the period of 6 (Six) months from the date of the resignation of the earlier company secretary.*

4. *The Company is generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, income tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, with the appropriate authorities except as below:*

Nature of payment	Amount	Month of Payment	Due date	Remarks
PF	131612.00	January 2021	15/02/2021	Pending
PF	123518.00	February 2021	15/03/2021	Pending
TDS	42028.21	March 2017	07/04/2018	Pending
TDS	32000.00	November 2018	07/12/2018	Pending
TDS	32000.00	December 2018	07/01/2019	Pending
TDS	99000.00	March 2019	07/04/2020	Pending
TDS	126000.00	March 2018	07/04/2018	Pending
TDS	8486.50	August 2018	07/09/2018	Pending
TDS	12200.00	September 2018	07/10/2018	Pending
TDS	20768.00	October 2018	07/11/2018	Pending
TDS	5468.00	November 2018	07/12/2018	Pending
TDS	10000.00	December 2018	07/01/2019	Pending
TDS	25000.00	October 2018	07/11/2018	Pending
TDS	25000.00	November 2018	07/12/2018	Pending
TDS	50000.00	December 2018	07/01/2019	Pending
TDS	52000.00	January 2019	07/02/2019	Pending
TDS	2000.00	February 2019	07/03/2019	Pending
TDS	45230.00	March 2019	07/04/2019	Pending

5. *The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.*

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company has not undertaken events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

I further report that during the Review period:

Due to outbreak of second wave of COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records as provided by the Company through electronic mode and the same could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report.

This report is to be read with our letter of even date which is annexed as Annexure-III and forms an integral part of this report.

For Manisha Saraf & Associates
Practising Company Secretary

Sd/-
Manisha Saraf
(Proprietor)
Membership No: F7607
Certificate of Practice No: 8207
FRN: S2019WB666200
UDIN: F007607C000785505

Date: 14.08.2021
Place: Kolkata

ANNEXURE-I

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31stMarch, 2021.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. All Statutory Registers.
6. Agenda papers submitted to all the directors/members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013.
8. Intimations received from directors under the prohibition of Insider Trading Code.
9. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
10. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report.

ANNEXURE-II

List of applicable laws to the Company

1. Employees Provident Funds & Miscellaneous Act, 1952
2. Employees State Insurance Act, 1948
3. The Environment (Protection) Act, 1986
4. Water (Prevention and Control of Pollution) Act, 1974 andthe Air (Prevention and Control of Pollution) Act, 1981
5. West Bengal Value Added Tax Act, 2003
6. Central Sales Tax Act, 1956
7. Profession, Trade , Callings and Employment Act, 1979
8. Central Excise Act, 1944
9. Factories Act, 1948
10. Bureau of Indian Standard
11. Industrial Disputes Act, 1947
12. Payment Of Wages Act, 1936 and Minimum Wages Act, 1948
13. The Payment of Bonus Act, 1965
14. Payment of Gratuity Act, 1972
15. Contract Labour (Regulation And Abolition) Act, 1970

ANNEXURE-III

To,
The Members
Aanchal Ispat Limited

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.

2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Manisha Saraf & Associates
Practising Company Secretary

Sd/-
Manisha Saraf
(Proprietor)
Membership No: F7607
Certificate of Practice No: 8207
FRN: S2019WB666200
UDIN: F007607C000785505

Date: 14.08.2021
Place: Kolkata

ANNEXURE – D TO THE BOARD'S REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULES 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The percentage decrease in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2020-21 and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company are as under:

SL No.	Name of the Director/KMP	Remuneration of Director/KMP for the year (Rs in Lacs)	% increase in Remuneration in the year	Ratio of Remuneration of each Director/to median remuneration of employees for the year
1	Mr. Mukesh Goel, Managing Director	7.50	-	5.23:1
2	Mr. Vijay Srivastava, Executive Director	6.30	-	4.39:1
3	Mr. Manoj Goel, Non-Executive Director	5.40		3.77:1
4	Ms. Minu Agarwal, Company Secretary	1.11	-	0.77:1

Note:

1. Other than the Executive Director Non-Executive Director received remuneration other than the sitting fees during the year. Ms. Minu Agarwal, relieved from her duties as a Company Secretary w.e.f 29th October, 2020.

2. It is hereby affirmed that the remuneration paid during the year ended 31st March, 2021 was as per the Remuneration Policy of the Company.

3. There were 95 permanent employees on the rolls of the Company as on 31st March, 2021.

4. There is a decrease of 50.92 % in the median remuneration of the Company from last year.

ANNEXURE-E TO THE BOARD'S REPORT

Form No. AOC-2

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

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

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

Sl.No.	Name(s) of the related party	Nature of transaction	Duration of the transac-tion	Salient terms of the transaction	Justification for transact-tions	Date of approval by the board	Amount paid as advances	Date of Special Resolution
1.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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

Sl. No.	Particulars of Related Party	Nature of Transaction	Duration of the transaction	Transactions value in Rs.	Date of approval by the board	Balance as at 31st March, 2021 Dr./ (Cr.)
1.	Key Managerial Person (KMP)	-Director Remuneration -Sitting Fees	April, 2020 to March, 2021.	19,20,000.00 1,51,000.00	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable.	1,50,000.00 2,35,000.00
2.	Company in which KMP/ Relatives of KMP can exercise significant influence	- Sales of Goods -Purchase of Goods -Short Term Advances given/taken	April, 2020 to March, 2021.	29,90,18,447.17 17,12,74,315.00 3,29,22,982.5		7,48,66,384.34 (82,61,506.33) (3,29,22,982.5)

Related Parties:

Description of Relationship	Names of Related Parties
Ultimate holding company Holding Company Subsidiaries Fellow Subsidiaries (to be given only if there are transactions) Associates	NIL NIL NIL NIL NIL
Key Managerial Personnel (KMP)	Mr. Manoj Goel, Director Mr. Mukesh Goel, Managing Director Mr. Mukesh Agarwal, Director Ms. Nilu Nigania, Director Ms. Babita Kaur Bagga, Director Ms.Vijay Srivastava, Director

Relatives of KMP	Maina Devi Goel Monika Goel Rashmi Goel Manoj Goel HUF Mukesh Goel HUF Sita Ram Goyal Sita Ram Goyal HUF
Company in which KMP/ Relatives of KMP can exercise significant influence	Aanchal Collection Limited Aanchal Cement Ltd Aanchal International Pvt Ltd Aanchal Iron & Steels Pvt Ltd Jaya Rice Mills Pvt Ltd Kalayani Rice Mills Pvt Ltd Penguin Creation Pvt Ltd Pratik Suppliers Pvt Ltd

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

The principles of Corporate Governance are based on transparency, accountability and focus on the sustainable success of the Company over the long-term. At Aanchal Ispat Limited, we feel proud to belong to a Company whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business.

Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. At Aanchal Ispat Limited, we are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and in compliance with applicable legislations. Our Code of Business Principles (the Code) is an extension of our values and reflects our continued commitment to ethical business practices across our operations. We acknowledge our individual and collective responsibilities to manage our business activities with integrity. Our Code inspires us to set standards which not only meet applicable legislation but go beyond in many areas of our functioning.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

The details of Company's board structure and the various committees that constitute the governance structure of the organization are covered in detail in this report.

2. Board of Directors

i. As on March 31, 2021, the Company has six Directors. Of the six Directors, four are Non-Executive Directors out of which three are Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

ii. None of the Directors on the Board:

- holds directorships in more than ten public companies;
- serves as Director or as Independent Directors (ID) in more than seven listed entities; and
- Who are the Executive Directors serves as IDs in more than three listed entities.

Necessary disclosures regarding Committee positions in other public companies as on March 31, 2021 have been made by the Directors. None of the Directors is related to each other except Mukesh Goel and Manoj Goel.

iii. Independent Directors are non-executive directors as defined under Regulation 16(1) (b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1) (b) of the SEBI Listing Regulations and that they are independent of the management.

iv. Seven Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on: November 05, 2020; November 23, 2020; December 14, 2020; January 14, 2021; January 27, 2021; February 13 2021; and March 22, 2021.

The necessary quorum was present for all the meetings.

v. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2021 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he / she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

As mentioned above details of directors on the board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), and various other details as on March 31, 2021 are given herein below:-

Name of the Director	Category	Number of Board Meetings held during the FY 2021	Number of Board Meetings attended during the FY 2021	Whether attended last AGM held on December 15, 2020	Number of directorships in other Public Companies		Number of Committee positions held in other Public Companies		Directorship in other listed entity
					Chairman	Member	Chairman	Member	
Mr. Mukesh Goel (Chairman)	Managing Director	7	7	YES	-	1	-	-	-
Mr. Vijay Srivastava	Non-Independent, Executive	7	7	YES	-	-	-	-	-
Mr. Manoj Goel	Non-Independent, Non Executive	7	7	YES	1	2	-	-	-
Mr. Mukesh Agarwal	Independent, Non Executive	7	7	NO	-	-	-	-	-
Ms. Nilu Niigania	Independent, Non Executive	7	7	YES	-	-	-	-	-
Ms. Babita Kaur Bagga	Independent, Non Executive	7	7	NO	1	-	-	-	-

vi. During FY 2021, one meeting of the Independent Directors was held on March 15, 2021. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

vii. The Board periodically reviews the compliance reports of all laws applicable to the Company.

viii. Details of equity shares of the Company held by the Directors as on March 31, 2021 are given below:

Name	Category	Number of equity shares
Mr. Mukesh Goel	Managing Director	1,994,850
Mr. Vijay Srivastava	Non-Independent, Executive	-
Mr. Manoj Goel	Non-Independent, Non-Executive	1,716,900
Mr. Mukesh Agarwal	Independent, Non-Executive	-
Ms. Nilu Nigania	Independent, Non-Executive	-
Ms. Babita Kaur Bagga	Independent, Non-Executive	-

3. Board Evaluation

In terms of the requirement of the Companies Act, 2013 and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees. The Independent Directors at their separate meeting reviewed the performance of: Non-Independent Directors and the Board as a whole, Chairperson of the Company after taking into account the views of Executive Directors and Non-Executive Directors, the quality, quantity and timeliness of flow of information within the Company. The primary objective of the policy is to provide a framework and set standards for the evaluation of the Board as a whole and each Director individually. The Board evaluation process is carried out by the Nomination and Remuneration Committee and can be accessed on the Website of the Company.

4. Terms of Appointment of Independent Directors

As per Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act Terms and conditions of appointment / re-appointment of Independent Directors are available on the Company's website.

5. Familiarization Programme

The details of such familiarization programmes under Regulations 25(7) and 46 of SEBI Listing Regulations for Independent Director(s) are available on the website of the Company.

6. Committees of the Board

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulations, which concern the Company and need a closer review. The Chairman of the respective Committee(s) brief the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

The Company currently has 3 (three) Committees of the Board, namely, Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

- **Audit Committee**

The Audit Committee met 4 (four) times during the financial year 2020-21. The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year 2020-21 are detailed below:

Four meeting of the Audit Committee were held during the year 2020-21, on the following dates: 05.11.2020, 23.11.2020, 14.12.2020 and 13.02.2021.

