Aanchal Ispat Limited

CIN : L27106WB1996PLC076866 | GSTN/UID : 19AAACV8542M1ZQ | UAN : WB10C0007296
An ISO 9001:2015 Company

MAKE IN INDIA

Dated: 28TH November, 2020

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

Dear Sir,

Ref:-SCRIP CODE: 538812; ISIN: INE322R01014

Subject: 25th Annual Report of Aanchal Ispat Limited.

With reference to the above captioned subject, please find attached a copy of the 25th Annual Report of the Company under Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

You are requested to take the above information on your records.

Yours Faithfully
For Aanchal Ispat Limited,

AANCHAL ISPAT LTD. Howrah 711114 NH-6, Chamrail

Vijay Srivastava
(Director)
DIN: 03618949

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

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IS 2062:2011 CM/L 5489992
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AANCHAL ISPAT LIMITED

Annual Report

Relicon

2019-2020

CORPORATE INFORMATION

CORPORATE IDENTITY NUMBER: L27106WB1996PLC076866

DIRECTORS

1. Mr. Mukesh Goel	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
6. Ms. Babita Kaur Bagga	Independent Director

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

CHIEF FINANCIAL OFFICER
Mr A.S Nageswar Rao
(Resigned W.e.f 31.12.2019)

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

COMPANY SECRETARY
Ms. Neha Sharma
(Resigned W.e.f 03.10.2019)
Ms. Minu Agarwal
(Appointed on 03.10.2019
Resigned W.e.f 29.10.2020)

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: busicomp@vsnl.com

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

STATUTORY AUDITOR
M/s Raj Chandra& Associates
Chartered Accountants

9, Weston Street, 2nd Floor, Room No. 224,
Kolkata- 700 013 (Resigned W.e.f 14.11.2019)

M/s Rajesh Jalan & Associates
Chartered Accountants
56, Metcalfe Street, 1st Floor, Room No. 1A,
(Appointed on 21.03.2020)

INTERNAL AUDITOR
SAILESH AGARWAL & ASSOCIATES LLP
4/1, Panchanan Tala Road, 1st floor,
Howrah – 711101,West Bengal, India
214 Shyam Nagar Road, Kolkata-700055

COST AUDITOR
Rana Ghosh
9-B, Arpuli Lane, Kolkata-700012
Kolkata 700 013(Appointed W.e.f 21.03.2020)

INDEX

Sl.	Description	Page No(s)
1	CORPORATE INFORMATION	1
2	MANAGEMENT DISCUSSION AND ANALYSIS REPORT	3
3	REPORT ON CORPORATE GOVERNANCE	9
4	CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS	33
5	REPORT OF THE COMPANY'S BOARD OF DIRECTORS	34
6	ANNEXURES TO THE BOARD'S REPORT	43
7	AUDITOR'S REPORT	69
8	AUDITED BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE F.Y. 2019-20	80
9	CASH FLOW STATEMENT	82
10	NOTES FORMING THE PARTS OF THE FIANCIAL STATEMENTS	83
11	NOTICE OF THE 25th ANNUAL GENERAL MEETING	106

MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

In 2020 worldsteel forecasts that steel demand will contract by 6.4%, dropping to 1,654 Mt due to the COVID-19 crisis. In 2021 steel demand is expected to recover to 1,717Mt, an increase of 3.8% over 2020. This year's reduction in global steel demand will be mitigated by an expected faster recovery in China than in the rest of the world. The forecast assumes that most countries' lockdown measures continue to be eased during June and July, with social distancing controls remaining in place, and that the major steelmaking economies do not suffer from substantial secondary waves of the pandemic.

World Steel Scenario In 2019

Global Crude Steel production increased by 3.4% to reach 1,869.9 million tonnes (Mt) for the year 2019. Crude steel production contracted in all regions in 2019 except in Asia and the Middle East. Asia accounted for 1,341.6 Mt of crude steel in 2019, an increase of 5.7% compared to 2018. China's share of global crude steel production increased from 50.9% in 2018 to 53.3% in 2019. In 2017, China increased its share of Global Crude Steel Production to 51.33% compared to 50.34% in 2018. India, which is currently the world's third largest steel producing nation in 2017, India's crude steel production for 2019 was 111.2 Mt, up by 1.8% on 2018, increased its annual Crude Steel Output by 4.93% and has reached to Second Largest steel Producing nation by producing 106.5 MT in 2018. Japan produced 99.3 Mt in 2019. South Korea produced 71.4 Mt of crude steel in 2019, a decrease of 1.4% compared to 2018. The US produced 87.9 Mt of crude steel, up by 1.5% on 2018. The EU (28) also saw marginal growth in Crude Steel output by 0.18% to reach 162.50 MT in 2018 The EU produced 159.4 Mt of crude steel in 2019, a decrease of 4.9% compared to 2018.

INDIAN IRON & STEEL INDUSTRY OVERVIEW

Industry Profitability Outlook

India's steel demand is likely to face a sharp decline of 18 per cent in 2020, while global steel demand is expected to contract 6.4 per cent to 1,654 million tonnes (MT) due to the COVID-19 crisis.

India's steel demand is likely to face a sharp decline of 18 per cent in 2020, while global steel demand is expected to contract 6.4 per cent to 1,654 million tonnes (MT) due to the COVID-19 crisis, as per industry body Worldsteel. According to official figures, India consumed over 100 MT steel during 2019. "In 2020, worldsteel forecasts that steel demand will contract by 6.4 per cent, dropping to 1,654 MT due to the COVID-19 crisis," the World Steel Association (worldsteel) said in its latest Short Range Outlook (SRO), a publication on steel demand scenario.

Steel demand in developed economies is expected to decline by 17.1 per cent in 2020. Although the downturn is led by consumer and service sectors, massive dislocations in spending, labour markets, and confidence are fuelling declines in steel-using sectors, the global body said. "While,the steel demand in the developing economies excluding China is expected to fall by 11.6 per cent in 2020. India is likely to face an 18 per cent decline in steel demand in 2020, which will rebound by 15 per cent in 2021," it added.

In India, it said, the government implemented the most stringent nationwide lockdown measures in the world, bringing industrial operations to a standstill. Construction activity was halted entirely at the end of March, and recovery is expected to remain subdued due to the slow migration of labourers. Further, supply chain

disruptions coupled with slower demand recovery will hit the steel-using industries like the automotive and machinery sectors.

On demand recovery, worldsteel said global steel demand is expected to recover by 3.8 per cent to 1,717 MT in 2021. The reduction in global steel demand will be mitigated by an expected faster recovery in China than in the rest of the world. In India, the government's support to rural income, as well as expected consumption related to the upcoming festive season, will help in substantial recovery of demand for consumption-driven manufacturing goods in the second half, it said.

Supported by the government stimulus, recovery in construction will be led by infrastructure investment such as railways. The demand in India will rebound by 15 per cent in 2021.

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 THREATS

Opportunities:

- India was a net exporter of total finished steel. Growth in exports ensures greater access to far out markets.
- Intention of Government to increase funding in infrastructure, affordable housing (Prime Minister Awas Yojana), strengthening of Real Estate norms through 'Real Estate (Regulation and Development) Act, 2016' etc. will generate positive demand for steel.
- In line with Central Government's announcement of various road/rail infrastructure projects,the market for local manufacturers is expected to improve.
- India's steel production is increased to 106.15 MT in year 2018 to 128.6 MT by 2021.
- The Government has taken various steps to boost the sector including the introduction of National Steel Policy 2017 and allowing 100 per cent Foreign Direct Investment (FDI) in the steel sector under the automatic route. Between April 2000 and December 2018, inflow of US$ 11.18 billion has been witnessed in the metallurgical industries as Foreign Direct Investment (FDI).
- India's per capita consumption of steel grew to 68.9 kgs, during 2017-18. National Steel Policy 2017 aims to increase the per capita steel consumption to 160 kgs by 2030-31.

Threats:

- Improper supply-demand balance
- Depletion of high quality raw materials required for production of steel.
- Environmental concerns.
- Dumping of excess inventory in other countries by countries producing steel in abundance.
- The glut in the global steel market, which led to an influx of cheap imports into India and a series of steps by the government to protect the domestic steel industry, might not end anytime soon. In what indicates that threats of low-priced imports are here to stay, the world capacity utilization ratio of the alloy climbed upwards in the current year. So only structural reforms that will help cut costs and improve productivity could enable the domestic steelmakers to acquire competitiveness in the domestic and global markets. Rising cost of raw material, fuel, power prices coupled with unforeseen general macro economic factors may affect the industry adversely.

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.

OUTLOOK

Analysts are upbeat over the expected above normal monsoon and higher GDP growth. The slow pace of public and private sector projects is expected to improve with the Government of India's thrust on infrastructure projects. Further, 'Make in India' initiative has got a boost by a slew of measures aimed at improving the ease of doing business in the Country. Small and medium industry- a major employment generator for the economy- has been liberated to participate in the Nation's development in accordance with its potential. Bold measures by the Government such as improved targeting of subsidy, broadening of the tax base and expected buoyancy in tax revenue are all aimed at achieving the fiscal consolidation which had been an area of concern in the recent past.

Since the Outbreak of Covid-19 the economic impact of the same in India has been largely disruptive. India's growth in the fourth quarter of the fiscal year 2020 went down to 3.1% according to the Ministry of Statistics. The Chief Economic Adviser to the Government of India said that this drop is mainly due to the coronavirus pandemic effect on the Indian economy. Notably India had also been witnessing a pre-pandemic slowdown, and according to the World Bank, the current pandemic has "magnified pre-existing risks to India's economic outlook".

The World Bank and rating agencies had initially revised India's growth for FY2021 with the lowest figures India has seen in three decades since India's economic liberalization in the 1990s. However, after the announcement of the economic package in mid-May, India's GDP estimates were downgraded even more to negative figures, signalling a deep recession. (The ratings of over 30 countries have been downgraded during this period.) On 26 May, CRISIL announced that this will perhaps be India's worst recession since independence. State Bank of India research estimates a contraction of over 40% in the GDP in Q1 The contraction will not be uniform, rather it will differ according to various parameters such as state and sector. On 1 September 2020, the Ministry of Statistics released the GDP figures for Q1 (April to June) FY21, which showed a contraction of 24% as compared to the same period the year before.

According to Nomura India Business Resumption Index economic activity fell from 82.9 on 22 March to 44.7 on 26 April. By 13 September 2020 economic activity was nearly back to pre-lockdown. Unemployment rose from 6.7% on 15 March to 26% on 19 April and then back down to pre-lockdown levels by mid-June. During the lockdown, an estimated 14 crore (140 million) people lost employment while salaries were cut for many others. More than 45% of households across the nation have reported an income drop as compared to the previous year. The Indian economy was expected to lose over ₹32,000 crore (US$4.5 billion) every day during the first 21-days of complete lockdown, which was declared following the coronavirus outbreak. Under complete lockdown, less than a quarter of India's $2.8 trillion economic movement was functional. Up to 53% of businesses in the country were projected to be significantly affected. Supply chains have been put under stress with the lockdown restrictions in place; initially, there was a lack of clarity in streamlining what an "essential" is and what is not. Those in the informal sectors and daily wage groups have been at the most risk. A large number of farmers around the country who grow perishables also faced uncertainty.

Major companies in India such as Larsen & Toubro, Bharat Forge, UltraTech Cement, Grasim Industries, Aditya Birla Group, BHEL and Tata Motors have temporarily suspended or significantly reduced operations. Young startups

have been impacted as funding has fallen. Fast-moving consumer goods companies in the country have significantly reduced operations and are focusing on essentials. Stock markets in India posted their worst loses in history on 23 March 2020. However, on 25 March, one day after a complete 21-day lockdown was announced by the Prime Minister, SENSEX and NIFTY posted their biggest gains in 11 years.

On 12 May the Prime Minister announced an overall economic package worth ₹20 lakh crore (US$280 billion),10% of India's GDP, with emphasis on India as a self-reliant nation. During the next five days the Finance Minister announced the details of the economic package. Two days later the Cabinet cleared a number of proposals in the economic package including a free food grains package. By 2 July 2020, a number of economic indicators showed signs of rebound and recovery. On 24 July the Finance Secretary of India said the economy is showing signs of recovery at a faster rate than anticipated, while the Economic Affairs Secretary said that he expects a v-shaped recovery for India.

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 employs an adequate and effective system of internal control commensurate with its size and nature of business that provides for assurance of the efficiency of operations, security of Company's assets, accurate and prompt recording of transactions, efficient Management Information Systems and compliance with prevalent statutes, accounting standards.

The internal control is supplemented by an extensive review by internal auditors. The prime objective of internal audit is to test the adequacy and effectiveness of the internal controls laid down by the management and to suggest improvements.

Observations of the internal auditors are subject to periodic review and compliance monitoring. The Audit Committee of Directors reviews the significant observations made by internal auditors along with status of action thereon.