The Composition of the Committee and the attendance of each member of the committee during the year 2020-21 are given below:

S No	Name of the Committee Members	Designation in the Committee	No. of meetings held during the tenure	No. of meetings attended
1.	Ms. Nilu Nigania, Chairman	Chairperson	4	4
2.	Mr. Mukesh Agarwal, Member	Member	4	4
3.	Mr. Manoj Goel, Member	Member	4	4
4.	Ms. Babita Kaur Bagga, Member	Member	4	4

Four meetings of the Audit Committee were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days.

The Chairperson of the Audit Committee was present at the Annual General Meeting of the Company held on 15TH December, 2020.

All the members of the Committee are financially literate. The scope of the Audit Committee, inter alia, includes:

a) Review of the Company's financial reporting process, the financial statements and financial/risk Management policies;
b) Review of the adequacy of the internal control systems and finance of the internal audit team;
c) Discussions with the management and the external auditors, the audit plan for the financial year and joint post-audit and review of the same.
d) Recommendation for appointment, remuneration & terms of appointment of Auditors, etc.

- **Terms & Reference**

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 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 being included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
(b) Changes, if any, in accounting policies and practices and reasons for the same;
(c) Major accounting entries involving estimates based on the exercise of judgment by management;
(d) Significant adjustments made in the financial statements arising out of audit findings;
(e) Compliance with listing and other legal requirements relating to financial statements;
(f) Disclosure of any related party transactions;
(g) Modified opinion(s) in the draft audit report;

- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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 utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- Discussion with internal auditors of any significant findings and follow up there on;
- 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;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 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;
- To review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

AIL has systems & procedures in place to ensure that the audit committee mandatorily reviews the following information:

(1) Management discussion and analysis of financial condition and results of operations;

(2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;

(3) Management letters / letters of internal control weaknesses issued by the statutory auditors;

(4) Internal audit reports relating to internal control weaknesses; and

(5) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee.

(6) Statement of deviations:

(a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

- **Nomination &Remuneration Committee**

The Nomination and Remuneration Committee of the Board of Directors of the Company met 2 times during the financial year 2020-21 to discuss and deliberate on various matters. The composition of the Nomination and Remuneration Committee along with the details of the meetings held and attended by the members of the Committee during the financial year 2020-21 is detailed below:

Two meetings of the Nomination & Remuneration Committee were held during the year 2020-21, on the following dates: 05.11.2020 & 23.11.2020.

The Composition of the Committee and the attendance of each member of the committee during the year 2020-21 are given below:

S No	Name of the Committee Members	Designation in the Committee	No. of meetings held during the tenure	No. of meetings attended
1.	Mr. Mukesh Agarwal Chairman	Chairman	2	2
2.	Mr. Manoj Goel Member	Member	2	2
3.	Ms.Nilu Nigania Member	Member	2	2
4.	Ms. Babita Kaur Bagga Member	Member	2	2

- **Terms & Reference**

The terms of reference of the Committee includes:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. 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 of directors their appointment and removal;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

- **Performance Evaluation Criteria for Independent Directors**

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgement.

7. Remuneration to Directors

The Company has formulated a remuneration policy which determines the compensation structure of the Executive/Non-Executive Directors. The Company's Remuneration policy is in consonance with the existing industry practices and aims at attracting and retaining high caliber talent. The policy is reviewed and reassessed by the Nomination & Remuneration Committee from time to time and the Board is responsible for approving and overseeing implementation of the same.

The salient features of the remuneration policy is available on the website of the Company at *www.aanchalispat.com.*

8. Remuneration Policy

The Nomination & Remuneration Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Directors on the Board of the Company and persons holding Senior Management positions in the Company, including their remuneration and other matters as provided under Section 178 of the Companies Act, 2013 and Listing Regulations. As required under the Listing Regulations effective 1st April, 2019, the Nomination and Remuneration Committee will recommend to the Board the payment of remuneration to the senior management.

9. Details of the Remuneration for the year ended March 31, 2021

a. **NON-EXECUTIVE DIRECTORS**:

(Rs in Thousand)

Name	Commission	Sitting fees
Mr. Manoj Goel	-	0.27
Ms. Nilu Nigania	-	0.60
Mr. Mukesh Agarwal	-	0.22
Mr. Babita Kaur Bagga	-	0.42

During the Financial Year 20-21 Mr. Manoj Goel, Non-Executive Director was also paid remuneration of Rs. 5.4 Lacs by the Company.

b. **MANAGING DIRECTOR AND EXECUTIVE DIRECTOR:**

(Rs in Lacs)

Name	Salary	Benefits, Perquisites and Allowances	Commission
Mr. Mukesh Goel	7.50	-	-
Mr. Vijay Srivastava	6.30	-	-

10. Stakeholders' Relationship Committee

The Stakeholders Relationship Committee has been constituted as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Three meetings of the Nomination & Remuneration Committee were held during the year 2020-2021, on the following dates: 05.11.20, 14.12.20& 13.02.21.

The Composition of the Committee and the attendance of each member of the committee during the year 2020-2021 are given below:

S No	Name of the Committee Members	Designation in the Committee	No. of meetings held during the tenure	No. of meetings attended
1.	Mr. Mukesh Agarwal, Chairman	Chairman	3	3
2.	Mr. Manoj Goel, Member	Member	3	3
3.	Ms.Nilu Nigania, Member	Member	3	3
4.	Ms. Babita Kaur Bagga, Member	Member	3	3

The Chairman of the Stakeholders Relationship Committee attends the Annual General Meetings of the Company to answer shareholders queries. The minutes of the Stakeholders Relationship committee are reviewed by the Board of Directors at its subsequent meeting.

11. General Body Meetings

i. Annual General Meeting ("AGM"):

Financial Year	Date	Time	Venue	Special Resolution passed; if any
2018	21.09.2018	11.00 A.M.	Hotel Oasis, National Highway 6, Kona Expressway, Post: Chamrail, P.S: Liluah, Howrah – 711114	Resolution passed for the following purpose: To ratify the increase in remuneration payable to Mr. Mukesh Goel (DIN: 00555061), Managing Director of the company.
2019	30.09.2019	11.00 A.M.	Mouza-Chamarail, National Highway-6 Liluah, Howrah-711114	Re-appointment of Mr. Mukesh Goel (DIN: 00555061) as the managing director of the company. Re-appointment of Mr. Mukesh Agarwal (DIN: 06954595) as an independent director for a second term of five consecutive years.
2020	15.12.2020	11.00 A.M.	Mouza-Chamarail, National Highway-6 Liluah, Howrah-711114	-

ii. No Special Resolution was passed through Postal Ballot during financial year 2020-21. Further, no Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report.

iii. CEO/CFO Certification

As required under Regulation 17 of the Listing Regulations, the CEO/CFO certificate for the financial year 2020-21 signed by Mr. Mukesh Goel, Managing Director & CEO and Mr. Mukesh Kumar Agarwal, CFO, was placed before the Board of Directors of the Company at their meeting held on 14th August, 2021 and is annexed to this Annual Report.

iv. Compliance Certificate on Corporate Governance

As required by Schedule V of the Listing Regulations, the Auditors Certificate on Corporate Governance is forming part of this report.

Rajesh Jalan& Associates, Chartered Accountants (Firm Registration No. 326370E) has been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis for FY 2021 is given below:

Particulars	Amount Rs.
Audit Fees	2,95,000/-
Other matters	-

12. Other Disclosures

Related Party Transactions

There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered into with related parties during FY 2021 were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company.

Vigil Mechanism and Whistle Blower Policy

The Company has this Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company.

Subsidiary Companies

The Company have no subsidiary Company during the year under review. Therefore the Company is not required to prepare Consolidated Financial Statement.

Policy on Determination of Materiality for Disclosures

The Company has adopted this policy.

Secretarial Compliance Report

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued Strategic Review Statutory Reports Financial Statements 133 thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR – 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year. The Company has engaged the services of Mrs. Manisha Saraf (CP No.8207), Practicing Company Secretary and Secretarial Auditor of the Company for providing this certification.

Reconciliation of Share Capital Audit Report

A qualified Practising Company Secretary carried out a share capital audit as required under Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No D&CC / FITTC/ Cir-16/2002 dated December 31, 2002 to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Code of Conduct

The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct under Regulation 17 of the SEBI Listing Regulations applicable to them during the year ended March 31, 2021. The Annual Report of the Company contains a certificate by the Chief Executive Officer and Managing Director, on the compliance declarations received from the members of the Board and Senior Management.

13. Means of Communication

The Company recognizes the importance of two way communication with shareholders and of giving a proper reporting of results and progress and responds to questions/issues raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions in person at the Annual General Meeting.

- **Website:** Comprehensive information about the Company, and its business operations and investor's information can be viewed at the Company website *www.aanchalispat.com.*
- **Financial result:** The quarterly, half-yearly and annual results are regularly posted by the Company on its website. These are also submitted to the Stock Exchanges in accordance with the SEBI (LODR) Regulations, 2015 and also be published in one English daily newspaper and in one Bengali (regional language) newspaper within 48 hours of approval thereof.
- **Annual Report:** Annual Report containing inter alia audited Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereof.
- **Corporate Filing:** Announcements, Quarterly Results, Shareholding Pattern, Corporate Governance Report etc. of the Company is regularly filed by the Company with BSE Limited and is also available on the website of the Company.

14. General shareholder information

i. Annual General Meeting for FY 2021

Date: September, 30, 2021
Time: 1.00 p.m.

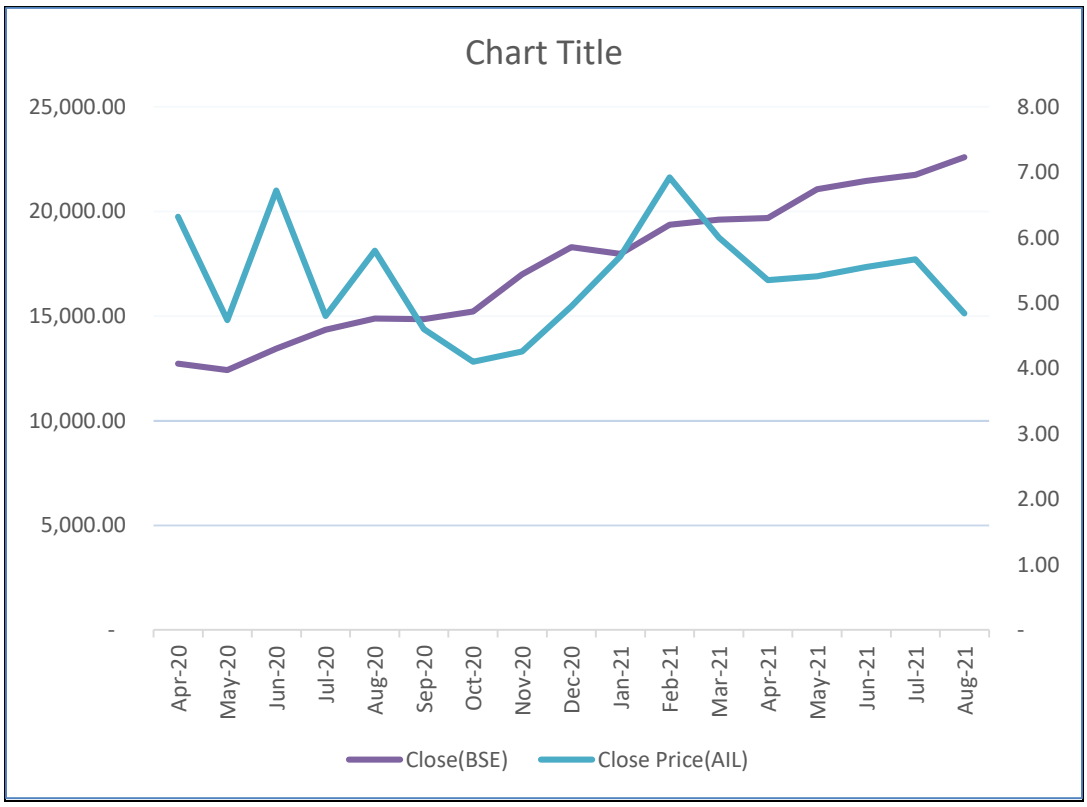
Venue: Meeting is being conducted through VC/OAVM pursuant to the MCA Circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings, particulars of Directors seeking re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

- **Stock Market Price Data**

Month	High Price	Low Price	No.of Shares
Apr-20	6.37	3.91	126037
May-20	7.04	4.3	91177
Jun-20	7.23	4.7	163995
Jul-20	7.35	4.8	140315
Aug-20	6.1	4.57	254388
Sep-20	5.91	4.31	227910
Oct-20	4.69	3.84	85079
Nov-20	4.56	3.92	143836
Dec-20	5.9	4.05	288688
Jan-21	7.65	4.85	518729
Feb-21	7.71	5.16	1077110
Mar-21	7.24	5.51	386207
Apr-21	6.16	4.81	264696
May-21	5.81	4.83	483260
Jun-21	6.21	5.1	397788
Jul-21	5.84	5.06	827609
Aug-21	5.8	4.55	314412

- **Performance in comparison to broad-based indices:**



ii. Financial Calendar

Year ending: March 31
AGM in: September

iii. Dividend Payment: No Dividend Declared

iv. Date of Book Closure /Record Date: As mentioned in the Notice of this AGM

v. Listing on Stock Exchanges:

BSE Limited
P. J. Towers, Dalal Street, Mumbai 400 001
Stock Codes / Symbol
BSE: 538812

vi. Corporate Identity Number (CIN) of the Company:L27106WB1996PLC076866

15. Registrar to an issue and share transfer agents

The Company's share transfers are handled by Purva Shareregistry Pvt .Ltd., Registrar and Share Transfer Agents (RTA). The details are as follows:

Address	No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011
Contact No. & Contact Person	Tel: +91 22 2301 6761/8261 Fax: +91 22 2301 2517 Contact Person: Mr. Rajesh Shah
Website	www.purvashare.com
Email	busicomp@vsnl.com
SEBI Registration No.	INR000001112

16. Share Transfer System

The Company has appointed Purva Sharegistry Pvt. Ltd. (Registrar & Share Transfer Agent) to carry out share transfer for physical as well as electronic mode. The Company's shares are traded on stock exchanges in compulsory demat mode. Share transfers, which are received in physical form, are processed and the Share Certificates are returned within a period of 15 days from the date of receipt of request for transfer provided the documents being valid and complete in all respects. The dematerialised shares are transferred directly to the beneficiaries by the depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited.

17. Shareholding as on 31st March, 2021

No. of Shares Slab	No. of Shareholders	No. of Shares	No. of Shares Slab	No. of Shareholders
Shareholding	**Number**	**% of Total Share holders**	**In Rs.**	**% of Total Shares**
Upto 5000	1268	58.54	1582010.00	0.76
5001 to 10000	253	11.68	2232670.00	1.07
10001 to 20000	134	6.19	2189160.00	1.05
20001 to 30000	62	2.86	1600670.00	0.77
30001 to 40000	47	2.17	1716580.00	0.82
40001 to 50000	50	2.31	2385070.00	1.14
50001 to 100000	195	9.00	13007210.00	6.24
100001 and above	157	7.25	183824130.00	88.15
Grand Total	**2166**	**100.00**	**208537500.00**	**100.00**

Categories of Shareholders:

Sl No.	Description	No. of Shares	Percentage of Capital (%)
I.	**Promoters & Promoters Group**	**13,584,170**	**65.14**
II.	**Public Shareholding**	**7,269,580**	**34.86**
i.	Non Institutions		
a.	Bodies Corporate	14,64,285	7.02
b.	Individuals	52,22,786	25.04
c.	HUF	4,57,051	2.19
ii.	Institutional		
d.	Financial Institutions	-	-
e.	Market Maker	-	-
f.	Non-Resident Individual	51,278	0.25
g.	Clearing Member	74,180	0.36
TOTAL (I+II)		**2,08,53,750**	**100.00**

18. Dematerialization of shares

Break up of shares in physical and demat form as on 31st March, 2021 is as follows:

PARTICULARS	NO. OF SHARES	% OF TOTAL NO. OF SHARES
Physical Segment	2	0.00
Demat Segment	2,08,53,748	99.99
NSDL	1,66,81,279	79.99
CDSL	4,17,246	20.00

19. Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity

There were no outstanding GDR's/ADR's/ Warrants or any convertible instruments as on 31st March, 2021.

20. Commodity price risk or foreign exchange risk and hedging activities

The Company is not engaged in hedging activities

21. Plant locations

National Highway No.6, Mouza- Chamrail, Howah, Pin-711114,
Website: www.aanchalispat.com
Tel: +91321 2246121Email: info@aanchalispat.com

22. Address for Correspondence

For any queries relating to the shares of the Company, correspondence may be addressed to the following:

Mr. Vijay Srivastava Director Aanchal Ispat Limited National Highway No. 6, Mouza- Chamrail, Howrah, Pin-711114, West Bengal Email: cs@aanchalispat.com Tel: +913212 246121 Fax: +913212 246069	**M/s Purva Sharegistry (India) Pvt. Ltd.** No.9, Shiv Shakti Ind. Estate, Gr. Floor, J.R Boricha Marg, Lower Parel, Mumbai, Pin-400 011, Maharashtra Email: busicomp@vsnl.com Tel: +91 22 2301 6761/ 8261 Fax: +91 22 2301 2517 Contact Person: Mr. Rajesh Shah

For and on Behalf of the Board of Directors
Aanchal Ispat Limited

Sd/-
Mukesh Goel
Chairman & Managing Director
DIN:00555061

Sd/-
Vijay Srivastava
Director
DIN:03618949

Place: Howrah
Date: 14.08.21

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
AANCHAL ISPAT LIMITED
6, Liluah, Mouza-Chamarai,
NationalHighway,
Howrah-711114

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Aanchal Ispat Limited** having **CIN: L27106WB1996PLC076866** and having registered office at J.L.No.5, N.H.6,Mouza-Chamarail, Howrah-711114and(hereinafter referred to as "**the Company"**), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S No.	Name of Director	DIN	Date of appointment in Company
1	Manoj Goel	00554986	23/12/2009
2	Mukesh Goel	00555061	23/12/2009
3	Vijay Srivastava	03618949	14/08/2018
4	Mukesh Agarwal	06954595	01/09/2014
5	Babita Kaur Bagga	08022280	14/11/2018
6	Nilu Nigania	08203037	14/08/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Manisha Saraf & Associates
Practising Company Secretary
Sd/-
Manisha Saraf
(Proprietor)
Membership No: F7607
Certificate of Practice No: 8207
FRN: S2019WB666200
UDIN: F007607C000240004

Date: 08.05.2021
Place: Kolkata

INDEPENDENT AUDITORS CERTIFICATE ON COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS REGULATION 2015 AND DISCLOSURE REQUIREMENTS)

To,
The Members
Aanchal Ispat Limited.

We have examined the compliance of conditions of Corporate Governance by Aanchal Ispat Limited ("the Company"), for the year ended on March 31, 2021, as stipulated in Regulation 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').

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

In our opinion and to the best of our information and according to our examination of the relevant accounts, other relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, during the year ended 31st March, 2021.

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

For Rajesh Jalan & Associates
Chartered Accountants
Firm Registration No. 326370E
Sd/-
[Rajesh Jalan]
Partner
Membership No.065792
UDIN: 19065792AAAABU2837

Place: Kolkata
Dated: 14TH August, 2021

CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

Declaration of compliance of the Code of Conduct in terms of the Regulation 26(3) read with Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In terms of Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per 'affirmation of compliance' letters received from the Directors and the members of senior managerial personnel of the Company, I hereby declare that members of board of directors and senior management personnel have affirmed compliance with the code of conduct of the Company for the Financial Year 2020-21.Further the company had not made any allotment of shares to any Directors or any of the key managerial personnel during the year.

For Aanchal Ispat Limited
Sd/-
Mukesh Goel
Managing Director
(DIN: 00555061)

Place: Howrah
Date: 14th August, 2021

CERTIFICATE OF MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO)

To,
The Board of Directors
Aanchal Ispat Limited

In terms of Regulation 17(8) of Securities & Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations, 2015, We, Mukesh Goel (Managing Director & Chairman) and Mr. Mukesh Kumar Agarwal (Chief Financial Officer) certify that:

A) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2021 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. 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) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the aforesaid period which 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 and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal control systems, if any, of which we are aware, and that we have taken the required steps to rectify these deficiencies.

D) We have indicated to the Auditors and the Audit Committee:

(a) Significant changes in internal control over financial reporting during the year;

(b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and

(c) that we have not come across any instances of significant fraud and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Aanchal Ispat Limited

sd/-
Mukesh Goel
(Chairman & Managing Director)
DIN: 00555061

For Aanchal Ispat Limited

sd/-
Mukesh Kumar Agarwal
(Chief Financial Officer)

Date: 14th August, 2021
Place: Howrah

INDEPENDENT AUDITOR'S REPORT

To the Members of
AANCHAL ISPAT LIMITED

Report on the Audit of the Standalone Financial Statements

We have audited the accompanying standalone financial statement of **AANCHAL ISPAT LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss and the statement of cash flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Company Act2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India of the of the state of affairs of the Company as at March 31, 2021; and of the **loss,** its cash flows for the year ended on that date;

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the Standalone financial statement section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statement under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements except below:

Note No 6 and 10 to the Financial Statements where in management has considered outstanding trade receivables and advance to suppliers of Rs 73,37,73,064/- and Rs 5,65,22,583/- as good and fully recoverable as at the balance sheet date. Out of them Rs 52,04,45,652/- and Rs. 1,85,47,662/- respectively for period more than one year. Due to confirmations being not available and pending reconciliation adjustments we are unable to comment on their recoverability of these receivable advance and its consequential effect on these financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Revenue Recognition

See note 1.(V), note 19 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
We identified revenue recognition as a key audit matter because the Company and its external stakeholders focus on revenue as a key performance indicator.	Our audit procedures in this area included the following : 1. We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards. 2. We evaluated the design of key controls and operating effectiveness of the relevant key controls with respect to revenue recognition on selected transactions. 3. We performed substantive testing by selecting samples of revenue transactions, 4. We carried out analytical procedures on revenue recognised during the year to identify unusual variances. 5. We tested, on a sample basis, specific revenue transactions recorded before and after the financial year end date to determine whether the revenue had been recognised in the appropriate financial period.