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 revenues in FY2019-20 following was 35367.83 Lakhs. EBIDTA stood at Rs.1070.23 lakhs compared to Rs. 769.24 lakhs in the previous year. The Company reported a post-tax profit of Rs. 279.94 Lakhs in FY 2018-19 compare to a post-tax profit of Rs. 132.72 Lakhs in the previous year.

Key Financial Ratios

Particulars	F.Y 2020	F.Y 2019
Inventory Turnover (months)	1.01	1.04
Interest Coverage ratio	(-0.62)	1.75
Current Ratio	1.43	1.50
EBITDA/Turnover (%)	(-0.01)	1.42
EBITDA/Net Interest ratio	(-0.47)	1.88
Debt-equity ratio	1.3	1.24
Operating Profit Margin (%)	(-4.83)	1.21
Net Profit Margin	(-4.83)	0.81
Return on net worth	(-0.148)	4.46
Earnings per share(Rs)	3.99	1.38

HUMAN RESOURCE

The Company recognises the importance of human resources in realising its growth ambitions and believes in nurturing talent within the organisation 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, 2020 the Company has 97 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.

Report on Corporate Governance

1. CORPORATE GOVERNANCE PHILOSOPHY

Aanchal Ispat Limited has been practicing the principles of good Corporate Governance over the years and lays strong emphasis on transparency and proper disclosures. The Company believes that good Corporate Governance is critical for enhancing and retaining investor trust and always seeks to ensure that its performance goals are met accordingly. The Company has established systems and procedures to ensure that its Board of Directors are well informed and well equipped to fulfill its overall responsibilities and to provide management with the strategic directions needed to create and enhance a long-term shareholders value and commitment of high standard of business ethics.

The Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Corporate Governance, applicable for the Financial Year 2019-20.

This chapter of the report, along with the information given under Management Discussion and Analysis and Shareholder Information constitutes the compliance report of the Company on Corporate Governance.

2. BOARD OF DIRECTORS

In keeping with the commitment of the Management to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.

- **Composition**

The Company has a balanced mix of Executive, Non-Executive, including Independent Director which plays a crucial role in Board processes and provides independent judgement and helps the Company in improving corporate credibility and governance standards.

As on 31 March 2020, the Board of Directors of the Company comprises of 6 (Six) directors, of whom 2 (two) were Executive Director, and 4 (four) were Non-Executive, out of which 3 (three) were Independent Directors (including woman director). Independent directors are Non-Executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations. The maximum tenure of Independent Directors is in Compliance with the Companies Act, 2013.

None of the Directors of the Company's Board is a member in more in more than ten committees or act as chairperson of more than five committees across all listed entities in which he/she is a director (committees being Audit Committee, Nomination & Remuneration Committee & Stakeholders Relationship Committee). All the Directors have made necessary disclosures regarding Committee positions held by them in other Companies and do not hold office of Director in more than 10(ten) public companies as on 31st March, 2020 as specified in Section 165(1) of Companies Act, 2013.

In terms of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended w.e.f 1 April, 2019, none of the Directors of the Company held Directorships in more than 8 (eight) Listed Entities and none of the Independent Directors of the Company held Directorship in 7 (seven) Listed Entities.

The Managing Director does not serve as Independent Director in any other listed Company.

The Composition of Board of Directors and number and the number of directorship and committee positions held by them as on 31st March, 2020 are as under:

Name of the Director	DIN	Category	No of Board Meetings		Number of other Directorships *(Other than AIL)	Committee membership held in other companies**		Attendence at Last AGM
			Held during the tenure	Attended		As member	As Chairman	
Mr. Mukesh Goel, Chairman	00555061	Promoter, Executive	9	9	8	NIL	NIL	Yes
Mr. Manoj Goel, Director	00554986	Promoter, Non-Executive	9	9	7	NIL	NIL	Yes
Mr. Vijay Srivastava Director	03618949	Executive Non-Promoter	9	9	2	NIL	NIL	Yes
Mr. Mukesh Agarwal, Director	06954595	Non-Executive (Independent)	9	9	NIL	NIL	NIL	Yes
Ms. Nilu Nigania Director	08203037	Non-Executive (Independent)	9	9	NIL	NIL	NIL	Yes
Ms. Babita Kaur Bagga Director	08022280	Non-Executive (Independent)	9	9	1	NIL	NIL	No

1.*The Directorships held by the Directors, as mentioned above excludes alternate directorship, directorship in foreign companies, Companies under section 8 of the Companies Act, 2013 and Private Limited Companies which are not subsidiaries of Public Limited Companies.
2. **Represents Membership/Chairmanship of two committees' viz. Audit Committee and Stakeholder Relationship Committee as per Regulation 26 of SEBI Listing Regulation.

- **Board Meetings & Procedures**

All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations. This includes:

1. Review of annual operating plans of business and updates.
2. Capital budgets and any updates.
3. Quarterly results of the Company.
4. Minutes of the meetings of the Audit Committee and other committees of the Board.
5. Information on recruitment and remuneration of senior officers just below the Board-level including appointment or removal of Chief Financial Officer and the Company Secretary.
6. Materially important show causes, demands, prosecutions and penalty notices.
7. Fatal or serious accidents or dangerous occurrences, any materially significant effluent or pollution problems.
8. Any materially relevant default in financial obligations to and by the Company or substantial non payment for goods sold by the Company.
9. Any issue which involves possible public or product liability claims of a substantial nature.
10. Details of any joint ventures or collaboration agreements.
11. Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
12. Significant labour problems and their proposed solutions and significant developments in the human resources and industrial relations fronts.
13. Sales of material nature of investments, subsidiaries, assets, which have not materialised in the normal course of business.
14. Quarterly details of foreign exchange exposure and the steps taken by management to limit the risk of adverse exchange rate movement.
15. Non-compliance of any regulatory or statutory provision or listing requirements as well as shareholder services such as non-payment of dividend and delays in share transfer.
16. Major Capital Expenditure during the period.
17. Capital expenditure programme and updates thereof.

The Board is regularly presented with all the information under the above heads whenever applicable and materially significant. These are submitted either as part of the agenda papers well in advance of the Board meeting or are tabled in the course of the Board meetings considering the nature of agenda.

Nine meeting of the Board of Directors were held during the year 2019-20, on the following dates:

28th May, 2019	24th June, 2019	25th July, 2019	14th August, 2019	03rd October, 2019	04th November ,2019	14th November , 2019	26thDecember, 2019	14th February, 2020

The Company has held at least one Board meeting in every quarter and the gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present in all the meetings.

- **Expertise & Skills of the Board of Directors**

The Board of Directors of the Company are required to uphold ethical standards of integrity and probity and are required to have expertise, experience and core knowledge in the sectors relevant for the growth of the Company. The Board members of the Company are holding such skills, expertise and competencies that allow them to make effective contribution to the Board and its Committees. The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Finance	Leadership in Corporate/ business finance is an important and inevitable function and efficient financial management is crucial for success and sustenance. It results in proficiency in financial management, procurement and utilisation of funds and controlling the financial activities and management of financial resources.
Strategy & Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Global Business	Understanding of global business dynamics, across various geographical markets with an understanding of industry verticals, regulatory jurisdictions, economic conditions, cultures and a broad perspective on global market opportunities.
Leadership	Leadership experience leads to maximize efficiency and to achieve Company goals by understanding the opportunities and threats, processes, strategic planning and risk management and discussing the financial performance and long-term growth.
Procurement, Sales & Marketing	Experience in procurement of raw materials, production aspects, marketing technical aspect of production, quality control, purchase management and developing strategies to grow sales and market share, build brand awareness and enhance Company reputation.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements, driving corporate ethics and values and observing appropriate governance practices.
Administration	Leadership in administration of a Company, results in long-term growth by planning, organising, directing and controlling the operations, creating rules and regulations and making decisions towards achieving a common goal or objective of the Company

Director	Finance	Strategy & Planning	Global Business	Leadership	Procurement, Sales & Marketing	Governance	Administration
Mr. Mukesh Goel	✓	✓		✓	✓	✓	✓
Mr. Manoj Goel	✓			✓	✓		✓
Mr. Vijay Srivastava	✓	✓	✓	✓		✓	✓
Mr. Mukesh Agarwal	✓			✓			✓
Ms. Babita Kaur Bagga	✓	✓		✓		✓	✓
Ms. Nilu Nigania	✓	✓		✓		✓	✓

- **Independent Directors Meeting**

  The Independent directors met on the 13th March, 2020, without the attendance of Non-Independent Directors and members of the management. At this meeting, the Independent Directors inter alia evaluated performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company's Management and the Board.

- **Familiarization Programme of Independent Directors**

At the time of the appointment, the Independent Directors are informed about their role and responsibilities through a formal letter of appointment, which also stipulates their roles and responsibilities and various terms and conditions of their appointment and are given an overview of business, operations and business model of the Company including an overview on Iron & Steel Sector and Industry Sector. Immediately after appointment Independent Director are also provided with copies of the following documents:

- Annual Reports of the Company of the last three years;
- Criteria of Independence applicable on Independent Directors as per the Regulation 16(b) of the SEBI(LODR) Regulations, 2015 and the Companies Act, 2013;
- Copies of code of conduct and Ethics for Board Members, Code for Prevention of Insider Trading in AIL Equity Shares/Securities and other relevant policies;
- The Board members are provided with internal policies to enable them to familiarize with the Company's procedures and practices.

- **Regular Familiarization Modules:**

- Familiarization programmes are also proposed to be conducted on need basis during the term of the directors.
- The Board members are also made aware about the compliances applicable on the Company by way of quarterly compliances report.
- Independent Directors have the freedom to interact with the Company's management during the Board/ Committee of Directors meetings or otherwise.
- Need Based training is provided to the Board Members on various matters. The Board Members based on their requirement attend seminars, conferences, training programmes from time to time.
- Board Members are promptly updated on any change and new development with regard to relevant regulatory requirement such as SEBI regulations, Companies Act etc.

The Company familiarised the Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company, etc. from time to time. The familiarisation programme along with details of the same imparted to the Independent Directors during the year are available at the website of the Company and the web link thereof is *www.aanchalispat.com*

3. AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor and the cost auditor and notes the processes and safeguards employed by each of them. The Audit Committee has been constituted as per the requirements of Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

Four meeting of the Audit Committee were held during the year 2019-20, on the following dates:

28th May, 2019	14th August, 2019	14th November, 2019	26th December, 2019	14th February, 2020

The Composition of the Committee and the attendance of each member of the committee during the year 2019-20 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	Independent, Non-Executive Director	5	5
2.	Mr. Mukesh Agarwal Member	Independent, Non-Executive Director	5	5
3.	Mr. Manoj Goel Member	Non-Independent, Non-Executive Director	5	5
4.	Ms. Babita Kaur Bagga Member	Independent, Non-Executive Director	5	5

- Ms. Minu Agarwal, Company Secretary & Compliance Officer of the Company is the secretary to the committee. Minutes of the Audit Committee are placed and discussed in the next meeting of the Board. Members of the Audit Committee have requisite expertise in the field of Finance and Management and have held or hold senior positions in the reputed organizations. The internal auditor reports to the Audit Committee.
- The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 30th September, 2019.

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).

4. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee has been constituted as per Regulation 19 of the SEBI Listing regulations and Section 178 of the Companies Act, 2013.

Four meeting of the Nomination & Remuneration Committee were held during the year 2019-20, on the following dates:

28th May, 2019	14th August, 2019	03rd October, 2019

The Composition of the Committee and the attendance of each member of the committee during the year 2019-20 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	Independent, Non-Executive Director	3	3
2.	Mr. Manoj Goel Member	Non-Independent, Non-Executive Director	3	3
3.	Ms. Nilu Nigania Member	Independent, Non-Executive Director	3	3
4.	Ms. Babita Kaur Bagga Member	Independent, Non-Executive Director	3	3

- Ms. Minu Agarwal, Company Secretary & Compliance Officer of the Company is the secretary to the committee. Minutes of the Nomination and Remuneration Committee are placed and discussed in the next meeting of the Board. The Chairman of the Nomination & Remuneration Committee attends the Annual General Meetings of the Company to answer shareholders queries.

- **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 are determined by the Nomination & Remuneration Committee. An indicative list of factors that may be evaluated considers attendance and participations of Directors in the meetings; commitment (including guidance provided to senior management outside of Board/ committee meetings); Effective deployment of qualification, knowledge and expertise; effective management of relationship with stakeholders; Integrity and maintaining of confidentiality; Independence of behaviour and judgement and impact and influence.

The Nomination and Remuneration Committee shall have the authority to include any other parameters in addition to the above mentioned criterion for evaluation of performance of the Board its Committees and Directors. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.

The Board on the basis of the Performance Evaluation Policy of the company would evaluate the performance of Independent Directors (excluding the director being evaluated).

5. 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 are provided as an Annexure to the Board's Report and the detailed policy is available on the website of the Company at *www.aanchalispat.com*.

- **Remuneration to Non-Executive Directors**

Non-Executive Directors are appointed by the Board on recommendations of the Nomination & Remuneration Committee for their expertise, advice and inputs. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestions and guidance to the management of the Company from time to time. The Non-executive Directors bring in a wider perspective in the deliberations and decision-making of the Board which adds value to the Company. They also play a crucial role in the Independent functioning of the Board. Contribution of the Non-Executive Directors in Board and Committee Meetings, time devoted by them, participation in strategic decision making, timely guidance to the Board on important policy matters of the Company, performance of the Company and industry practices and benchmarks forms the main criteria for determining payments to Non-Executive Directors.

The Non-Executive Directors do not have any pecuniary relationship/transaction with the Company in their personal capacity other than receiving the sitting fees for attending each meeting of the Board and of the Committees thereof, and such fees is not exceeding the limits as specified under the Companies Act, 2013. The Details of Sitting fees paid to Non-Executive and Independent Directors for the financial year 2019-2020 are as under:

(Rs in Thousand)

Name of the Director	Sitting fees paid	Performance Linked Incentive
Mr. Manoj Goel	40.5	NIL
Ms. Nilu Nigania	90	NIL
Mr. Mukesh Agarwal	40.5	NIL
Ms. Babita Kaur Bagga	90	**NIL**

- **Remuneration to Executive Directors**

The Company pays remuneration to executive directors by way of Salary, within the limits prescribed under the Companies Act, 2013 and there is no separate provision for payment of severance fees under the resolutions governing the appointment of Managing Director. During the year remuneration paid to executive directors were under the limits as specified under Regulation 197 read with Schedule V of the Companies Act, 2013.

(Rs In lacs)

Name of the Director	**Salary**	**No. of Shares Held**
Mr. Mukesh Goel	15.00	1,994,850
Mr. Vijay Srivastava	7.20	-

The Company has not granted any stock option plan to the executive director and employees of the Company.

- **Shareholding of Non-Executive Directors**

As on March 31 2020, Shri Manoj Goel, Non Executive and Non Independent Director of the Company held 17,16,900 shares in the equity share capital of the Company. None of the other Non-Executive Directors hold any equity shares in the Company.

- **Disclosure of Relationships Between Directors Inter-Se**

Mr Mukesh Goel, Managing Director of the company and Mr Manoj Goel, Non Executive Director of the company are related. None of the Other Directors are related to each other.

6. 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.

Four meeting of the Nomination & Remuneration Committee were held during the year 2019-2020, on the following dates:

28th May, 2019	14th August, 2019	14th November, 2019	14th February, 2020

The Composition of the Committee and the attendance of each member of the committee during the year 2019-2020 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	Independent, Non-Executive Director	4	4
2.	Mr. Manoj Goel Member	Non-Independent, Non-Executive Director	4	4
3.	Ms. Nilu Nigania Member	Independent, Non-Executive Director	4	4
4.	Ms. Babita Kaur Bagga Member	Independent, Non-Executive Director	4	4

- Mr. Mukesh Agarwal, Non-Executive, Non-Independent Director is the chairman of the committee.
- Ms. Minu Agarwal, Company Secretary is the Compliance officer of the Company.
- 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.

Shareholders' Complaints

- **Name and designation of Compliance Officer:**

The Company Secretary of the acts as Compliance Officer of the Company as per regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to discharge all duties under the listing regulations.

- **Details of Shareholders Complaints**

The details of shareholders complaints received and resolved till March 31, 2020 areas under:

- No. of shareholders' complaints received during the year: 00
- No. of complaints not resolved to the satisfaction of shareholders: NIL
- No. of pending Complaints: NIL
- No. of complaints resolved during the year: 00

The number of shareholders' complaints received during the year 2019-2020 is 0 and all have been satisfactorily resolved during the year, within a week. There were no unattended pending complaints as on 31st March, 2020.

- **Terms & Reference:**

- Noting transfer/transmission of shares;
- Review of dematerialized/rematerialized shares and all other related matter;
- Monitors expeditious redressal of queries/complaints received from members relating to non-receipt of annual report and non-receipt of declared dividends;
- Any other power specifically assigned by the Board of Directors of the Company.

7. GENERAL BODY MEETINGS

The details of Annual General Meeting held during last three years are as follow:

Financial Year	Day	Time	Venue	Special Resolution passed; if any
2018-19	30/09/2019	11.00AM	Oasis, National Highway-6, Kona Expressway, Post: Chamrail, P.S-Liluah, Howrah- 711114 West Bengal	Resolution passed for the following purpose: 1. Reappointment of Mr. Mukesh goel (din: 00555061) as the managing director of the company. 2. Re-appointment of Mr. Mukesh agarwal (din: 06954595) as an independent director for a second term of five consecutive years.
2017-18	21/09/2018	11.00 A.M		Resolution passed for the following purpose: 1. To Regularize the appointment of Mr. Vijay Srivastava (DIN: 03618949) as the Executive Director of the Company and fix his remuneration.

				2. To ratify the increase in remuneration payable to Mr. Mukesh Goel (DIN: 00555061), Managing Director of the Company
2016-17	21/09/2017	11.00 A.M		None

- **Postal ballot**

The Company has made appointment of M/S. Rajesh Jalan & Associates as statutory auditors to fill up the casual vacancy, caused due to resignation of M/S. Raj Chandra & Associates and to fix their remuneration. The Company has appointed Ms. Manisha Saraf, Practicing Company Secretary (Membership No. 7607, C.P No.8207) as Scrutinizer for conducting the Postal Ballot including e-voting process. Procedure of Postal Ballot was as follows:

Particulars	No. Of Votes Contained in						(%)
	Remote E-voting		Pistal Ballot		Total		
	No. of Members who voted	No. of Shares for which votes cast	No.of members who voted	No. Of shares for which votes cast	No. Of members who voted	No. Of Shares for which votes cast	
Voted in Favour of the resolution	16	1,38,82,218	11	7,316	27	1,38,89,534	100%
Voted against the resolution	-	-	-	-	-	-	-
Total	16	1,38,82,218	11	7,316	27	1,38,89,534	100%
Abstain/Invalid	-	-	-	-	-	-	-

Further none of the business is being proposed to be transacted through Postal Ballot at the ensuing Annual General Meeting.

3. 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 investors 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.

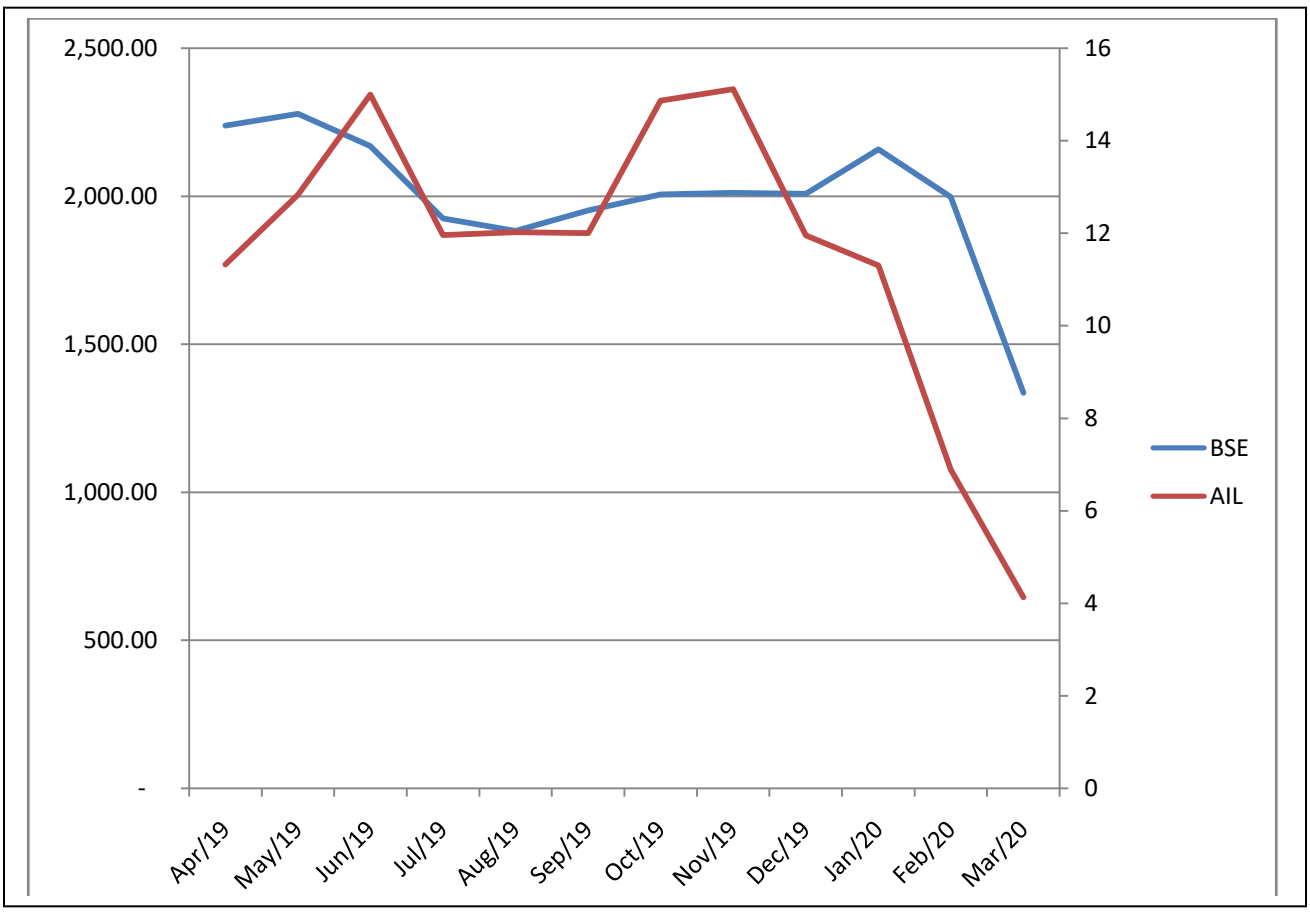
4. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting	
-Day	Tuesday
-Date	15TH December, 2020
-Time	11.00 A.M
Financial Year	1st April to 31st March of every year.
Date of Book Closure	9TH December, 2020 till 15TH December, 2020(both days inclusive)
Dividend Payment Date	Not Applicable
Financial Results Calendar:	**2020-21 (tentative)**
First Quarter Results by	By 14th August, 2020
Second Quarter Results by	By 14th November, 2020
Third Quarter Results by	By 14th February, 2021
Fourth Quarter Results by	By 30th May, 2021
Corporate Identification Number (CIN)	L27106WB1996PLC076866
Listing on Stock Exchange	**Bombay Stock Exchange India (BSE)** PhirozeeJeejeebhoy Towers, Dalal Street, Mumbai-400 001
Stock Code	538812
ISIN	INE322R01014

❖ **Stock Market Price Data**

Month	High (Rs.)	Low (Rs.)	No. of Shares
Apr'2019	12	8.6	3304597
May' 2019	14.75	11.25	4362232
Jun' 2019	17.5	11.24	2668168
Jul' 2019	16.7	10.05	5175885
Aug'2019	12.95	10.16	4455944
Sept'2019	12.9	11	1526770
Oct' 2019	15.25	11.52	3270751
Nov' 2019	18.9	13.66	11758480
Dec' 2019	18.55	10.25	8308670
Jan' 2020	12.4	9.65	4816376
Feb' 2020	14.98	6.5	2321476
Mar' 2020	7.65	3.77	195416

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



❖ **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

❖ **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.

❖ **Reconciliation of Share Capital Audit**

Ms Manisha Saraf, Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

Shareholding as on 31st March, 2020

No. of Shares Slab	No. of Shareholders		No. of Shares	
Shareholding	**Number**	**% of Total Share holders**	**In Rs.**	**% of Total Shares**
Upto 5000	1213	78.06	72,92,060	3.50
5001 to 10000	189	12.16	1,24,39,030	5.96
10001 to 20000	80	5.15	1,10,49,150	5.30
20001 to 30000	21	1.35	51,24,990	2.46
30001 to 40000	17	1.08	61,11,750	2.93
40001 to 50000	5	0.35	22,84,660	1.09
50001 to 100000	9	0.57	69,01,240	3.31
100001 and above	20	1.28	15,73,34,620	75.45
Grand Total	**1554**	**100.00**	**20,85,37,500**	**100.00**

Categories of Shareholders:

Sl No.	Description	No. of Shares	Percentage of Capital (%)
I.	**Promoters & Promoters Group**	**13,585,606**	**65.15**
II.	**Public Shareholding**	**7,268,114**	**34.85**
i.	Non Institutions		
a.	Bodies Corporate	1,797,782	8.62
b.	Individuals	4,958,858	23.78
c.	HUF	462,155	2.22
ii.	Institutional		
d.	Financial Institutions	100	0.00
e.	Market Maker	-	-
f.	Non-Resident Individual	9,228	0.04
g.	Clearing Member	40021	0.19
	TOTAL (I+II)	**2,08,53,750**	**100**

- **Dematerialisation of shares**

  The Company's Equity Shares are held in dematerialised form by National Securities Depository Ltd. (NSDL) and Central Depository Services India Ltd. (CDSL).As on 31st March, 2020, 99.99% of the Company's total shares were held in dematerialised mode.