Related party transactions

See note 27 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the standalone Ind AS financial statements as a key audit matter due to: The significance of transactions with related parties during the year ended March31, 2021. Related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015.	Our procedures in relation to the disclosure of related party transactions included: 1. Obtaining an understanding of the Company's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been disclosed in the standalone Ind AS financial statements. 2. Obtaining an understanding of the Company's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors. 3. Agreeing the amounts disclosed to underlying documentation and reading relevant agreements, evaluation of arms-length, on a sample basis, as part of our evaluation of the disclosure. 4. Assessing management evaluation of compliance with the provisions of Section 177 and Section 188 of the companies Act 2013 and SEBI (LODR) 2015.

Tax litigations – provisions and contingencies

See note 28 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company is involved in several ongoing direct and indirect tax litigations A disclosure for contingent liabilities Is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made. We have identified tax litigations, provisions and contingencies as a key audit matter because it requires the management to make judgments and estimates in relation to the exposure arising out of litigations. The key judgment lies in the estimation of provisions where they may differ from the future obligations. The Company operates under several tax laws and some of these have a significant impact on the financial statements of the Company.	We have applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: 1. We tested the effectiveness of key controls around the recording and assessment of tax provisions and contingent liabilities. 2. We assessed the value of the provisions and contingent liabilities in light of the nature of the exposures, applicable regulations and related correspondences with the authorities. 3. We assessed the relevant historical and recent judgments passed by the court authorities. 4. Obtained Management's assessment of the open cases and compared to assess the reasonableness of the provision or contingency. 5. Considered the adequacy of the Company's disclosures made in relation to taxation related provisions and contingencies in the financial statements.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the IND AS financial statements and our auditor's report thereon.

Our opinion on the IND AS financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the IND AS financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility and those charged with governance for the Financial Statement

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 internal financial control, 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.

In preparing the IND AS financial statement, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these IND AS financial statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the IND AS financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the IND AS financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the IND AS financial statement, including the disclosures, and whether the IND AS financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the IND AS financial statement of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the other Legal and regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, We give in the **Annexure A** on the matters specified in paragraph 3 & 4 of the order.

2) As required by section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) Except for the possible effects of the matters described in basis of opinion section above, 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 and the Statement of Profit and Loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.

    d) Except for the possible effects of the matters described in basis of opinion section above, In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards. Specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

    e) On the basis of written representations received from the directors as on 31 March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our Information and according to the explanations given to us:

i. The company has disclosed the impact of pending litigation on its financial position in its standalone financial statement.

ii. The Company did not have any long–term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There are no amount required to be transferred, to the Investor Education and Protection Fund by the Company

For **Rajesh Jalan & Associates**
Chartered Accountants

sd/-
(Rajesh Jalan)
Partner
(Firm Registration No. : 326370E)
(UDIN-19065792AAAABU2837)

Place: Kolkata
Date: 14/08/2021

The **Annexure A** referred to in paragraph 1 of the Our Report of even date to the members of **M/s AANCHAL ISPAT LIMITED** on the accounts of the company for the year ended 31st March, 2021.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available.

(b) As explained to us, fixed assets have been physically verified by the management reasonable intervals; no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us, no substantial part of fixed asset has been disposed off during the year and therefore does not affect the going concern assumption.

2) (a) As explained to us, the stock is regularly verified by the management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedure for verification of stock followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its stocks. No discrepancies have been noticed on verification of stocks statement as compared to book records

3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

4) According to the information and explanations given to us, the company has not advanced any loans to any of its directors or to any other person in whom the director is interested or given any guarantee or provided any security in connection with any loan taken by him or such other person. The company has not made any investments during the year. Therefore provisions of Clause 3(iv) of the Companies (Auditor's Report) Order 2016 are not applicable. The company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of Companies Act 2013.

5) The company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) We have broadly reviewed the cost records maintained by the Company relating to its products pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 148(1) of the Act, and are of the opinion that prima facie the prescribed Cost Records have been made and maintained. We have, however, not made a detailed examination of the cost record with a view to determine whether they are accurate or complete.

7) a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, income tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, with the appropriate authorities except as below:

Nature of payment	Amount	Month of Payment	Due date	Remarks
PF	131612.00	January 2021	15/02/2021	Pending
PF	123518.00	February 2021	15/03/2021	Pending
TDS	42028.21	March 2017	07/04/2018	Pending
TDS	32000.00	November 2018	07/12/2018	Pending
TDS	32000.00	December 2018	07/01/2019	Pending
TDS	99000.00	March 2019	07/04/2020	Pending
TDS	126000.00	March 2018	07/04/2018	Pending
TDS	8486.50	August 2018	07/09/2018	Pending
TDS	12200.00	September 2018	07/10/2018	Pending
TDS	20768.00	October 2018	07/11/2018	Pending
TDS	5468.00	November 2018	07/12/2018	Pending
TDS	10000.00	December 2018	07/01/2019	Pending
TDS	25000.00	October 2018	07/11/2018	Pending
TDS	25000.00	November 2018	07/12/2018	Pending
TDS	50000.00	December 2018	07/01/2019	Pending
TDS	52000.00	January 2019	07/02/2019	Pending
TDS	2000.00	February 2019	07/03/2019	Pending
TDS	45230.00	March 2019	07/04/2019	Pending

b) The particulars of dues of sales tax, income tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as applicable as at 31st March 2021 which have not been deposited on account of a dispute are as follows –

Name of the Statute	Nature of Dues	Amount Involved	Period to which the amount relates	Forum where Dispute is Pending
The Central Excise Act, 1944	Excise Duty	Rs. 7,986,754/-	FY 2007 - 08	Customs & Central Excise, Service Tax Tribunal
Income Tax Act, 1961	Income Tax	Rs. 43,83,430/-	FY 2014 - 15	CIT (A)- 1, Kolkata
Income Tax Act, 1961	Income Tax	Rs.1,73,42,030/-	FY 2011 - 12	CIT (A)- 1, Kolkata
Income Tax Act, 1961	Income Tax	Rs. 74,86,180/-	FY 2012 - 13	CIT(A)-1, Kolkata
Income Tax Act, 1961	Income Tax	Rs.72,83,550/-	FY 2017 - 18	CIT(A)-1, Kolkata
West Bengal Value Added Tax Act, 2003	VAT	Rs.2,52,57,225/- (Transfer to SOD)	FY 2012 - 13	Sr Joint Commissioner, Howrah Circle

8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks & financial institutions. The Company has not taken any loan either from the government and has not issued any debentures.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer during the year under review. The company had utilized the money raised by way of term loan during the year for the purpose for which they were raised.

10) Based upon the audit procedures performed and the information and explanations given to us, no fraud by the Company and no material fraud on the company by its officers or employees has been noticed or reported during the year, nor have we been informed of any such case by the management.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, and according to the information and explanation given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **Rajesh Jalan & Associates**
Chartered Accountants

sd/-
(Rajesh Jalan)
Partner
(Firm Registration No. : 326370E)
(UDIN-19065792AAAABU2837)

Place: Kolkata
Date: 14/08/2021

"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of **M/s AANCHAL ISPAT LIMITED**

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

We have audited the internal financial controls over financial reporting of AANCHAL ISPAT LIMITED ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting except note given in Audit Report in opinion paragraph for Sundry debtors and advance.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Basis for Opinion

According to information and explanations given to us and based on our audit, the following material weakness have been identified in the effectiveness of the company's Internal Financial controls over financial reporting as at March 31, 2021:

a) Refer to note 6 and 10 of the financial statements, in respect of long outstanding overdue trade receivables and advance, whereby evidences of control over monitoring/ assessing recoverability of such over dues, including assessment of provision for doubtful trade receivables and advances where not operation effectively. This could potentially result in the company not recognizing a provision for doubtful/ old overdue trade receivables.
b) The company's internal control over updating the customers/vendors master data with present address wire not operating effectively.
c) The Company's internal financial control over timely recording of journal entries were not operating effectively. We have observed delays in recording of the entries which potentially results in delay in preparation of financial statements.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

For **Rajesh Jalan & Associates**
Chartered Accountants
sd/-
(Rajesh Jalan)
Partner
(Firm Registration No. : 326370E)
(UDIN-19065792AAAABU2837)

Place: Kolkata
Date: 14/08/2021

AANCHAL ISPAT LIMITED

CIN: L27106WB1996PLC076866
Registered Office: Chamrail, NH- 6, Howrah-711114
Email: info@aanchalispat.com, Tel: 03212-246121,

Balance Sheet as at 31st March, 2021

(Amt in INR)

	Particulars	Note No.	As at March 31st, 2021	As at March 31st, 2020
A	**ASSETS**			
1	**Non-current assets**			
	(a) Property, Plant and Equipment	2	257,339,219	264,132,890
	(b) Financial Assets			
	(i) Investments	3	879,227	879,227
	(c) Deferred tax assets (Net)		-	-
	(d) Other non-current assets	4	-	4,573,044
	Total-Non-current assets		**258,218,446**	**269,585,161**
2	**Current assets**			
	(a) Inventories	5	209,445,596	143,958,027
	(b) Financial Assets			
	(i) Trade receivables	6	733,773,064	774,653,234
	(ii) Cash and cash equivalents	7	2,369,733	22,958,500
	(iii) Bank Balances other than (iii) above	8	1,058,613	3,589,385
	(iv) Loans and Deposits	9	5,704,675	2,310,521
	(c) Other current assets	10	109,139,010	72,963,821
	Total-Current assets		**1,061,490,691**	**1,020,433,488**
	TOTAL ASSETS		**1,319,709,136**	**1,290,018,649**
B	**EQUITY AND LIABILITIES**			
	EQUITY			
	(a) Equity Share capital	11	208,537,500	208,537,500
	(b) Other Equity	12	296,162,055	351,388,347
	Total-Equity		**504,699,555**	**559,925,847**
	LIABILITIES			
1	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	13	600,353,347	6,933,361
	(b) Provisions	14	1,650,344	1,564,253
	(c) Deferred tax liabilities (Net)		411,359	10,244,001
	Total-Non-current liabilities		**602,415,050**	**18,741,615**
2	**Current liabilities**			
	(a) Short-term borrowings			
	(a) Financial Liabilities			
	(i) Borrowings	15	107,787,313	610,899,574
	(ii) Trade payables	16	36,464,274	68,497,656
	(b) Other current liabilities	17	49,968,078	13,651,313
	(c) Provisions	18	18,374,868	18,302,644
	Total-Current liabilities		**212,594,532**	**711,351,187**
	TOTAL EQUITY AND LIABILITIES		**1,319,709,137**	**1,290,018,649**

Significant Accounting Policies and Notes to Accounts 1 to 35
The accompanying notes are an integral part of the financial statements.
This is the Balance Sheet referred to in our report of even date.