- **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, 2019.

- **Commodity price risk or foreign exchange risk and hedging activities:**

  The Company is not engaged in hedging activities.

- **Plant Locations**

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

❖ **Address for Correspondence**

For any assistance, queries regarding transfer or transmission of shares, dematerialization, non-receipt of dividend, non-credit of shares in demat account and any other query related to the shares of the Company and Annual Report, the Shareholders may write to the following:

Mr. Vijay Srivastava Director Aanchallspat Limited National Highway No. 6, Mouza- Chamrail, Howrah, Pin-711114, West Bengal Email: cs@aanchalispat.com Tel: +913212 246121 Fax: +913212 246069	**M/s PurvaSharegistry (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

❖ **Credit Ratings**

During the year under review there had been an downward revision in the rating from BWR BB+(BWR Double B Plus) to BWR C (pronounced as BWR C) for long term tenure and BWR A4+(BWR A Four Plus) to BWR A4 (BWR A Three) for short term tenure. The ratings have been issued by Brickworks Ratings India Private Limited.

5. OTHER DISCLOSURES:

- **Related Party Transactions:**

The Company did not enter into any materially significant related party transactions, which had potential conflict with the interest of the Company at large. The register of contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with the related parties are disclosed under Notes to Accounts 27 to the financial statements in the Annual Report. Further, the details of the policy are also posted on the website of the Company viz. *www.aanchalispat.com*.

- **Strictures & Penalties**

The Company has complied with all the requirements of the SEBI (LODR) Regulations, 2015, with the Stock Exchanges as well as the regulations and guidelines of SEBI and other regulatory authorities.

Consequently, no penalties were imposed or strictures passed against the Company by SEBI, Stock Exchanges or any other statutory authorities on any matter relating to capital markets since listing of its securities.

- **Vigil Mechanism (Whistle Blower Policy)**

The Company has a vigil mechanism called "Whistle Blower Policy" with a view to provide a mechanism for Directors and employees of the Company to raise concerns of any violations of any legal or regulatory requirement, incorrect or misrepresentation of any financial statement and reports, etc. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Company affirms that no employees have been denied access to the Audit Committee. Further, the details of the policy are also posted on the website of the Company viz.*www.aanchalispat.com*

- **Subsidiary Company**

The Company has no material un-listed Subsidiary Company as on 31st March, 2020.

- **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;**

The Company has complied with all mandatory requirements of Corporate Governance under the Regulation 17–27 and clauses (b) to (i) of sub-regulation (2) of regulation 46of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As regards the Non-Mandatory requirements are being complied with the extent possible.

- **The Board**

The Company has an executive Chairman; hence the need for this non-mandatory requirement does not arise.

- **Shareholders Rights**

The complete Annual Report is sent to each and every Shareholder of the Company.

- **Audit Qualifications**

Remarks and reply on the Audit qualifications, if any; are captured in the Directors Report. During the year under review there were no audit qualifications.

- **Reporting of Internal Auditor**

The Internal Auditor of the Company reports to the Chairman of the Audit Committee and has direct access to the Audit Committee.

- **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)**

Your company has not made any preferential allotment or Qualified Institutions Placement during the Financial Year 2019-20 and therefore there are no details of utilization of funds raised through preferenti00al allotment or Qualified Institutions Placement as specified under Regulation 32(7A).

- **A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority**

The company has obtained a certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority and the same has been annexed to this report.

- **Fees of statutory auditors paid by the Company:**

The total fees for all services paid by the Company to the statutory auditor was Rs. 2.00 Lacs (Rupees Two Lacs only). M/s Rajesh Jalan & Associates is not a part of any entity/firm which is in the same network of the Company.

- **Disclosure of Accounting Treatment**

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards, notified under section 133 of the Companies Act, 2013 ("the Act") read together with paragraph 7 of the Companies (Accounts) Rules 2014.

6. CEO CERTIFICATION

The Managing Director of the Company has furnished the requisite Certificates to the Board of Directors as required under Regulation 26 of SEBI Listing Regulations, 2015.The same is being annexed to this report.

7. COMPLIANCE CERTIFICATE FROM THE AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The Company has obtained a certificate from the Auditors of the Company, Rajesh Jalan & Associates, Chartered Accountants, regarding compliance with the provisions of Corporate Governance as stipulated under Listing Regulations. The same is annexed to this report.

13. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

Disclosures required pursuant to Regulation 34(3) read with Clause F of Schedule V of the Listing Regulations are not applicable.

The above Report was adopted by the Board at their meeting held on 05th November, 2020

For and on Behalf of the Board of Directors
Sd/-

Date: 05th November, 2020
Place: Howrah

Mukesh Goel,
Managing Director
(DIN: 00555061)

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 2019-2020.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)

Date: 05th November, 2020
Place: Howrah

CERTIFICATE OF MANAGING DIRECTOR

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, I, Mukesh Goel (Managing Director & Chairman) certify that:

A) I have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2020 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/-
MukeshGoel
(Chairman & Managing Director)
DIN: 00555061

Date:05th November, 2020
Place: Howrah

AUDITORS CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

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, 2020, 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 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges.

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 financial statements of the Company.

In our opinion and to the best of our information and according to our examination of the 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, 2020.

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 Raj Jalan & Associates
Firm Registration No. 326370E
Chartered Accountants
Sd/-
[Rajesh Jalan]
Partner
Membership No.065792

Place: Kolkata
Dated: 05th November, 2020

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,
Aanchal Ispat Limited

I have electronically examined the relevant registers, records, forms, returns and disclosures received from the Directors of Aanchal Ispat Limited having CIN-L27106WB1996PLC076866 and having its registered office at Mouza-Chamarail, National Highway 6,Liluah Howrah-711114 (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, 2020 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	Original Date of Appointment	DIN/PAN
1	Manoj Goel	23/12/2009	00554986
2	Mukesh Goel	23/12/2009	00555061
3	Vijay Srivastava	14/08/2018	03618949
4	Mukesh Agarwal	01/09/2014	06954595
5	Babita Kaur Bagga	14/11/2018	08022280
6	Nilu Nigania	14/08/2018	08203037

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our 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: F007607B001289228

Date: 23RD November, 2020
Place: Kolkata

BOARD'S REPORT

Dear Shareholders,

Your Directors are pleased to present the 25th Annual Report of your company on the operations and performance along with the Audited Financial Statements for the year ended on 31st March 2020.

FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended 31stMarch, 2020 is summarised below:

(Rs. In Lacs)

PARTICULARS	2019-2020	2018-2019
Sales and other operating Income	**17,223.24**	**35,367.83**
Earnings before Interest, Tax, Depreciation & amortization (EBITDA)	**(2408.93)**	**1070.23**
Finance costs	515.23	568.76
Depreciation and amortization expenses	76.07	74.73
Profit/ (loss) before tax	**(832.19)**	**426.54**
a) Current Tax	-	150.09
b) Current Tax Expense relating to Prior Year's	-	-
c) Deferred Tax	-	(3.49)
Profit/(loss) for the period	**(832.19)**	**279.94**

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

The Company's revenue in FY 2019-2020 was at Rs.17,223.24/- Lakhs. EBIDTA stood at Rs.(2408.93) lakhs compared to Rs.1070.23 lakhs in the previous year. The Company reported post-tax loss of Rs.832.19 Lakhs in FY 2019-2020 compared to a post-tax profit of Rs. 249.94 Lakhs in the previous year.

During the current financial year 2019-2020, no amount has been appropriated to General Reserve.

BUSINESS ACTIVITY

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

SHARE CAPITAL

The paid up Equity Share Capital as at March 31, 2020 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, 2020, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

DIVIDEND

In order to conserve the resources for meeting future capital needs related to maintenance, regulatory, cost reduction and potential strategic projects, the Board of Directors have decided not to recommend dividend on the equity shares of the Company.

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.

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.

REGULATORY STATEMENT

In conformity with provision of regulation 34(2)(c) of SEBI (LODR), Regulations 2015, the Cash Flow Statement for the year ended 31.03.2020 is annexed hereto. The equity shares of the Company are listed on the BSE Ltd.

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 - A.**

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.

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 –B**. 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.

DETAILS OF DIRECTORS OR KMPS' APPOINTMENT OR RESIGNATION

In the year under review Mr. Mukesh Agarwal was re-appointed as an Independent Director for a term of five years upto 31st August, 2024 and Mr. Mukesh Goel was re-appointed as the Managing Director of the company for another term of five years upto 11th August, 2024.
Apart from the above mentioned changes there were no other 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.

Mr A S Nageswar Rao, Chief Financial Officer /KMP of the company resigned from the services and left the organization , during the middle of the Financial year, on 31.12.2019.

Director retiring by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Manoj Goel (**DIN: 00554986)** retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met **9(Nine)** times during the financial year, detailed information about dates of meetings and attendance of Directors thereat is given in the Corporate Governance Report annexed to this report. The intervening gap between any two meetings was not more than one hundred twenty days as mandated under the provisions of Section 173 of the Companies Act, 2013 and Regulation 17(2) of the SEBI Listing Regulations.

BOARD DIVERSITY

A diverse Board enables efficient functioning through differences in perspective and skill, and also fosters differentiated thought processes at the back of varied industrial and management expertise, gender, knowledge and geographical background. The Company follows diverse Board structure.

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.

AUDIT COMMITTEE

The Committee, inter alia, reviews the Internal Control System and Reports of Internal Auditors and Compliance of various Regulations. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report. The Committee also reviews the Financial Statements before they are placed before the Board.

Four meeting of the Audit Committee were held during the year 2019-20, on the following dates:

28th May, 2019	14th August, 2019	14th November, 2019	26th December, 2019	14th February, 2020

The Composition of the Committee and the attendance of each member of the committee during the year 2019-20 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	Independent, Non-Executive Director	5	5
2.	Mr. Mukesh Agarwal Member	Independent, Non-Executive Director	5	5
3.	Mr. Manoj Goel Member	Non-Independent, Non-Executive Director	5	5
4.	Ms. Babita Kaur Bagga Member	Independent, Non-Executive Director	5	5

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 2020, 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, 2020 and 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.

KEY MANAGERIAL PERSONNEL

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. Mr. A.S Nageswar Rao, Chief Financial Officer; (Resigned w.e.f 31/12/2019)
3. Ms. Minu Agarwal, Company Secretary & Compliance Officer. (Resigned W.e.f 29/10/2020)

DECLARATION FROM INDEPENDENT DIRECTORS

The terms & condition for appointment of Independent Directors are as per the provisions of Section 149 & Schedule IV of the Companies Act, 2013. The Company has received necessary declarations from all Independent Directors confirming that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and under Regulation 16(1)(B) of the SEBI (Listing obligations and Disclosure requirements) Regulations, 2015. And there has been no change in the circumstances which may affect their status as Independent directors during the year.

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.

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.

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.

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-C** 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

AUDITORS & AUDITORS' REPORT

Statutory Auditors

M/s Raj Chandra & Associates, Chartered Accountants (Firm Registration No. 326312E) were appointed as Statutory Auditors of the Company for a term of five years at the 21st Annual General Meeting held on 28th September, 2016, as per the provisions of Companies Act, 2013. They showed their unwillingness to continue as the Statutory Auditors of the company and gave their resignation w.e.f 14th November, 2019. The Board of Directors in their meeting dated 26th December, 2020 recommended the appointment **of M/s Rajesh Jalan & Associates, Chartered Accountants (FRN 326370E)** as the statutory Auditor of the company to fill the casual Vacancy caused due to resignation of M/s Raj Chandra & Associates, subject to shareholder approval through postal ballot process.

M/s Rajesh Jalan & Associates, Chartered Accountants (FRN 326370E) was appointed to examine and audit the accounts of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company.

The notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Auditor

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Rules made there under **Mr. Rana Ghosh** , Cost Accountants **(Firm Registration no. 102189**) were appointed for auditing cost accounting records of the Company for the year ending 31st March, 2020. Board has further appointed **Mr. Rana Ghosh,** Cost Accountants (**Firm Registration no. 102189**) as Cost Auditors for the year ending 31st March, 2021 subject to approval of remuneration in the forthcoming Annual General Meeting.