FOR RAJESH JALAN & ASSOCIATES
Chartered Accountants
Firm Registration No: 326370E

SD/-
[Rajesh Jalan]
Partner
ICAI Membership No. 065792
Kolkata, 14TH August 2021
(UDIN- 19065792AAAABU2837

For and on behalf of Board

SD/-
Mukesh Goel
Managing Director
DIN: 00555061

SD/-
Vijay Srivastava
Director
DIN: 03618949

AANCHAL ISPAT LIMITED

CIN: L27106WB1996PLC076866
Registered Office: Chamrail, NH- 6, Howrah-711114
Email: info@aanchalispat.com, Tel: 03212-246121,

Profit and Loss for the Year ended 31st March, 2021

(Amt in INR)

	Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	INCOME			
I	Revenue from operations	19	1,210,408,667	1,704,275,976
II	Other income	20	32,683,433	18,048,172
III	**Total Income (I+II)**		**1,243,092,099**	**1,722,324,148**
IV	**EXPENSES**			
	Cost of materials purchased	21	1,194,768,168	1,376,210,333
	Changes in inventories of finished goods and woork in progress	22	(65,487,570)	171,368,068
	Employee benefits expense	23	13,307,552	17,540,245
	Finance costs	24	67,368,852	51,522,580
	Depreciation and amortization expense	2	6,172,106	7,387,063
	Other expenses	25	90,657,912	181,515,297
	Total expenses (IV)		**1,306,787,021**	**1,805,543,586**
V	**Profit/(Loss) before exceptional items and tax (III-IV)**		**(63,694,921)**	**(83,219,438)**
VI	Exceptional items		-	-
VII	**Profit/(Loss) before tax(V-VI)**		**(63,694,921)**	**(83,219,438)**
VIII	**Tax expense:**			
	Current tax/MAT		-	-
	MAT Credit		-	-
	Deferred tax		(9,832,642)	(335,297)
IX	**Profit/(Loss) for the year (VII-VIII)**		**(53,862,279)**	**(82,884,141)**
X	Other Comprehensive Income (net of tax)		246,977	193,816
	Items that will not be reclassified subsequently to Profit and Loss			
	Total-Other Comprehensive Income (net of tax)		246,977	193,816
XI	**Total Comprehensive Income for the Year (IX-X)**		**(53,615,302)**	**(82,690,325)**
	Earnings per equity share			
	[Nominal Value per share: Rs. 10 (2020-21: Rs. 10)]			
	Basic - Rs.		**(2.57)**	**(3.97)**
	Diluted - Rs.		**(2.57)**	**(3.97)**

Significant Accounting Policies and Notes to Accounts 1 to 35
The accompanying notes are an integral part of the financial statements.
This is the Statement of Profit and Loss referred to in our report of even date.

FOR RAJESH JALAN & ASSOCIATES
Chartered Accountants
Firm Registration No: 326370E

SD/-

[Rajesh Jalan]
Partner
ICAI Membership No. 065792
Kolkata, 14TH August 2021
(UDIN- 19065792AAAABU2837

For and on behalf of Board

SD/-
Mukesh Goel
Managing Director
DIN: 00555061

SD/-
Vijay Srivastava
Director
DIN: 03618949

AANCHAL ISPAT LIMITED

CIN: L27106WB1996PLC076866
Registered Office: Chamrail, NH- 6, Howrah-711114
Email: info@aanchalispat.com, Tel: 03212-246121,

Cash Flow Statement as on 31st March, 2021

(Amt in INR)

Particulars	As at March 31st, 2021	As at March 31st, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extra Ordinary Items	**(63,694,921)**	**(83,219,438)**
Adjustment For:		
Depreciation and amortisation expenses	6,172,106	7,387,063
Dissposal of Assets (Loss)	-	613,666
Interest Income	(77,094)	-
Finance Cost	67,368,852	51,522,580
Operating Profit before working capital changes	**9,768,943**	**(23,696,129)**
Adjustment for increase/decrease in operating assets		
Inventory	(65,487,570)	171,368,068
Trade Receivables	40,880,170	(100,401,680)
Other Financial Assets	(3,394,154)	457,693
Other Current Assets	4,573,044	-
Other Non-Financial Assets	(36,175,188)	17,422,995
Adjustments for increase/decrease in operating liabilities		
Trade Payable	(32,033,382)	(230,966,595)
Other Non-Financial Liabilities	36,316,765	(2,996,661)
Short Term Provisions	72,224	(83,813)
Long Term Provisions	86,091	-
Cash Generated from operations:	**(45,393,058)**	**(168,896,122)**
Direct Taxes Paid	-	-
Net Cash Generated from Operating Activities (A)	**(45,393,058)**	**(168,896,122)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipments (Net)	(742,448)	(5,345,494)
Interest Received	77,094	-
Net Cash Used in Investing Activities (B)	**(665,354)**	**(5,345,494)**
C.CASH FLOW FROM FINANCING ACTIVITIES		
Short Term Borrowings	(503,112,262)	166,169,549
Long Term Borrowings	593,419,986	(2,765,385)
Finance Cost	(67,368,852)	(51,522,580)
Net Cash Generated/used in Financing Activities (C)	**22,938,872**	**111,881,584**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**(23,119,539)**	**(62,360,032)**
Opening Cash & Cash Equivalens	**26,547,885**	**88,907,917**
Closing Cash & Cash Equivalents	**3,428,346**	**26,547,885**
* Comprises:		
(a) Cash in Hand	1,086,387	56,828
(b) Balance with banks		
(i) In Current Accounts	1,283,346	22,901,672
(ii) In Deposits Accounts	1,058,613	3,589,385
	3,428,346	**26,547,885**

* As defined in AS 3 Cash Flow Statements

Notes:

(i) The Cash Flow Statement refelects the combined cash flows pertaining to continuing and discounting operations.

(ii) Previous Year's figures have been recast/restated where necessary

See accompanying notes forming part of financial statements 1 to 35

FOR RAJESH JALAN & ASSOCIATES
Chartered Accountants
Firm Registration No: 326370E
SD/-
[Rajesh Jalan]
Partner
ICAI Membership No. 065792
Kolkata, 14th August 2021
(UDIN- 19065792AAAABU2837

For and on behalf of Board

SD/-
Mukesh Goel
Managing Director
DIN: 00555061

SD/-
Vijay Srivastava
Director
DIN: 03618949

1) NOTES AND SIGNIFICANT ACCOUNTING POLICIES

(I) General Corporate Information

M/s AANCHAL ISPAT LIMITED (the company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The shares of the company are listed on Bombay Stock Exchange. The company caters to domestic markets only. The company has been incorporated with the object of manufacturing of Mild Steel TMT Re-bars, Structural Re-bars, Round and other Sectional products.
The Company also engages in trading of Mild Steel Billets, Cement and Clinker and TMT and Structural Re-Bars

(II) Statement of compliance

Standalone financial statements have been prepared in accordance with accounting principles generally accepted in India including Indian Accounting Standard (Ind AS) prescribed under the section 133 of the Companies Act.2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of Schedule III of the Companies Act 2013, as applicable to standalone financial statement.

(III) Basis of preparation and presentation

These financial statements of the Company are prepared under the historical cost except for certain financial instruments that are measured at fair value at end of each reporting period. Historical cost is generally based on fair value of the consideration given in exchange for goods and services

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised in to Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

The Financial Statements is presented in INR and all values are rounded to the nearest rupees except when otherwise stated.

(IV) Use of Estimates

The preparation of separate financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the separate financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Future results could defer due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

(V) Revenue Recognition

(i) Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have been passed, at which time all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership not effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

(ii) Dividend and Interest income

Dividend income is recognised when the company's right to receive dividend is established. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate applicable.

(VI) Foreign currencies

Transactions in currencies other than entity's functional currency (foreign currency) are recorded at the rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies remaining unsettled at the end of the each reporting period are re-measured at the rates of exchange prevailing at that date.

(VII) Employee Benefits

i) Short-term benefits Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

ii) Defined contribution retirement benefits Payments to defined contribution retirement benefits are recognised as an expense when employees have rendered services entitling them to the contributions. Defined contribution plans are those plans where the Company pays fixed contributions to funds/schemes. Contributions are paid in return for services rendered by the employees during the year. The contributions are expensed as they are incurred in line with the treatment of wages and salaries. The liability as on the balance sheet is ascertained by an independent actuarial valuation.

iii) Defined benefit retirement benefits the cost of providing defined benefit retirement benefits are determined & recognised as per independent actuarial valuations report carried out at the end of each reporting period. The Company provides gratuity to its employees. All actuarial gains or losses are recognised in the statement of profit and loss in the period in which they occur.

(VIII) Taxation

i) Current tax

Current tax is payable based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates in accordance with the provisions of the Income Tax Act, 1961.

ii) Deferred tax

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right to such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

iii) Minimum alternate tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is recognised as an asset in the balance sheet. When there is convincing evidence that the Company will pay normal income tax during the specified period and it is probable that future economic benefit associated with it will flow to the Company.

iii) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

(IX) Property, Plant and equipment

a) Buildings and Roads, Plant and Equipment, Furniture and Fixtures and Vehicles held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes purchase cost of materials, including import duties and non-refundable taxes, any directly attributable costs of bringing an asset to the location and condition of its intended use and borrowing costs capitalised in accordance with the Company's accounting policy.

Depreciation is recognised so as to write off the cost of assets (other than properties under construction) less their residual values over the useful lives, using the straight-line method. Depreciation of assets commences when the assets are ready for their intended use. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes is accounted as change in estimate on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in the statement of profit and loss.

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(X) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment (if any) losses. Amortisation is recognised over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquire separately are carried at cost less accumulated impairment losses. Estimated useful lives of the intangible assets are as follows:

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of intangible assets is recognised in the statement of profit and loss.

The Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(XI) Impairment of assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the Statement of Profit and Loss.

(XII) Inventories

Raw materials, work-in-progress and finished products are valued at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary and stores and Spares are valued at cost less write off for obsolescence. Cost includes purchase price, non-refundable taxes and duties and other directly attributable costs incurred in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Stores and spares are valued at cost comprising of purchase price, non-refundable taxes and duties and other directly attributable costs after providing for obsolescence and other losses, where considered necessary.

(XIII) Provisions, Contingent liabilities and Contingent assets

(i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses. Provisions are not discounted to their present value are measured at the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

(ii) **Contingent liabilities and assets**

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised. In the normal course of business, contingent liabilities may arise from litigation and other claims against the company. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

(XIV) Foreign exchange gain and losses

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

(XV) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, Cash and cash equivalents includes cash on hand and short term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(XVI) Trade and other payables

These amounts represent liabilities for goods and services received by the Company prior to the end of reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.

(XVII) Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

(XVIII) Earnings per share

Basic earnings per share are computed by dividing the profit after tax before other comprehensive income by the weighted average number of equity shares outstanding during the financial year. Diluted earnings per share are computed by dividing the profit after tax by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year.

(XIX) Impact of Covid-19(Global Pandemic) on Going Concern

The outbreak of Covid-19 pandemic globally and in India is causing significant disturbances and slowdown of economic activity. To contain the spread of Covid-19 in India, the Ministry of Health Affairs vide order No. 40-3/2020 dated 24 March, 2020 notified the first ever nationwide lockdown. Due to Covid-19 concerns, the Company temporarily suspended its operations from 23rd March, 2020.

Subsequently, considering the permissions granted by the Local Authorities based on the guidelines issued by the Government of India and State Governments from time to time and the demand for the products from our customers; the operations of the Company were resumed.

The Company has adopted various cost-saving measures by rationalising operating costs, personnel costs and overheads & administration costs. Most of the savings are strategic in nature and are expected to give long term benefits to the Company.