Internal Auditor

The Company has 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 order to strengthen the internal control system for the Company.

Secretarial Auditor

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed **Ms. Manisha Saraf**, Company Secretary in whole time practice (Membership No**. FCS-7607**, **Certificate of Practice No.-8207)** as the Secretarial Auditor of the Company for the Financial Year 2019-2020 to conduct the Secretarial Audit.

The Secretarial Audit Report for the financial year ended 31st March, 2020 has been annexed as **Annexure- D** and forms a part of this annual report.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

SECRETARIAL STANDARDS

The directors state that applicable Secretarial Standards, i.e. SS-1 & SS-2, relating to 'Meeting of the Board of Directors' and 'General Meeting' respectively have been duly followed by the Company.

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.

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-E** and the same can also be assessed at the website of the Company at *www.aanchalispat.com*

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.

VIGIL MECHANSIM POLICY

The Company had implemented a vigil mechanism, 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.

The policy with the designation and address of the Competent Authority, Executive Chairman/Managing Director of the Company and Chairman of the Audit Committee has been communicated to the employees by uploading the same on the website of the Company.

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.

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

During the year under review the Company has not made any inter corporate loans, investments, given any corporate guarantee to any other body corporate, subsidiary, associate or any other company.

INSURANCE

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

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.

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.

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.

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
Sd/-
(Mukesh Goel)
Managing Director
(DIN: 00555061)

Place: Howrah
Date: 05th November, 2020

Annexure -A 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: 4.01 Crores

- **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 2019-2020 (Rs. In Lakhs)**
Foreign Exchange earned in terms of actual inflows	3.42
Foreign Exchange outgo in terms of actual outflows	NIL

Annexure - B 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 arms 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 transac-tion	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, 2020 Dr./ (Cr.)
1.	Key Managerial Person (KMP)	-Director Remuneration -Sitting Fees	April, 2019 to March, 2020.	22,20,000.00 2,61,000.00	Since these RPTs are in the ordinary course of business and are at arms length basis, approval of the Board is not applicable. However, these are reported to the Audit Committee / Board at their quarterly meetings.	(1557778.39) 2,78,661.00
2.	Company in which KMP/ Relatives of KMP can exercise significant influence	- Sales of Goods -Purchase of Goods	April, 2019 to March, 2020.	425,042,200.90 243,117,222.20		34,976,935.34 -

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 Managerial Personnel (KMP)	Mr. ManojGoel, Director Mr. MukeshGoel, Managing Director Mr. Mukesh Agarwal, Director Ms. Nilu Nigania, Director Ms. Babita Kaur Bagga, Director Ms.Vijay Srivastava, Director
Company in which KMP/ Relatives of KMP can exercise significant influence	Maina Devi Goel Monika Goel Rashmi Goel Mano jGoel HUF MukeshGoel HUF Sita Ram Goyal Sita Ram Goyal HUF Aanchal Collection Limited Aanchal Cement Ltd Aanchal Iron & Steels Pvt Ltd Jaya Rice Mills Pvt Ltd Kalayani Rice Mills Pvt Ltd Penguin Creation Pvt Ltd Pratik Suppliers Pvt Ltd

Annexure - C 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 increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2019-2020 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	15.00	-	5.13:1
2	Mr. Vijay Srivastava, Executive Director	7.20	-	2.46:1
3	Mr. A.S Nageswar Rao, Chief Financial Officer	15.00	-	5.13:1
4	Ms.Minu Agarwal, Company Secretary	2.22	-	0.76:1

Note:

1. No other Director other than the Executive Director received any remuneration other than the sitting fees during the year.
2. It is herby affirmed that the remuneration paid during the year ended 31st March, 2020 was as per the Remuneration Policy of the Company.
3. There were 97 permanent employees on the rolls of the Company as on 31st March, 2020.
4. There is an increase of 2.22 % increase in the median remuneration of the Company from last year.

Annexure - D to the Board's Report

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[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

I have 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, 2020 complied 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 31st March, 2020 according 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 External Commercial 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 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015	Delay in submission of Shareholding Pattern for the quarter ended 30th June, 2019.	The listed entity was required to submit its Shareholding Pattern for the quarter ended 30th June, 2019 by 21st July, 2019. But the same was submitted on 26th July, 2019.
2	Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015	Discrepancies in Standalone Financial Results for the Quarter and half-year ended September 2019 submitted on 14th November, 2019.	The listed entity was required to submit its Unaudited Standalone Financial Results for the Quarter and half-year ended September, 2019 along with the Cash Flow statement. The listed entity submitted the same without the Cash Flow attached. After receiving the letter from BSE on 3rd December, 2019, it was rectified and the same was submitted on 9th December, 2019.
3	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/year ended 31st March, 2019.	The listed entity was required to close its Trading window with effect from 1st day of April, 2019 till 48 hours after the announcement of the financial results of the Company for the quarter/year ended 31st March, 2019. But the same was closed from 21st May, 2019 to 30th May, 2019. Intimation of the Closure was given to the Stock Exchange on 20.05.2019

4	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, 2019.	The listed entity was required to close its Trading window with effect from 1st day of July, 2019 till 48 hours after the announcement of the financial results of the Company for the quarter ended 30th June, 2019. But the same was closed from 8th August, 2019 to 16th August, 2019. Intimation of the Closure was given to the Stock Exchange on 07.08.2019.
5	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 September, 2019.	The listed entity was required to close its Trading window with effect from 1st day of October, 2019 till 48 hours after the announcement of the financial results of the Company for the quarter ended 30th September, 2019. But the same was closed from 4th October, 2019. Intimation of the Closure was given to the Stock Exchange on 04.10.2019.
6	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, 2020.	The listed entity was required to close its Trading window with effect from 1st day of April, 2020 till 48 hours after the announcement of the financial results of the Company for the quarter ended 31st March, 2020. But the same was closed from 30th June, 2020. Intimation of the Closure was given to the Stock

			Exchange on 30.06.2020.
7	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 30th June, 2019 in newspaper "Financial Express" and "Ek Din"	The un-audited financial results of the Company for the quarter ended 30th June, 2019 was approved in the Board Meeting held on 14th August, 2019. 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 17th August, 2019. The management informed that due to National Holiday on 15th August, 2019 the same was delayed in publication.
8	BSE has notified that with effect from April 01, 2017 onwards, all listed entities with BSE, would be required to make their filings in respect of Financial Results (Regulation 33 and Regulation 52) in XBRL mode within 24 hours of submission of results in PDF mode.	Delay in Filing of Financial results in XBRL mode for the Quarter ended 30th June, 2019	The listed entity held its Board Meeting on 14th August, 2019 and was supposed to file the Financial Results in XBRL mode for the quarter ended 30th June, 2019 within 24 hours of the submission of results in PDF. But the same was filed on 16.08.2019. The management informed that due to National Holiday on 15th August, 2019 the same was delayed in filing.
9	Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015	Delay in Intimation to the Stock Exchanges of the outcome of the Board Meeting held on 26th	The listed entity was required to submit the outcome of the meeting with 24 Hours of the

		December, 2019	conclusion of the meeting. The same was submitted on 28th December, 2019
10	Section 203 of the Companies Act, 2013, Appointment of Key Managerial Personnel	The Company has not filled up the casual vacancy caused by the Resignation of CFO	As per the provision of the Companies Act, 2013, If the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy. Mr. A S Nageswar Rao, CFO of the Company resigned w.e.f 31st December, 2019. Hence as per the provisions of the Companies Act, 2013 new CFO was supposed to be appointed within six months from 31st December, 2019. The Management informed that they are in search of a good Chief Financial Officer.

I further report that

Note:

An application was filed by an Operational Creditor under Section 9 of the Insolvency and *Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process against the Company i.e. Aanchal Ispat Limited. The case was admitted by the Hon'ble Court vide order no. C.P.(IB) NO.1129/KB/2019 dated 21.02.2020.*

Mr. Bijay Murmuria, having Registration No. : IBBI/IPA-001/IPN00007/2016-2017/10026 was appointed as the Interim Resolution Professional by the order dated 21st February, 2020 of the Hon'ble NCLT Kolkata. He was later replaced with Mr. Santanu Brahma, IBBI Regn. No. IBBI/IPA-01/IP-P01482/2018-19/12251 as the Resolution Professional vide order dated 1st July, 2020 of the Hon'ble NCLT Kolkata. However the matter was settled between the parties and the CIRP proceedings were withdrawn. The Company is now out of CIRP process and the suspended Board has been restored by the order of the Hon'ble NCLT, Kolkata Bench dated 12th day of October ,2020.

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:

In view of the situation emerging out of the outbreak of COVID-19 Pandemic, we could not examine physical documents, records & other papers etc. of the Company for the year ended March 31st 2020 and the documents/information required by us were provided through electronic Mode.

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
UDIN: F0076078000532538

Date: 30th day of October, 2020
Place: Kolkata

ANNEXURE-I

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March, 2020.
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.
11. *Hon'ble NCLT, Kolkata Bench* Court orders

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 and the 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/-
ManishaSaraf
(Proprietor)
Membership No: F7607
Certificate of Practice No: 8207
UDIN: F0076078000532538

Date: 30th day of October, 2020
Place: Kolkata

Annexure - E to the Board's Report

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2020
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I **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
1	NIL				

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

i Category - wise Share holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
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	9,784,954.00	-	9,784,954.00	46.92%	9,783,856.00	-	9,783,856.00	46.92%	-0.01%
d) Bank/FI	-	-	-	0%	-	-	-	0%	0%
e) Any other	-	-	-	0%	-	-	-	0%	0%
				0%				0%	0%
SUB TOTAL:(A) (1)	13,586,704.00	-	13,586,704.00	65.15%	13,585,606.00	-	13,585,606.00	65.15%	-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)	13,586,704.00	-	13,586,704.00	65.15%	13,585,606.00	-	13,585,606.00	65.15%	-0.01%
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	0%	-	-	-	0%	0%
b) Banks/FI	-	-	-	0%	100.00	-	100.00	0.00048%	0.00048%
C) Cenntral govt	-	-	-	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):	-	-	-	0%	100.00	-	100.00	0%	0%
(2) Non Institutions									
a) Bodies corporates									
i) Indian	3,089,021.00	-	3,089,021.00	14.81%	1,797,782.00	-	1,797,782.00	8.62%	-6.19%
ii) Overseas	-	-	-	0%	-	-	-	0%	0%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1,761,984.00	2.00	1,761,986.00	8.45%	1,717,373.00	2.00	1,717,375.00	8.24%	-0.21%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	1,977,176.00	-	1,977,176.00	9.48%	3,241,483.00	-	3,241,483.00	15.54%	6.06%
c) Others (specify)	-	-	-	0%	-	-	-	0%	-
Non-resident individuals	8,810.00	-	8,810.00	0.04%	9,228.00	-	9,228.00	0.04%	0.00%
overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members Trusts	88,248.00	-	88,248.00	0.42%	40,021.00	-	40,021.00	0.19%	-0.23%
HUF	341,805.00	-	341,805.00	1.64%	462,155.00	-	462,155.00	2.22%	0.58%
SUB TOTAL (B)(2):	7,267,044.00	2.00	7,267,046.00	34.84%	7,268,042.00	2.00	7,268,044.00	32.40%	0.01%
Total Public Shareholding (B)= (B)(1)+(B)(2)	7,267,044.00	2.00	7,267,046.00	34.84%	7,268,142.00	2.00	7,268,144.00	32.40%	0.01%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0%	-	-	-	0%	0%
Grand Total (A+B+C)	20,853,748.00	-	20,853,750.00	100%	20,853,648.00	2.00	20,853,750.00	100%	0%

(ii) **SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the begginning of the year			Shareholding at the end of the year			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	MAINA SECURITIES PVT. LTD.	4,740,000	22.73%	-	4,715,000	22.61%	-	0.12%
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	916,954	4.40%	-	940,856	4.51%	-	0.11%
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	13,586,704	65.15%	-	13,585,606	65.15%	-	0.23%

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

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	13,586,704.00	65.15%	13,586,704.00	65.15%
	Change in Share-holding during the year	(1,098.00)	-0.01%	13,585,606.00	65.15%
	At the end of the year	13,585,606.00	65.15%	13,586,704.00	65.16%