It is difficult to predict the business impact due to the unprecedented environment caused by the COVID-19 pandemic. However, the Company expects to achieve normalcy in its operations as the impact of this pandemic and the nation-wide lockdown eases.

(XX) Financial risk management

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix affixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in MCLR rate and LIBOR rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31st March 2021 would decrease / increase by Rs 6,61,07962/- (for the year ended 31st March 2020: decrease / increase by Rs 4,84,20,973/-). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

ii) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with Creditworthy counterparties. Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits defined in accordance with the assessment. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk.

iii) Commodity Price risk

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its products. Market forces generally determine prices for the Product sold by the Company. These prices may be influenced by factors such as demand and supply, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its products.

Notes to financial statements for the year ended 31st March, 2021

Note No: 2

Property, Plant & Equipment

Particulars	Land	Gold & Jewelry	Plant & Machinery (20 Years)	Plant & Machinery (15 Years)	Factory Shed & Building	Furniture & Fixtures	Office Equipments	Computers & Peripherals	Motor Vehicle	Motor Cycle	Total Tangible Assets
Cost or Deemed Cost											
Balance at April 1, 2019	149,200,000	-	73,116,497	604,848	84,017,438	11,841,711	2,997,215	2,808,453	14,050,053	791,179	339,427,394
Additions	-		2,808,035	-	338,435	333,371	300,181	235,764	1,329,708	-	5,345,494
Revaluation	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	7,848,440	249,378	8,097,818
Balance at March 31, 2020	**149,200,000**	**-**	**74,855,324**	**604,848**	**79,176,935**	**11,676,043**	**2,648,161**	**2,622,663**	**6,825,321**	**90,811**	**336,675,070**
Additions	-	324,272	68,133	20,763	275,795	-	27,966	25,520	-	-	742,448
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance at March 31, 2021	**149,200,000**	**324,272**	**74,923,457**	**625,611**	**79,452,730**	**11,676,043**	**2,676,127**	**2,648,183**	**6,825,321**	**90,811**	**337,417,518**
Accumulated Depreciation											-
Balance at April 1, 2019	-	-	32,791,383	271,841	12,853,036	9,330,201	2,130,615	2,281,965	9,910,252	231,373	69,800,666
Depreciation expenses	-	-	3,979,305	55,005	1,372,273	323,986	265,150	331,265	999,339	60,740	7,387,063
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance at March 31, 2020	**-**	**-**	**36,770,688**	**326,846**	**14,225,309**	**9,654,187**	**2,395,765**	**2,613,230**	**10,909,591**	**292,113**	**77,187,729**
Depreciation expenses			3,463,811	48,854	1,239,189	265,920	217,409	216,735	670,487	49,702	6,172,106
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance at March 31, 2021	**-**	**-**	**40,234,499**	**375,700**	**15,464,498**	**9,920,107**	**2,613,174**	**2,829,965**	**11,580,078**	**341,815**	**83,359,835**
Carrying Amount											-
Balance at April 1, 2019	149,200,000	-	40,325,115	333,007	69,722,147	2,511,510	866,600	526,489	4,139,801	559,776	268,184,445
Additions	-	-	2,808,035	-	338,435	333,371	300,181	235,764	1,329,708	-	5,345,494
Depreciation adjustment for revalued assets Note-1					1,396,321						(1,396,321)
Disposals	-	-	-	-	-	-	-	-	545,576	68,089	613,666
Depreciation	-	-	3,979,305	55,005	2,768,594	323,986	265,150	331,265	999,339	60,740	7,387,063
Balance at March 31, 2020	**149,200,000**	**-**	**39,153,845**	**278,002**	**67,291,989**	**2,520,895**	**901,631**	**430,988**	**3,924,593**	**430,947**	**264,132,890**
Additions	-	324,272	68,133	20,763	275,795	-	27,966	25,520	-	-	742,448
Depreciation adjustment for revalued assets					1,364,013						(1,364,013)
Disposals			-	-	-	-	-	-	-	-	-
Depreciation	-		3,463,811	48,854	2,603,201	265,920	217,409	216,735	670,487	49,702	6,172,106
Balance at March 31, 2021	**149,200,000**	**324,272**	**35,758,167**	**249,911**	**64,964,582**	**2,254,975**	**712,188**	**239,773**	**3,254,106**	**381,245**	**257,339,219**

Note-1: Depreciation on Revalued Assets for Rs 13,96,320/- (March 2020) and Rs. 13,64,013/-(March-2021) adjusted with total depreciation claimed during the year as this amount ultimate adjusted with Revaluation Reserve.

Note No. 3

Investments

(Amount in INR)

(Unsecured , Considered good unless state otherwise)	31st March, 2021	31st March, 2020
Investment in Gold Bond	636,600	636,600
Investment in Equity Shares	242,627	242,627
	879,227	**879,227**

Note No. 4

Other Non Current Assets

(Unsecured , considered good unless stated otherwise)	31st March, 2021	31st March, 2020
Other Advance	-	4,573,044
	-	**4,573,044**

Note No. 5

Inventories

(At lower of cost and net realisable value)	31st March, 2021	31st March, 2020
(a) Raw Materials (At lower of Cost and Net Realisable Value)	14,433,741	18,723,948
(b) Finished Goods (At lower of Cost and Net Realisable Value)	153,816,625	88,675,311
(c) Stores and Spares (At cost less write off for obsolescence)	41,195,230	36,558,767
	209,445,596	**143,958,027**

1. The mode of valuation of Inventory stated in note no.1 (XII)
2. For details of carring amount of inventories pledged as security for secured borrowings refer note 15.

Note No.6
Trade receivables

(Amount in INR)

	31st March, 2021	31st March, 2020
Outstanding for a period exceeding six months from due date of payment		
Secured , considered good	524,619,731.98	638,051,540.14
Unsecured , considered good		
	524,619,731.98	638,051,540.14
Other Receivables		
Secured, Considered good	209,153,332	136,601,693
Unsecured, Considered good		-
	209,153,332	136,601,693
	733,773,064	**774,653,234**
Allowance for doubtful debts	-	-
	733,773,064	**774,653,234**

(a) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.
(b) Trade receivale are pledged on pari passu first charge against working capital demand loans from Karur Vysya Bank refer note 15.
(c) The Company does not hold any collateral or other credit enhancements over these balances nor does it have alegal right of offset against any amounts owed by the Company to the counterparty.

Note No. 7
Cash and Cash Equivalents

	31st March, 2021	31st March, 2020
Cash and Cash Equivalent		
Balance with Bank		
On Current Accounts	949,710	22,901,672
Cheques/Drafts on Hand	333,636	-
Cash In Hand	1,086,387	56,828
	2,369,733	**22,958,500**

Note No. 8
Other Bank balances

	31st March, 2021	31st March, 2020
Balances with Banks		
On Short Term Deposit including interest accrued	1,058,613	3,589,385
(Term deposit including Accrued Interest with KVB Bank Burrabazar Branch)		
	1,058,613	**3,589,385**

Note No. 9
Loans and Deposits

(Amount in INR)

	31st March, 2021	31st March, 2020
Other Financial Assets		
Usecured, considered good :		
Inter Corporate Advances		
- Others	5,704,675	2,310,521
	5,704,675	**2,310,521**

Note No. 10
Other Current Assets:

	31st March, 2021	31st March, 2020
Other non financial assets		
(Unsecured, considered good unless stated otherwise)		
Advance other than Capital Advances		
Advances Against Material	56,522,583	30,300,258
Bank Interest Receivable	7,050,276	-
Prepaid Expenses	309,168	403,492
Balances with Government Dept:		
Excise/VAT/CST/GST	40,433,019	39,028,161
Advance Tax	1,545,000	1,545,000
TDS	1,654,974	1,604,313
TCS	792,345	82,598
Self Assessment Tax	831,644	-
	109,139,010	**72,963,821**

Note: Excise /VAT/ CST/ GST includes RS. 3601340/- against Excise Apeal, Rs. 1549311 for CST, Rs. 14932368/- for VAT Appeal & SOD, RS. 17000000 for GST and RS. 3350000 for Income Tax Dept.

Note No. 11

SHARE CAPITAL (Amount in INR)

	31st March, 2021	31st March, 2020
Authorised		
22,000,000 Equity shares of Rs.10 each	220,000,000	220,000,000
	220,000,000	**220,000,000**
Issued, Subscribed and Paid up		
20,853,750 Equity Shares of Rs. 10/- each fully paid up	208,537,500	208,537,500
	208,537,500	**208,537,500**

Note :-

1

Reconciliation of the number of Equity Shares Outstanding	31st March, 2021	31st March, 2020
Number of Equity Shares Outstanding at the beginning of the year	20,853,750	20,853,750
Number of Equity Shares Outstanding at the end of the year	20,853,750	20,853,750

2 **Shares held by each shareholder holding more than 5 percent shares**

Name of shareholders	No. of Shares	%	No. of Shares
Mukesh Goel	1994850	9.57%	1994850
Manoj Goel	1716900	8.23%	1716900
Maina Securities Pvt Ltd	4740000	22.73%	4740000
Pratik Suppliers Pvt Ltd	4128000	19.80%	4128000

3 **Terms/rights attached to Equity Shares**

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

b. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts in proportion to their shareholding.

c. No Equity shares have been reserved for issue under options and contracts/commitments for the sale of shares / disinvestment as at the Balance Sheet date.

Note No. 12

Statement of Changes in Equity:-

A. Equity Share Capital		
Issued, subscribed and paid up Number of Shares Value (Rs.)	No of Shares	Value (Rs.)
Equity Shares of Rs. 10 each		
On April 1, 2019	20853750	208,537,500
Equity share capital issued during the year		
Balance at March 31, 2020	20853750	208,537,500
Equity share capital issued during the year		
Balance at March 31, 2021	**20853750**	**208,537,500**

Particulars	Security Premium Reserve	Revaluation Reserve	General Reserve	Retained Earning	Other Comprehensive Income	Total
Balance as at 31st March,2019	145,867,500	186,676,683	3,600,000	99,137,605	387,020	435,668,808
Dividend Paid	-	-	-	-	-	-
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-	-
Adjustment in Reserve for depreciation on revalued asset	-	(1,396,321)	-	-	-	(1,396,321)
Equity Instrument through other comprehensive income	-	-	-	-	-	-
Profit for the year	-	-	-	(82,884,141)	-	(82,884,141)
Balance as at 31 March,2020	**145,867,500**	**185,280,362**	**3,600,000**	**16,253,465**	**387,020**	**351,388,347**
Dividend Paid	-	-	-	-	-	-
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-	-
Adjustment in Reserve for depreciation on revalued asset	-	(1,364,013)	-	-	-	(1,364,013)
Equity Instrument through other comprehensive income	-	-	-	-	-	-
Profit for the year	-	-	-	(53,862,279)	-	(53,862,279)
Balance as at 31 March, 2021	**145,867,500**	**183,916,350**	**3,600,000**	**(37,608,815)**	**387,020**	**296,162,055**

Note No. 13
Borrowings

(Amount in INR)

	31st March, 2021	31st March, 2020
Secured:-		
Term Loan		
Karur Vysya Bank	599,781,400	-
Axis Bank	571,947	-
Unsecured:-		
Loan from other Parties	-	6,933,361
Loan from Related Parties	-	-
	600,353,347	**6,933,361**

Note No. 14
Provisions

	31st March, 2021	31st March, 2020
Employee Benefits (Gratuity)	1,650,344	1,564,253
	1,650,344	**1,564,253**

Note No. 15
Borrowings

	31st March, 2021	31st March, 2020
Short term Borrowings:		
From Bank :-		
Secured		
Working Capital Loan from banks		
Cash Credit	107,787,313	610,899,574
	107,787,313	**610,899,574**

a) Cash credit facility (working capital loan) is payable on demand and effective interest rate of cash credit facility is 10.70% P.A. till Jan 2021 after that 9.15% P.A. Working capital demand loans from bank is secured by hypothecation of movable raw material, stores and spares, book debts and other current assets. properties, finished Goods, semi Finished Goods,

b) Term Loan Included :-

(i) Rs. 457710762/- as WCDL and Rs. 21183638/- as FTNL having effectice rate of Interest of 9.15% secured by hypothecation of movable raw material, stores and spares, book debts and other current assets. properties, finished Goods, semi Finished Goods . Repable in 84 monthly installment start from 31/10/2022.