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

Sl. No		Shareholding at the end of the year(01/04/2019)/ end of the year (31/03/2020)		Cumulative Shareholding during the year(01/04/2019 to 31/03/2020)	
	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	**ARIHANT CAPITAL MARKETS LTD**				
	At the beginning of the year	638.00	0.00%	638.00	0.00%
	bought during the year	322,645.00	1.55%	323,283.00	1.55%
	Sold during the year	-	-	323,283.00	1.55%
	At the end of the year	323,283.00	1.55%	323,283.00	1.55%
2	**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	1.47%
	Sold during the year	-	0.00%	306,000.00	1.47%
	At the end of the year	306,000.00	1.47%	306,000.00	1.47%
3	**ANOOP KUMAR CHIRIPAL**				
	At the beginning of the year	-	0.00%	-	0.00%
	bought during the year	200,000.00	0.96%	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%
4	**NITU TRADING COMPANY LIMITED**				
	At the beginning of the year	-	0.00%	-	0.00%
	bought during the year	179,622.00	0.86%	179,622.00	0.86%
	Sold during the year	-	0.00%	179,622.00	0.86%
	At the end of the year	179,622.00	0.86%	179,622.00	0.86%
5	**WELKNOWN FINANCIAL SERVICES (P) LTD**				
	At the beginning of the year	0.00%	0.00%	0.00%	0.00%
	bought during the year	158,000.00	0.76%	158,000.00	0.76%
	Sold during the year	-	0.00%	158,000.00	0.76%
	At the end of the year	158,000.00	0.76%	158,000.00	0.76%
6	**KRISHNA SHARMA**				
	At the beginning of the year	-	0.00%	-	0.00%
	bought during the year	144,898.00	0.69%	144,898.00	0.01
	Sold during the year	-	0	144,898.00	0.01
	At the end of the year	144,898.00	0.69%	144,898.00	0.69%
7	**NANDKISORE KAKANI**				
	At the beginning of the year	0	0.00%	0	0.00%

	bought during the year	138,203.00	0.66%	138,203.00	0.66%
	Sold during the year	0	0	138,203.00	0.66%
	At the end of the year	138,203.00	0.66%	138,203.00	0.66%
8	**NEETA SETHIA**				
	At the beginning of the year	-	0.00%	-	0.00%
	bought during the year	131,199.00	0.63%	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%
9	**KEYNOTE COMMERCIAL PRIVATE LIMITED**				
	At the beginning of the year	130,800.00	0.63%	130,800.00	0.01
	bought during the year	-	0.00%	-	0.00%
	Sold during the year	-	0.00%	-	0.00%
	At the end of the year	130,800.00	0.63%	130,800.00	0.63%
10	**YOUTHVISION COMMODITIES PRIVATE LIMITED**				
	At the beginning of the year	114,000.00	0.55%	114,000.00	0.55%
	bought during the year	-	0.00%	-	0.00%
	Sold during the year	180.00	0.00%	113,820.00	0.55%
	At the end of the year	113,820.00	0.55%	113,820.00	0.55%

(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(Executive Director)**				
	At the beginning of the year	19,94,850	9.57%	1,994,850.00	9.57%
	Changes during the year	-	0%	1,994,850.00	9.57%
	At the end of the year	19,94,850	9.57%	1,994,850.00	9.57%
2	**Manoj Goel(Non-Executive Director)**				
	At the beginning of the year	17,16,900	8.23%	17,16,900	8.23%
	Changes during the year	0	0.00%	17,16,900	8.23%
	At the end of the year	17,16,900	8.23%	17,16,900	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	**A.S Nageswar Rao(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	**Minu Agarwal(Company Secretary)**				
	At the beginning of the year	-	0%	-	0%
	Changes during the year	-	0%	-	0%
	At the end of the year	-	0%	-	0%

V **INDEBTEDNESS**

	Secured Loans excluding deposits	Unsecured Loans	Deposits
Indebtness at the beginning of the financial year			
i) Principal Amount	4,447.30	96.98	
ii) Interest due but not paid	-	-	
iii) Interest accrued but not due	-	-	
Total(i+ii+iii)	4,447.30	96.98	
Change in Indebtedness during the financial year	-		
Additions	1661.69		
Reduction	-	27.65	
Net Change	1661.69	27.65	
Indebtedness at the end 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)	6108.99	69.33	

VI **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sl.No	Particulars of Remuneration	Name of MD/WTD/Manager	
		Mr. Mukesh Goel(Managing Director)	Mr. Vijay Srivastava (Executive Director)
1	**Gross salary**	15.00	7.20

	(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)	15.00	7.20
	Ceiling as per the Act	5% of the Net Profit of the company	

B. Remuneration to other directors:

Sl.No	**Particulars of Remuneration**	**Name Of Directors**			**Total Amount**
		Nilu Nigania	**Babita Kaur Bagga**	**Mukesh Agarwal**	
1	**Independent Directors**	0.90	0.90	0.41	2.21
	(a) Fee for attending board committee meetings				
	(b) Commission	-			
	(c) Others, please specify	-			
	Total (1)	0.90	0.90	0.41	2.21
2	Other Non Executive Directors	**Mr. Manoj Goel**			
	(a) Fee for attending board committee meetings	0.54			
	(b) Commission	-			
	(c) Others, please specify.	-			
	Total (2)	0.54			0.54
	Total (B)=(1+2)				**4.95**
	Total Managerial Remuneration				

	Overall Ceiling as per the Act.			1% of the Net Profit, calculated as per Section 198 of the companies Act,2013

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

Sl. No.	**Particulars of Remuneration**			**Key Managerial Personnel**		
1	**Gross Salary**			**A.S Nageswar Rao(CFO)**	**Minu Agarwal (Company Secretary)**	Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.			7.50	2.22	9.72
	(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			7.50	2.22	9.72

VII **PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES**

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

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, 2020, 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 Act 2013 ("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, 2020; 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.

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 March 31, 2020. 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 judgements and estimates in relation to the exposure arising out of litigations. The key judgement 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 assesseed 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 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

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 represent the underlying transactions and events in a manner that achieves fair presentation.

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) 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) 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, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020, 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: 20065792AAABM2348

Place: Kolkata
Date: 28/08/2020

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, 2020.

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.

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 2020 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. 19,278,200/-	FY 2011 - 12	CIT (A) – 1, Kolkata
Income Tax Act, 1961	Income Tax	Rs. 3,233,690/-	FY 2012-13	CIT(A)-1, Kolkata
West Bengal Value Added Tax Act, 2003	VAT	Rs.2,52,57,225/-	FY 2012 - 13	Senior 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 by the management, 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.

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: 20065792AAABM2348

Place: Kolkata
Date: 28/08/2020

"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, 2020 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.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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: 20065792AAABM2348

Place : Kolkata
Date : 28/08/2020

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, 2020

(Amt in INR)

	Particulars	Note No.	As at March 31st, 2020	As at March 31st, 2019
	ASSETS			
1	**Non-current assets**			
	(a) Property, Plant and Equipment	2	264,132,890	268,184,445
	(b) Capital work-in-progress		-	-
	(c) Other Intangible assets		-	-
	(d) Financial Assets			
	(i) Investments		-	-
	(ii) Other Financial Assets	3	636,600	636,600
	(e) Deferred tax assets (Net)		-	-
	(f) Other non-current assets	4	4,573,044	4,573,044
	Total-Non-current assets		**269,342,534**	**273,394,089**
2	**Current assets**			
	(a) Inventories	5	143,958,027	315,326,095
	(b) Financial Assets			
	(i) Trade receivables	6	774,653,234	674,251,554
	(iii) Cash and cash equivalents	7	22,958,500	21,783,583
	(iv) Bank Balances other than (iii) above	8	3,589,385	67,124,334
	(v) Loans and Deposits	9	2,956,640	3,414,333
	(vi) Others		-	
	(c) Other current assets	10	72,560,330	89,983,325
	Total-Current assets		**1,020,676,115**	**1,171,883,223**
	TOTAL ASSETS		**1,290,018,649**	**1,445,277,312**
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share capital	11	208,537,500	208,537,500
	(b) Other Equity	12	351,388,347	435,668,808
	Total-Equity		**559,925,847**	**644,206,308**
	LIABILITIES			
1	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	13	6,933,361	9,698,746
	(ii) Other Financial liabilities		-	-
	(b) Provisions	14	1,564,253	1,975,718
	(c) Deferred tax liabilities (Net)		10,244,001	10,579,298
	(d) Other Non-current liabilities		-	-
	Total-Non-current liabilities		**18,741,615**	**22,253,762**
2	**Current liabilities**			
	(a) Short-term borrowings			
	(a) Financial Liabilities			
	(i) Borrowings	15	610,899,574	444,730,025
	(ii) Trade payables	16	68,497,656	299,464,251
	(iii) Other financial liabilities		-	-
	(b) Other current liabilities	17	13,651,313	16,647,974
	(c) Provisions	18	18,302,644	17,974,993
	Total-Current liabilities		**711,351,187**	**778,817,242**
	TOTAL EQUITY AND LIABILITIES		**1,290,018,649**	**1,445,277,312**

Significant Accounting Policies and Notes to Accounts **Notes-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	**for behlaf of Board of Directors**
Chartered Accountants	**Mukesh Goel,Managing Director**
Firm Registration No: 326370E	**Minu Agarwal, Company Secretary**
[Rajesh Jalan]	
Partner	
ICAI Membership No. 065792	
Kolkata, 28th August 2020	
(UDIN-20065792AAAABM2348)	

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, 2020

(Amt in INR)

	Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	INCOME			
I	Revenue from operations	19	1,704,275,976	3,529,923,869
II	Other income	20	18,048,172	6,859,693
III	**Total Income (I+II)**		**1,722,324,148**	**3,536,783,562**
IV	**EXPENSES**			
	Cost of materials purchased	21	1,376,210,333	3,188,096,853
	Changes in inventories of finished goods and woork in progress	22	171,368,068	86,833,984
	Employee benefits expense	23	17,540,245	19,228,871
	Finance costs	24	51,522,580	56,876,377
	Depreciation and amortization expense	2	7,387,063	7,493,239
	Other expenses	25	181,515,297	135,599,633
	Total expenses (IV)		**1,805,543,586**	**3,494,128,957**
V	**Profit/(Loss) before exceptional items and tax (III-IV)**		**-83,219,438**	**42,654,605**
VI	Exceptional items		-	-
VII	**Profit/(Loss) before tax(V-VI)**		**-83,219,438**	**42,654,605**
VIII	**Tax expense:**			
	Current tax/MAT		-	15,009,000
	MAT Credit		-	-
	Income Tax Expenditure For Earlier Year (Net)		-	
	Deferred tax		-335,297	(349,000)
IX	**Profit/(Loss) for the year (VII-VIII)**		**-82,884,141**	**27,994,605**
X	Other Comprehensive Income (net of tax)		193,816	739,993
	Items that will not be reclassified subsequently to Profit and Loss			
	Remeasurment of the net defined benefit liability/asset (net of tax)		-	-
	Total-Other Comprehensive Income (net of tax)		193,816	739,993
XI	**Total Comprehensive Income for the Year (IX-X)**		**-82,690,325**	**28,734,598**
	Earnings per equity share			
	[Nominal Value per share: Rs. 10 (2019-20: Rs. 10)]			
	Basic - Rs.		**-3.97**	**1.38**
	Diluted - Rs.		**-3.97**	**1.38**
	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
[Rajesh Jalan]
Partner
ICAI Membership No. 065792
Kolkata, 28th August 2020
(UDIN-20065792AAAABM2348)

for behlaf of Board of Directors
Mukesh Goel,Managing Director
Minu Agarwal, Company Secretary

CASH FLOW STATEMENT AS ON 31.03.2020

	(Rs.)	(Rs. In Lakhs)
Particulars	**AS ON 31.03.2020**	**AS ON 31.03.2019**
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extra Ordinary Items	**-83,219,438.00**	**426.54**
Adjustment For:		
Depreciation and amortisation expenses	7,387,063.00	74.93
Provision for bad & doubtful debts & advances	-	-
Dissposal of Assets (Loss)	613,666.00	
Interest Income	-	-53.64
Finance Cost	51,522,580.00	568.76
Operating Profit before working capital changes	**-23,696,129.00**	**1,016.59**
Adjustment for increase/decrease in operating assets		
Inventory	171,368,068.00	652.91
Trade Receivables	-100,401,680.00	1,002.89
Other Financial Assets	457,693.00	152.20
Other Non-Financial Assets	17,422,995.00	657.00
Adjustments for increase/decrease in operating liabilities		
Trade Payable	-230,966,595.00	-1,211.76
Other Financial Liabilities	-	-720.48
Other Non-Financial Liabilities	-2,996,661.00	95.08
Short Term Provisions	-83,813.00	110.09
Long Term Provisions		7.23
Cash Generated from operations:	**-168,896,122.00**	**447.77**
Direct Taxes Paid	-	-150.09
Net Cash Generated from Operating Activities (A)	**-168,896,122.00**	**297.68**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipments (Net)	-5,345,494.00	-89.74
Interest Received	-	53.64
Net Cash Used in Investing Activities (B)	**-5,345,494.00**	**-36.10**
C.CASH FLOW FROM FINANCING ACTIVITIES		
Short Term Borrowings	166,169,549.00	880.96
Long Term Borrowings	-2,765,385.00	-327.40
Finance Cost	-51,522,580.00	-568.77
Net Cash Generated/used in Financing Activities ©	**111,881,584.00**	**-15.21**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**-62,360,032.00**	**246.37**
Opening Cash & Cash Equivalens	**88,907,917.00**	**642.70**
Closing Cash & Cash Equivalents	**26,547,885.00**	**889.07**
* Comprises:		
(a) Cash in Hand	22,958,500.00	13.78
(b) Balance with banks		
(i) In Current Accounts	3,589,385.00	204.05
(ii) In Deposits Accounts		671.24
	26,547,885.00	889.07

* 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

[Rajesh Jalan]

Partner

ICAI Membership No. 065792

Kolkata, 28th August 2020

(UDIN-20065792AAAABM2348)

For and on behalf of the Board of Directors

Aanchal Ispat Limited

SD/-

Mukesh Goel

Managing Director

(DIN: 00555061)

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 crores 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. 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 is 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 is 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 is closely monitoring the business environment and material changes to future economic conditions.

(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 atboth 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 offixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally onchanges in MCLR rate and LIBOR rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating 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.

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.

AANCHAL ISPAT LIMITED

CIN: L27106WB1996PLC076866

Registered Office: Chamrail, NH-6, Howrah-711114

Email: info@aanchalispat.com, Tel: 03212-246121,

Notes to financial statements for the year ended 31st March, 2020

Note No: 2
Property, Plant & Equipment

	Land	Plant & Machinery (20 Years)	Plant & Machinery (15 Years)	Factory Shed & Building	Furniture & Fixtures	Office Equipments	Computers & Peripherels	Motor Vehicle	Motor Cycle	Total Tangible Assets
Cost or Deemed Cost										
Balance at April 1, 2018	149,200,000	72,047,289	604,848	78,838,500	11,342,672	2,347,980	2,386,899	13,344,053	340,189	330,452,430
Additions	-	1,069,208	-	5,178,938	499,039	649,235	421,554	706,000	450,990	8,974,964
Revaluation	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Balance at March 31, 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
Disposals	-	-	-	-	-	-	-	7,848,440	249,378	8,097,818
Balance at March 31, 2020	**149,200,000**	**75,924,532**	**604,848**	**84,355,873**	**12,175,082**	**3,297,396**	**3,044,217**	**7,531,321**	**541,801**	**336,675,070**
										-
Accumulated Depreciation										-
Balance at April 1, 2018	-	28,913,296	216,986	11,533,915	9,046,413	2,008,427	1,457,541	8,965,262	165,587	62,307,427
Depreciation expenses	-	3,878,087	54,855	1,319,121	283,788	122,188	824,424	944,990	65,786	7,493,239
Disposals	-	-	-	-	-	-	-	-	-	-
Balance at March 31, 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**
										-
Carrying Amount										-
Balance at April 1, 2018	149,200,000.00	43,133,994.00	387,862.00	67,304,585.00	2,296,259.00	339,553.00	929,359.00	4,378,791.00	174,572.00	268,144,975.00
Additions	-	1,069,208.00	-	5,178,935.00	499,039.00	649,235.00	421,554.00	706,000.00	450,990.00	8,974,961.00
Depreciation adjustment for revalued assets.Note-1				1,442,252.00						(1,442,252.00)
Disposals	-	-	-	-	-	-	-	-	-	-
Depreciation	-	3,878,087.00	54,855.00	2,761,373.00	283,788.00	122,188.00	824,424.00	944,990.00	65,786.00	7,493,239.00
Balance at March 31, 2019	**149,200,000.00**	**40,325,115.00**	**333,007.00**	**69,722,147.00**	**2,511,510.00**	**866,600.00**	**526,489.00**	**4,139,801.00**	**559,776.00**	**268,184,445.00**
Additions		2,808,035.31	-	338,435.36	333,371.26	300,180.72	235,763.86	1,329,707.71	-	5,345,494.22
Depreciation adjustment for revalued assets.Note-1				1,396,320.58						(1,396,320.58)
Disposals		-	-	-	-	-	-	545,576.25	68,089.45	613,665.70
Depreciation	-	3,979,305.00	55,005.37	2,768,593.59	323,986.20	265,149.90	331,264.70	999,339.09	60,740.00	7,387,063.27
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**

Note-1: Depriciaiton on Revalued Assets for Rs 14,42,252.00 (March 2019) and for Rs 13,96,320.58 (March 2020) adjusted with total depricaition claimed during the yerar as this amount ultimate adjusted with Revaluation Reserve.

AANCHAL ISPAT LIMITED		
CIN: L27106WB1996PLC076866		
Registered Office: Chamrail, NH- 6, Howrah-711114		
Email: info@aanchalispat.com, Tel: 03212-246121,		
Notes to financial statements for the year ended 31st March, 2020		
Note No. 3		
Other: Financial Assets (at amortised cost)		(Amount in INR)
(Unsecured , Considered good unless state otherwise)	**31st March, 2020**	**31st March, 2019**
Investment in Gold Bond	636,600.00	636,600
Balances With Bank in Recurring Deposit Accounts (Balance with KVB Bank Burrabazar Branch including Accrued Interest)	-	
	636,600	**636,600**
Note No. 4		
Other Non Current Assets		
(Unsecured , considered good unless stated otherwise)	**31st March, 2020**	**31st March, 2019**
Other Advance	4,573,044.00	4,573,044
	4,573,044	**4,573,044**
Note No. 5		
Inventories		
(At lower of cost and net realisable value)	**31st March, 2020**	**31st March, 2019**
(a) Raw Materials (At lower of Cost and Net Realisable Value)	18,723,948.40	11,702,187
(b) Finished Goods (At lower of Cost and Net Realisable Value)	88,675,311.47	282,081,308
(c) Stores and Spares (At cost less write off for obsolescence)	36,558,766.93	21,542,600
	143,958,027	**315,326,095**
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.		

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Registered Office: Chamrail, NH- 6, Howrah-711114		
Email: info@aanchalispat.com, Tel: 03212-246121,		
Notes to financial statements for the year ended 31st March, 2020		
Note No.6		
Trade receivables		(Amount in INR)
	31st March, 2020	**31st March, 2019**
Outstanding for a period exceeding six months from due date of payment		
Secured , considered good	638,051,540.14	-
Unsecured , considered good		102,579,602.45
	638,051,540.14	102,579,602.45
Other Receivables		
Secured, Considered good	136,601,693	-
Unsecured, Considered good		571,671,951
	136,601,693	571,671,951
	774,653,234	**674,251,554**
Allowance for doubtful debts	-	-
	774,653,234	**674,251,554**
(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, 2020	**31st March, 2019**
Cash and Cash Equivalent		
Balance with Bank		
On Current Accounts	22,901,671.99	20,404,722
Cheques/Drafts on Hand		
Cash In Hand	56,828.24	1,378,861
	22,958,500	**21,783,583**
Note No. 8		
Other Bank balances		
	31st March, 2020	**31st March, 2019**
Balances with Banks		
On Short Term Deposit including interest accrued	3,589,385	67,124,334
(Term deposit including Accrued Interest with KVB Bank		
Burrabazar Branch)	**3,589,385**	**67,124,334**

AANCHAL ISPAT LIMITED		
CIN: L27106WB1996PLC076866		
Registered Office: Chamrail, NH-6, Howrah-711114		
Email: info@aanchalispat.com, Tel: 03212-246121,		
Notes to financial statements for the year ended 31st March, 2020		
Note No. 9		
Loans and Deposits		(Amount in INR)
	31st March, 2020	**31st March, 2019**
Other Financial Assets		
Usecured, considered good :		
Inter Corporate Advances		
- Related Parties	-	-
- Others	2,310,521.00	1,977,673.00
Advances to Others	646,118.50	1,436,660.00
	2,956,639.50	**3,414,333.00**
Note No. 10		
Other Current Assets:		
	31st March, 2020	**31st March, 2019**
Other non financial assets		
(Unsecured, considered good unless stated otherwise)		
Advance other than Capital Advances		
Other Advances	30,300,257.80	51,488,596.12
Balances with Government Dept:		
Exise/VAT/CST/GST	39,028,161.00	36,951,268.72
Income Tax	3,231,911.19	1,543,460.00
	72,560,330	**89,983,325**

AANCHAL ISPAT LIMITED

CIN: L27106WB1996PLC076866

Registered Office: Chamrail, NH- 6, Howrah-711114

Email: info@aanchalispat.com, Tel: 03212-246121,

Notes to financial statements for the year ended 31st March, 2020

Note No. 11

SHARE CAPITAL (Amount in

		31st March, 2020	31st March, 2019
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, 2020	31st March, 2019
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.

AANCHAL ISPAT LIMITED

CIN: L27106WB1996PLC076866

Registered Office: Chamrail, NH- 6, Howrah-711114

Email: info@aanchalispat.com, Tel: 03212-246121,

Notes to financial statements for the year ended 31st March, 2020

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, 2018	20853750	208,537,500
Equity share capital issued during the year		
Balance at March 31, 2019	20853750	208,537,500
Equity share capital issued during the year		
Balance at March 31, 2020	**20853750**	**208,537,500**

Particulars	**Security Premium Reserve**	**Revaluation Reserve**	**General Reserve**	**Retained Earning**	**Other Comprehensive Income**	**Total**
Balance as at 31st March,2018	145,867,500	188,118,935	3,600,000	71,143,000.00	(352,973.00)	408,376,462
Dividend Paid	-	-	-	-	-	-
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	739,993.00	739,993
Adjustment in Reserve for depreciation on revalued asset	-	(1,442,252)	-	-	-	(1,442,252)
Equity Instrument through other comprehensive income	-	-	-	-	-	-
Profit for the year	-	-	-	27,994,605.13	-	27,994,605
Balance as at 31 March,2019	**145,867,500**	**186,676,683**	**3,600,000**	**99,137,605.13**	**387,020.00**	**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)	-	-	-	(1,396,320.58)
Equity Instrument through other comprehensive income	-	-	-	-	-	-
Profit for the year	-	-	-	(82,884,141)	-	(82,884,141)
Balance as at 31 March, 2020	**145,867,500.00**	**185,280,362.42**	**3,600,000.00**	**16,253,464.10**	**387,020.00**	**351,388,346.52**

AANCHAL ISPAT LIMITED

CIN: L27106WB1996PLC076866

Registered Office: Chamrail, NH-6, Howrah-711114

Email: info@aanchalispat.com, Tel: 03212-246121,

Notes to financial statements for the year ended 31st March, 2020

Note No. 13

Borrowings (Amount in INR)

	31st March, 2020	31st March, 2019
Secured:-		
Unsecured:-		
Loan from other Parties	6,933,361.00	9,698,746
Loan from Related Parties	-	-
	6,933,361	**9,698,746**

Note No. 14

Provisions

	31st March, 2020	31st March, 2019
Employee Benefits (Gratuity)	1,564,253.00	1,975,718.00
	1,564,253.00	**1,975,718.00**

Note No. 15

Borrowings

	31st March, 2020	31st March, 2019
Short term Borrowings:		
From Bank :-		
Secured		
Working Capital Loan from banks		
Cash Credit	610,899,574.25	444,730,025
	610,899,574	**444,730,025**

a) Cash credit facility (working capital loan) is payable on demand and effective interest rate of cash credit facility is 10.70% 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,

AANCHAL ISPAT LIMITED		
CIN: L27106WB1996PLC076866		
Registered Office: Chamrail, NH- 6, Howrah-711114		
Email: info@aanchalispat.com, Tel: 03212-246121,		
Notes to financial statements for the year ended 31st March, 2020		
Note No 16		
Trade payables		(Amount in INR)
	31st March, 2020	**31st March, 2019**
a) Total outstanding dues of micro enterprises and small enterprises	-	-
b) Others		
i) Creditors for supply and service	68,497,656.26	299,464,251
	68,497,656	**299,464,251**
Note No. 17		
Other Current Liabilities		
	31st March, 2020	**31st March, 2019**
Other Non Finacial Liabilities		
Other Current Liabilities	13,651,312.85	16,647,974
	13,651,313	**16,647,974**
Note No. 18		
Provisions		
	31st March, 2020	**31st March, 2019**
Employee Benefits (Gratuity)	381,409.00	53,578
Provision for Tax:		
Income Tax	17,921,234.90	17,921,415
	18,302,644	**17,974,993**

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.