(ii) Rs. 120887000/- as WCTL -GECL having effective rate of Interest of Rs. 8.20% secured by hypothecation of movable raw material, stores and spares, book debts and other current assets. properties, finished Goods, semi Finished Goods .Repable in 48 monthly installment start from 31/01/2022.

Note No 16
Trade payables

(Amount in INR)

	31st March, 2021	31st March, 2020
a) Total outstanding dues of micro enterprises and small enterprises	-	-
b) Others		
i) Creditors for supply and service	36,464,274	68,497,656
	36,464,274	**68,497,656**

Note No. 17
Other Current Liabilities

	31st March, 2021	31st March, 2020
Statutory Liabilities	8,929,090	8,330,854
Advance against Material	38,831,418	2,614,755
For Expenses	2,207,569	2,705,704
	49,968,078	**13,651,313**

Note No. 18
Provisions

	31st March, 2021	31st March, 2020
Employee Benefits (Gratuity)	453,633	381,409
Provision for Tax:		
Income Tax	17,921,235	17,921,235
	18,374,868	**18,302,644**

a) In view of global nature of the pandemic Covid-19 and the uncertainty around its severity and duration of theimpact, it is difficult to determine a potential impact on financial performance of the Company in near future. The Company will continue to monitor developments to identify significant uncertainties relating to revenue infuture periods.

Note No. 19
Revenue from operations

(Amount in INR)

	31st March, 2021	31st March, 2020
Sale of products	1,210,408,667	1,704,275,976
	1,210,408,667	**1,704,275,976**

Note No. 20
Other income

	31st March, 2021	31st March, 2020
Interest Income :		
- Bank & Gold Bond	77,094	410,001
- Late Payment	1,050	-
Discount Received	15,636,675	16,803,847
Foreign Exchange profit	-	342,000
Forfeiture of Advaces	5,900,000	-
Sundry Creditors w/f	11,068,614	67,571
Liability W/off	-	424,754
	32,683,433	**18,048,172**

Note No.21
Cost of Materials Purchased

	31st March, 2021	31st March, 2020
Purchase	1,194,768,168	1,376,210,333
	1,194,768,168	**1,376,210,333**

Note No. 22
Changes in Inventories of Finished Goods & Work-in-Progress

	31st March, 2021	31st March, 2020
Opening Stock		
Finished Goods	122,415,427	293,783,495
	122,415,427	**293,783,495**
Closing Stock		
Finished Goods	187,902,996	122,415,427
	187,902,996	**122,415,427**
	(65,487,570)	**171,368,068**

Note No. 23
Employee benefits expense

	31st March, 2021	31st March, 2020
Salaries, Wages, Bonus and Allowances	9,890,492	13,351,919
Directors Remuneration & Sitting Fees	2,071,000	2,481,000
Contribution to Provident, Gratuity and other funds	907,845	922,106
Staff Welfare Expenses	279,900	444,280
Provision For Gratuity	158,315	340,940
	13,307,552	**17,540,245**

Note No. 24
Finance costs

	31st March, 2021	31st March, 2020
Interest Expenses		
Banks	66,107,962	48,420,973
ILC Interest	134,146	196,223
Bank Charges and ancillary borrowing Cost	1,126,744	2,905,384
	67,368,852	**51,522,580**

Note No. 25

Other Expenses (Amount in INR)

	31st March, 2,021	31st March, 2,020
Direct Expenses		
Carriage Inward	15,183,348	22,323,161
Consumption of Stores and Spares	6,380,735	12,480,328
Electricity charges	37,435,345	46,524,783
Labour Charges including loading & unloading charges	12,308,968	2,119,808
Railway Freight Charges	4,130,760	69,199,418
Rates & Taxes	218,362	11,941
Security Expenses	793,560	814,758
Transportation Expenses	732,013	-
Production & Supervision Charges	-	100,800
Tarpaulin Covering Expenses	110,000	-
Administrative Expenses		
Auditors Remuneration:		
Audit Fee & Tax Audit Fees	395,000	200,000
Advertisement Expense	171,070	123,074
Carriage-Out-Ward	1,975,606	1,617,448
Communication Cost	286,391	334,271
Computer Expenses	41,188	96,792
Dematerialisation Exp	75,000	75,000
Discount Allowed	3,095,002	6,964,085
Filing fees	27,800	50,400
General Expenses	357,126	1,978,482
Insurance	219,865	287,387
Listing Expenses & Custodian Fees	442,857	300,000
Legal & Professional Fees	283,418	1,685,931
Electrical Expenses	570,535	-
Car Expenses	221,830	369,464
Other Expense	668,501	87,869
Postage & Courier	368	32,050
Printing & Stationery	76,251	319,676
Prepaid Expenses	403,492	-
Rates & Taxes	134,600	347,490
Commision & Brokerage	94,233	1,563,101
Compenssion Cess PL A/c	991,268	1,115,983
Petrol Diesel & Lubricant Expenses	-	419,280
Penality on Excise Duty	-	35,334
Prepayment Charges of Baleno Loan	-	18,216
Professional Tax Company	2,500	2,500
Testing Expenses	10,000	232,000
Fee for Monitoring of Foreign Investment Limits.	10,000	10,000
Software License Fees		29,736
Handling & Shifting Charges	811,885	2,134,861
Business Promotion	-	169,303
Loss on Dissposal of Assets	-	613,666
Interest & Penalty on Statutory Dues	8,069	8,280
Rent including lease rent	518,500	561,000
Repair & Maintenance	1,032,558	3,276,081
Service Charges to Share Registerer	111,794	32,000
Late fine for GST	9,040	-
Subscription & Donation	270,779	795,543
Travelling & Conveyance	33,980	797,717
Appeal file of I.Tax	-	8,000
Sundries Balance Written Off	14,316	1,248,280
	90,657,912	**181,515,297**

Notes to the Financial Statements for the year ended 31st March, 2021

Note: 26 (i) Income tax recognised in profit or loss:
(Amount in INR)

	For the year ended (31.03.2021)	For the year ended (31.03.2020)
Current Tax		
- In respect of current year	NIL	NIL
- In respect of prior year	NIL	NIL
Deferred Tax in respect of current year	(9832642)	(335297)
Total Income tax recognised in the current year	(9832642)	(335297)

26(ii) Income tax recognised in other comprehensive income:

Arising on income and expenses recognised in other comprehensive income:

(Amount in INR)

	For the year ended (31.03.2021)	For the year ended (31.03.2020)
Remeasurement of defined benefit obligations	337169.00	264595.00
Total income tax recognised in other comprehensive income	90192.00	70779.00
Comprehensive Income Net of Tax	246977.00	193816.00

Note 27: Related Party Disclosure

Particulars of Related Party	Nature of Transaction	Amount of Transaction	Balance as at 31st March, 2021 Dr. / (Cr.)
Key Managerial Persons	Director Remuneration Sitting Fees Transactions on Current Account	1920000.00 151000.00 NIL	150000.00 235000.00 NIL
Relatives of KMP	Transactions on Current Account		
Company in which KMP / Relatives of KMP can exercise significant influence	Transactions on Current Account Sales of Goods Purchases of Goods Short Term Advances given/taken	NIL 299618447.17 158603958.04 32922982.5	NIL 74866384.34 (8261506.33) (32922982.5)

Related Parties:

Description of relationship	Names of related parties
Ultimate Holding Company	Nil
Holding Company	Nil
Subsidiaries	Nil
Fellow Subsidiaries (to be given only if there are transactions)	Nil
Associates	Nil
Key Management Personnel (KMP)	Manoj Goel, Director Mukesh Goel, Managing Director Mukesh Agarwal, Director Nilu Nigania, Director Babita Kaur Bagga, Director Vijay Srivastava, Director
Relatives of KMP	Maina Devi Goel Monika Goel Rashmi Goel Manoj Goel HUF Mukesh Goel HUF Sita Ram Goyal Sita Ram Goyal HUF
Company in which KMP / Relatives of KMP can exercise significant influence	Aanchal Collection Limited Aanchal Cement Ltd Aanchal International (P) Ltd. Aanchal Iron & Steels Pvt Ltd Jaya Rice Mills Pvt Ltd Kalayani Rice Mills Pvt Ltd Penguin Creation Pvt Ltd Pratik Suppliers Pvt Ltd

Note: 28. Contingent Liability/commitment to the extent not provided for

Amount in INR

			As at 31stMarch, 2021	**As at 31stMarch, 2020**
(A) Contingent Liabilities				
(i) Unexpired Bank Guarantees			Rs. 1,05,27,000/-	Rs. 1,05,27,000/-
(ii)Sundry Debtors considered doubtful			Rs. 300000000/-	Rs. 200000000/-
Issuing Authority	**Period**	**Action taken by the company**		
Commissioner of Central Excise, Haldia, Commissionerate	FY 2007-08	Appeal filed by the company on 13/07/2012 before customs excise service Tax Tribunal (Company has already deposited Rs.36,01,340)	Rs. 79,86,754/-	Rs. 79,86,754/-
Demand Order u/s 153A r.w.s.143(3) of the IT Act,1961 raised by DCIT, Central Circle-2(4), Kolkata	FY 2011-12	Appeal filed by the company on 30.01.2020 before CIT(A), Kolkata-20	Rs. 17,342,030/-	Rs. 19,278,200/-
Demand Order u/s 153A r.w.s.143(3) of the IT Act,1961 raised by DCIT, Central Circle-2(4), Kolkata	FY 2012-13	Appeal filed by the company on 30.01.2020 before CIT(A), Kolkata-20	Rs. 7,486,180/-	Rs. 3,233,690/-
Demand Order u/s 153A r.w.s.143(3) of the IT Act,1961 raised by DCIT, Central Circle-2(4), Kolkata	FY 2014-15	Appeal filed by the company on 30.01.2020 before CIT(A), Kolkata-20	Rs. 4,383,430/-	Rs. 4,383,430/-

Demand Order u/s 143(3) of the IT Act,1961 raised by DCIT, Central Circle-2(4), Kolkata	FY 2017-18	Appeal filed by the company on 30.01.2020 before CIT(A), Kolkata-20	Rs.7,283,550/-	Rs.7,283,550/-
(b) Liabilities Under SOD:-		(TO be booked as and when final order received)		
Joint Commissioner Commercial Taxes, Howrah Circle	FY 2012-13	The company has already deposited Rs. 28,21,092/- and applied for SOD scheme on 27/03/2021(Total Liabilities Rs.5642182/-)		
Joint Commissioner Commercial Taxes, Howrah Circle	FY 2013-14	Company already deposit Rs. 66,13,822/- and Applied for SOD scheme as on 27/03/2021(Total Liabilities Rs.13227644/-)		
Joint Commissioner Commercial Taxes, Howrah Circle	FY 2015-16	Company already deposit Rs. 41,38,536/- and Applied for SOD scheme as on 30/03/2021(Total Liabilities Rs.8277073/-)		
Joint Commissioner Commercial Taxes, Howrah Circle	FY 2016-17	SOD Filed by the company as on 17/03/2020 and Deposit Rs. 877675/- (Total Liabilities Rs.877675/-)		
Claims against the company not acknowledged as debt*		By M/s Aldous commodities Pvt Ltd (Creditor) For Rs 1,42,39,863.60		

***The Company is hopeful of favourable decision and expect no outflow of resources; hence no provision is made in the Books of accounts.**

Note: 29:

29.1 Disclosures required under Section 22 the Micro, Small and Medium Enterprises Development Act, 2006:

The Company is in the process of identifying the suppliers, who would be covered under the Micro, Small and Medium Enterprises Development Act, 2006. In this process the Company has given notice to its vendor/suppliers to inform about whether any of them are registered under the said Act. The Company has not yet received any information about such registration from the vendors. Such information will be provided as and when confirmation is received from them.

29.2 In the opinion of the Board, the current assets have value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

Note 30: Foreign Currency Transaction during the year:

	For the year ended 31 March, 2021	**For the year ended 31 March, 2020**
	`	`
Expenditure in foreign currency	Nil	Nil
Earnings in foreign exchange	Nil	341999.60

Note 31: Deferred Tax Assets/Liability

	As at 31.03.2021	**As at 31.03.2020**
	Timing Difference	**Timing Difference**
Deferred Tax Liability	411359	10244001
Less: Deferred Tax Liability b/f	10244001	10579298
Add: Ind AS Adjustment	0	0
Deferred Tax Provision for the year	9832642	335297
Deferred Tax Provision (Prior Period)	-	-

Note 32: Additional Information to the Financial Statements pursuant to Companies Act, 2013 requirements:

32.01 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
a). Principal amount remaining unpaid to the suppliers as at the end of the accounting year	Nil	Nil
b). Interest due thereon remaining unpaid to suppliers as at the end of the accounting year	Nil	Nil
c). Interest paid in terms of Section 16 along with the amount of payments made to suppliers beyond the appointment day during the year	Nil	Nil
d). Interest due and payable for the period of delays in making payment (which have been paid beyond the appointment date during the year but without adding interest specified under the act)	Nil	Nil
e). The amount of interest accrued during the year for the year remaining unpaid at the end of the accounting year.	Nil	Nil

The information above has been compiled to the best of knowledge and as per the information available with the management to the extent to which parties would be identified as Micro, Small and Medium Enterprises and relied upon by the auditors.

32.02 There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions in Companies Act 2013, and accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 made there under.

Notes forming part of the Financial Statements

Note 33: Reconciliation of total comprehensive income for the year ended March 31, 2021

	As at 31.03.2021 Rs.
Profit as per previous GAAP	**(53862279.00)**
Re classification of actuarial gains/losses, arising in respect of employees post-employment benefit Schemes, to other Comprehensive Income (OCI)	337169.00
Tax Effect	(90192.00)
Total effect on transition to Ind AS	246977.00
Total comprehensive income under Ind AS	**(53615302.00)**

Notes 34: Exceptional Items (Net) for the year March 2021

Particulars	**Amount (Rs)**
Liability Written off	12500000.00
Discount Recd from Creditor	3003127.00
Sundry creditor Written off	16543344.65
Advance Written off	5900000.00
Debtors Written off	5474731.00
Total	**Rs 43421202.6**

Notes 35: Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

36. Earning Per Shares												
Year Ended 31.03.2021	**Continuing Operations**				**Discontinuing Operations**				**Total Operations**			
	Before Extraordinary and Exceptional Items		**After Extraordinary and Exceptional Items**		**Before Extraordinary and Exceptional Items**		**After Extraordinary and Exceptional Items**		**Before Extraordinary and Exceptional Items**		**After Extraordinary and Exceptional Items**	
	Basic	**Diluted**	**Basic**	**Diluted**	**Basic**	**Diluted**	**Basic**	**Diluted**	**Basic**	**Diluted**	**Basic**	**Diluted**
Face Value of Shares	10	10	10	10	10	10	10	10	10	10	10	10
Profit	(5,36,15,302)	(5,36,15,302)	(5,36,15,302)	(5,36,15,302)					(5,36,15,302)	(5,36,15,302)	(5,36,15,302)	(5,36,15,302)
Weighted Average No of Shares	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750
EPS (Rs)	**(2.57)**	**(2.57)**	**(2.57)**	**(2.57)**	**0**	**0**	**0**	**0**	**(2.57)**	**(2.57)**	**(2.57)**	**(2.57)**

Year Ended 31.03.2020	**Continuing Operations**				**Discontinuing Operations**				**Total Operations**			
	Before Extraordinary and Exceptional Items		**After Extraordinary and Exceptional Items**		**Before Extraordinary and Exceptional Items**		**After Extraordinary and Exceptional Items**		**Before Extraordinary and Exceptional Items**		**After Extraordinary and Exceptional Items**	
	Basic	**Diluted**	**Basic**	**Diluted**	**Basic**	**Diluted**	**Basic**	**Diluted**	**Basic**	**Diluted**	**Basic**	**Diluted**
Face Value of Shares	10	10	10	10	10	10	10	10	10	10	10	10
Profit	(8,26,90,325)	(8,26,90,325)	(8,26,90,325)	(8,26,90,325)	0	0	0	0	(8,26,90,325)	(8,26,90,325)	(8,26,90,325)	(8,26,90,325)
Weighted Average No of Shares	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750	2,08,53,750
EPS (Rs)	**(3.97)**	**(3.97)**	**(3.97)**	**(3.97)**	**0**	**0**	**0**	**0**	**(3.97)**	**(3.97)**	**(3.97)**	**(3.97)**

NOTICE TO THE MEMBERS OF THE COMPANY

Notice is hereby given that the Twenty Sixth (26th) Annual General Meeting of the members of Aanchal Ispat Limited will be held on Thursday, 30TH September, 2021 at 1.00 p.m. through Video Conferencing ("VC")/Other Audio Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS

1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2021, THE STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2021 ON THAT DATE TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON AND THE REPORT ON SECRETARIAL AUDIT.

2. TO APPOINT A DIRECTOR IN PLACE OFMR. VIJAY SRIVASTAVA (DIN: 03618949), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.

SPECIAL BUSINESS

3. RATIFICATION OF REMUNERATION PAYABLE TO MR. RANA GHOSH, THE COST AUDITOR OF THE COMPANY FOR THE FINANCIAL YEAR 2021-22

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof) and subject to applicable notification or circular as may be issued by the Ministry of Corporate Affairs (MCA) in this regard, the remuneration of Rs. 30,000/- plus applicable GST and re imbursement of out of pocket expenses as recommended by the Audit Committee and approved by the Board of Directors to be paid to Mr. Rana Ghosh , Cost Accountant of the Company for the Financial Year 2021-22, be and is hereby ratified, confirmed and approved."

For Aanchal Ispat Limited
Sd/-
Mukesh Goel
Chairman &Managing Directo
DIN: 00555061

Date:04.09.2021
Registered Office:
J.L. No. 5, Mouza-Chamarai
National Highway No. 6
Howrah 711114

NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto. The Board of Directors have considered and decided to include the Item No. 3 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.

2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020dated April 8, 2020 and April 13, 2020respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing(VC) or other audio visual means (OAVM)"and Circular no. 02/2021 dated January 13,2021 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID -19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

3. As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

4. Members attending the meeting through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required o send a scanned copy (PDF / JPG Format)of their respective Board or governing body Resolution /Authorization etc., authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-Voting. The said Resolution /Authorization shall be sent to the Scrutinizer bye-mail on its registered e-mail address to cs@aanchalispat.comwith a copy marked toevoting@nsdl.co.in. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 24th September, 2021 to Thursday, 30th September, 2021 (both days inclusive).

6. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

7. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

10. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

11. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.aanchalispat.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

12. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on 27TH September, 2021 at 10.00 A.M. and ends on 29TH September, 2021 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23RD September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23RD September, 2021.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	**1.** Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. **2.** If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp **3.** Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &voting during the meeting.
	4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	**1.** Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.

	2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. **3.** If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration **4.** Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	**Helpdesk details**
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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 etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to manisha_saraf2007@yahoo.co.in with a copy marked to evoting@nsdl.co.in.andcs@aanchalispat.com.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e.**03.09.21**, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990 and 1800 22 44 30** . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 03.09.21 may follow steps mentioned in the Notice of the AGM under Step 1 :"Access to NSDL e-Voting system"(Above).
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Senior Manager and /or Ms. PallaviMhatre, Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@aanchalispat.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@aanchalispat.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGHVC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at latest by 5.00 p.m. on Thursday, 22nd day of September, 2021.

6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@aanchalispat.comlatest by 5.00 p.m. (IST) on Thursday, 22nd day of September, 2021.The same will be replied by the company suitably.

7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

8. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.

9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

10. Members who need assistance before or during the AGM, can contact Mr. Amit Vishal, Senior Manager, NSDL and / or Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in or call 1800 1020 990 / 1800 22 44 30.

For Aanchal Ispat Limited

Sd/-

Mukesh Goel
Chairman &Managing Director
DIN: 00555061

Date: 04-09-2021
Registered Office:
J.L.No.5, Mouza-Chamarail
National Highway No.6
Howrah 711114

Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, (The Act)

Item No.3

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of Mr. Rana Ghosh., Cost Accountants (Firm Registration No.102189,), to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be approved by the Members of the Company. Accordingly, consent of the Members is sought for the remuneration payable to the Cost Auditors.

None of the Directors or Key managerial Personnel and their relatives, are concerned or interested (financially or otherwise), in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 3for the approval of Members.

For Aanchal Ispat Limited
Sd/-
Mukesh Goel
Chairman & Managing Director
DIN: 00555061

Date: 04-09-2021
Registered Office:
J.L.No.5, Mouza-Chamarail
National Highway No.6
Howrah 711114

Annexure to the Notice

Details of Director seeking re-appointment at the Annual General Meeting

Particulars	Vijay Srivastava
DIN	03618949
Date of Birth	18/10/1970
Date of Appointment	14/08/2018
Qualifications	BCom(H)
Master's Degree	MCA, M Tech (IT)
Expertise in specific	Vijay Srivastava has worked and developed expertise across all functions within the Company
Directorships held in other companies	Aum Express Private Limited
Memberships / Chairmanships of committees of other companies	NIL
Number of shares held in the Company	NIL

AANCHAL ISPAT LIMITED
J.L.No.5, Chamrail, Howrah 711114

www.aanchalispat.com