AANCHAL ISPAT LIMITED

CIN: L27106WB1996PLC076866

Registered Office: Chamrail, NH- 6, Howrah-711114

Email: info@aanchalispat.com, Tel: 03212-246121,

Notes to financial statements for the year ended 31st March, 2020

Note No. 19

Revenue from operations

		(Amount in INR)
	31st March, 2020	**31st March, 2019**
Sale of products	1,704,275,976.15	3,529,923,869
	1,704,275,976	**3,529,923,869**

Note No. 20

Other income

	31st March, 2020	**31st March, 2019**
Interest Income :		
- Bank & Gold Bond	410,000.78	5,364,947.93
Discount Received	16,803,847.04	1,494,744.68
Foreign Exchange profit	341,999.60	-
Sundry Creditors w/f	67,570.76	-
Liability W/off	424,754.00	
	18,048,172.18	**6,859,692.61**

Note No.21

Cost of Materials Purchased

	31st March, 2020	**31st March, 2019**
Purchase	1,376,210,332.75	3,188,096,853
	1,376,210,333	**3,188,096,853**

Note No. 22

Changes in Inventories of Finished Goods & Work-in-Progress

	31st March, 2020	**31st March, 2019**
Opening Stock		
Finished Goods	293,783,495	380,617,479
	293,783,495	**380,617,479**
Closing Stock		
Finished Goods	122,415,426.80	293,783,495
	122,415,427	**293,783,495**
	171,368,068	**86,833,984**

Note No. 23

Employee benefits expense

	31st March, 2020	**31st March, 2019**
Salaries, Wages, Bonus and Allowances	13,351,919.00	14,920,323.00
Directors Remuneration & Sitting Fees	2,481,000.00	1,773,387.39
Contribution to Provident, Gratuity and other funds	922,105.68	1,357,974.00
Staff Welfare Expenses	444,280.00	1,177,186.76
Provision For Gratuity	340,940.00	
	17,540,244.68	**19,228,871.15**

Note No. 24

Finance costs

	31st March, 2020	**31st March, 2019**
Interest Expenses		
Banks	3,184,386.06	49,932,144.00
Bank Charges and ancillary borrowing Cost	48,338,194.00	6,944,232.64
	51,522,580.06	**56,876,376.64**

AANCHAL ISPAT LIMITED

CIN: L27106WB1996PLC076866

Registered Office: Chamrail, NH-6, Howrah-711114

Email: info@aanchalispat.com, Tel: 03212-246121,

Notes to financial statements for the year ended 31st March, 2020

Note No. 25

Other Expenses (Amount in INR)

	31st March, 2020	31st March, 2019
Direct Expenses		
Carriage Inward	22,323,161.02	23,350,581.15
Consumption of Stores and Spares	12,480,328.12	30,560,855.59
Electricity charges	46,524,783.23	47,628,009.00
Vehicle Maintenance	-	49,000.00
Labour Charges including loading & unloading charges	2,119,807.83	1,865,560.10
Railway Freight Charges	69,199,418.00	
Rates & Taxes	11,941.00	
Security Expenses	814,758.00	859,316.00
Wastage and Handling Loss		-
Production & Supervision Charges	100,800.00	3,616,138.56
Administrative Expenses		
Auditors Remuneration:		
Audit Fee & Tax Audit Fees	200,000.00	350,000.00
Advertisement Expense	123,074.00	130,290.00
Carriage-Out-Ward	1,617,447.60	4,474,149.00
Communication Cost	334,271.19	236,686.00
Computer Expenses	96,792.44	67,503.38
Dematerialisation Exp	75,000.00	-
Discount Allowed	6,964,085.33	2,020.67
Filing fees	50,400.00	58,200.00
General Expenses	1,978,482.14	884,436.75
Insurance	287,387.00	101,625.00
Listing Expenses & Custodian Fees	300,000.00	400,000.00
Legal & Professional Fees	1,685,930.50	2,430,885.00
Import Expenses		7,414,750.48
Car Maintenance	369,464.00	255,327.80
Other Expense	87,869.00	103,376.84
Postage & Courier	32,050.00	20,131.00
Printing & Stationery	319,675.80	663,793.40
Rates & Taxes	347,490.00	476,065.80
Commision & Brokerage	1,563,101.00	
Compenssion Cess PL A/c	1,115,982.80	
Petrol Diesel & Lubricant Expenses	419,280.00	
Penality on Excise Duty	35,334.00	
Prepayment Charges of Baleno Loan	18,216.26	
Professional Tax Company	2,500.00	
Testing Expenses	232,000.00	
Fee for Monitoring of Foreign Investment Limits.	10,000.00	
Software License Fees	29,736.00	
Handling & Shifting Charges	2,134,861.30	
Business Promotion	169,303.00	
Loss on Dissposal of Assets	613,665.70	
Interest & Penalty on Statutory Dues	8,280.00	1,038,736.70
Rent including lease rent	561,000.00	-
Repair & Maintenance	3,276,081.23	1,879,256.30
Service Charges to Share Registerer	32,000.00	
Selling & Distribution Expenses		230,000.00
Subscription & Donation	795,543.00	433,974.00
Foreign exchage fluctuation loss	-	2,154,526.00
Travelling & Conveyance	797,716.76	1,989,319.14
Appeal file of I.Tax	8,000.00	
Sundries Balance Written Off	1,248,279.91	1,875,119.17
	181,515,297.16	**135,599,632.83**

AANCHAL ISPAT LIMITED
Notes forming part of the Financial Statements

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

Amount in INR

	For the year ended (31.03.2020)	For the year ended (31.03.2019)
Current Tax		
- In respect of current year	Nil	15009000
- In respect of prior year	NIL	NIL
Deferred Tax in respect of current year	(335297)	(349000)
Total Income tax recognised in the current year	(335297)	14660000

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 (31.03.2020)	For the year ended (31.03.2019)
Remeasurement of defined benefit obligations	Nil	1104466
Total income tax recognised in other comprehensive income	Nil	364473
Comprehensive Income Net of Tax	Nil	739993

Notes to financial statements for the year ended 31st March, 2020

Note 27: Related Party Disclosure

Particulars of Related Party	Nature of Transaction	Amount of Transaction	Balance as at 31st March, 2020 Dr. / (Cr.)
Key Managerial Persons	Director Remuneration Sitting Fees Transactions on Current Account	2220000.00 261000.00 NIL	(1557778.39) 278661.00 Nil
Relatives of KMP	Transactions on Current Account		Nil
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 425042200.90 243117222.20 NIL	Nil 34976935.34 Nil Nil

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)	ManojGoel, Director MukeshGoel, Managing Director Sudhir Kumar Budhia, Director Mukesh Agarwal, Director Preetee Agarwal, Director Nilu Nigania, Director Babita Kaur Bagga, Director Vijay Srivastava, Director
Relatives of KMP	Maina Devi Goel Monika Goel Rashmi Goel ManojGoel HUF MukeshGoel 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 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 31st March, 2020	**As at 31st March, 2019**
(A) Contingent Liabilities				
(i) Unexpired Bank Guarantees			Rs. 1,05,,27,000/-	Rs. 5,700,000/-
(ii)Sundry Debtors considered doubtful			Rs. 200000000/-	Rs. NIl
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 (The company has already deposited Rs. 2,500,000/-)	Rs. 7,986,754/-	Rs. 7,986,754/-
Demand Notice u/s 156 of the IT Act,1961 raised by DCIT, Circle-3(1), Kolkata	FY 2011-12	Appeal filed by the company on 16.04.2015 before CIT(A)-1, Kolkata	Rs. 19,278,200/-	Rs. 19,278,200/-
Demand Notice u/s 156 of the IT Act,1961 raised by DCIT, Circle-3(1), Kolkata	FY 2012-13	Appeal filed by the company on 04.04.2016 before CIT(A)-1, Kolkata	Rs. 3,233,690/-	Rs. 3,233,690/-
Joint Commissioner Commercial Taxes, Howrah Circle	FY 2012-13	Appeal filed by the company on 07/12/2015 before Senior Joint Commissioner, Haora Circle (The company has already deposited Rs. 21,10,094/-)	Rs.2,52,57,225/-	Rs.2,52,57,225 /-
(b) Commitments			Nil	Nil

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	**For the year ended 31**

	March, 2020	March, 2019
	`	`
Expenditure in foreign currency	Nil	21,54,526
Earnings in foreign exchange	341999.60	Nil

Note 31: Deferred Tax Assets/Liability

	As at 31.03.2020	As at 31.03.2019
	Timing Difference	Timing Difference
Deferred Tax Liability	10244001	10579298
Less: Deferred Tax Liability b/f	10579298	10928298
Add: Ind AS Adjustment	0	0
Deferred Tax Provision for the year	335297	349000
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 31.03.2020 Rs.	As at 31.03.2019 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 accured 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, 2020

	As at 31.03.2020 Rs.
Profit as per previous GAAP	**(82884141.00)**
Re classification of actuarial gains/losses, arising in respect of employees post employment benefit Schemes, to other Comprehensive Income (OCI)	264595.00
Tax Effect	(70779.00)
Total effect on transition to Ind AS	193816.00
Total comprehensive income under Ind AS	**(82690325.00)**

Notes 34: Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

NOTICE TO THE MEMBERS OF THE COMPANY

Notice is hereby given that the Twenty Fifth (25th) Annual General Meeting of the members of Aanchal Ispat Limited will be held on Tuesday, 15th December, 2020 at 11.00 AM (IST) 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, 2020, THE STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 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 OF MR. MANOJ GOEL(DIN: 00554986), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.**
3. **TO APPOINT M/S. RAJESH JALAN & ASSOCIATES AS STATUTORY AUDITORS FROM CONCLUSION OF THIS ANNUAL GENERAL MEETING TO THE CONCLUSION OF THIRTIETH (30TH) ANNUAL GENERAL MEETING AND TO FIX THEIR REMUNERATION AND IN THIS REGARD, TO CONSIDER AND IF THOUGHT FIT TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION**

"**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, (including any statutory modifications or re-enactment thereof, for the time being in force) M/s. Rajesh Jalan & Associates, Chartered Accountants, Kolkata (Firm Registration No.: 326370E), be and is hereby appointed as the Statutory Auditors of the Company commencing from the conclusion of this Annual General Meeting till the conclusion of thirtieth Annual General Meeting of the company at a remuneration to be fixed by the Audit Committee and/or Board of Directors of the Company."

SPECIAL BUSINESS

4. **RATIFICATION OF REMUNERATION PAYABLE TO MR. RANA GHOSH, THE COST AUDITOR OF THE COMPANY FOR THE FINANCIAL YEAR 2019-2020**

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 2019-20, be and is hereby ratified, confirmed and approved."

"**RESOLVED FURTHER THAT** any of the Directors or Company Secretary of the Company be and is hereby authorized to file necessary forms with ROC West Bengal and to do such other acts, deeds and things as may be considered necessary in connection with the above appointment."

For Aanchal Ispat Limited

Sd/-
MUKESH GOEL
(Managing Driector)

Date :23rd November, 2020
Place : Howrah

NOTES

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated 5 May 2020 read with circulars dated 8 April 2020 and 13 April 2020 (collectively referred to as 'MCA Circulars') and SEBI circular dated 12 May 2020 permitted holding of the annual general meeting ('AGM') through Video Conferencing or Other Audio Visual Means(VC/OAVM) facility. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') and MCA Circulars, the 25th AGM of the Company is being conducted through VC/OAVM.
2. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PURSUANT TO THE MCA CIRCULARS, PROVISION FOR APPOINTMENT OF PROXIES BY THE MEMBERS ARE NOT AVAILABLE FOR THE AGM HELD THROUGH VC. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXY FOR THIS AGM HAS NOT BEEN PROVIDED TO THE MEMBERS AND THE PROXY FORM IS NOT ANNEXED TO THIS NOTICE.
4. Members attending the AGM through VC shall only be counted for the purpose of quorum under Section 103 of the Act and the attendance of the members shall be reckoned accordingly. No separate attendance form is being enclosed with the notice.
5. 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, physical attendance of the Members to the EGM/AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
6. 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 EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
7. The Members can join the EGM/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 EGM/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 EGM/AGM without restriction on account of first come first served basis.
8. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
9. 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 EGM/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 EGM/AGM will be provided by NSDL.

10. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April13, 2020, the Notice calling the EGM/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 and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e.www.evoting.nsdl.com.
11. EGM/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 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on 12TH December, 2020 at 09:00 A.M. and ends on 14th December, 2020 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

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: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/
Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

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 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password 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. Your password details 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.
   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.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. 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.

2. 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.

3. 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.: 1800-222-990 or send a request 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

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 EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/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 EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/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 EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH

VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

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 (company email id)..

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 (company email id). 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. If you have any queries or issues regarding attending AGM through the link, you may contact Mr. Manish Shah on 9324659811 or write an email to support@purvashare.com.

For Aanchal Ispat Limited
Sd/-
Mukesh Goel
Managind Director
DIN: 00555061

Date :23RD November, 2020
Place : Howrah

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

Item No.4

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, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2020. 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 ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify 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. 4 for the approval of Members.

For Aanchal Ispat Limited
Sd/-
Mukesh Goel
Managing Director

Date :23rd November, 2020
Place : Howrah

AANCHAL ISPAT LIMITED
J.L.NO.5, NATIONAL HIGHWAY NO.6,
CHAMRAIL, HOWRAH 711114

www.aanchalispat.com