

45th ANNUAL REPORT 2014-2015

SAIL – SCL KERALA LIMITED



(SAIL – Govt. of Kerala Joint Venture Company)

“STEEL NAGAR”, P.B. NO.42,

KOLATHARA P.O.,

KOZHIKODE – 673 655

PH: (0495) 2483328, Fax - 2483043

CIN: U27104KL1969SGC002253

STEEL MAKERS TO THE STATE, SINCE 1969



SAIL-SCL KERALA LIMITED

BOARD OF DIRECTORS

Shri.Satyajeet Rajan	-	Chairman
Shri. P. Saidev	-	Managing Director
Shri. K. Unneenkutty	-	Director
Shri. Raman	-	Director
Shri. O.P. Arora	-	Director
Shri. V.K. Balachandra Kumar	-	Director

<u>Company Secretary</u> Shri Neeraj R. Varma	<u>Registered Office</u> 'Steel Nagar', P.B.No. 42, Kolathara P.O. Kozhikode – 673 655, Kerala
Financial Year under Review i.e. 2014 – 15	
<u>Statutory Auditors</u> M/s. MATHEW & THANKACHAN Chartered Accountants Door No. 27/383–B, Soubhagya Shopping Complex, Arayidathupalam Mavoor Road, Puthiyara Post, Kozhikode – 673 004	
<u>Internal Auditor</u> M/s. MOHAN & MOHAN ASSOCIATES Chartered Accountants Karunalayam, Wayanad Road, Kozhikode – 673 001	
<u>Registrar & Share Transfer Agent</u> KARVY COMPUTERSHARE PRIVATE LIMITED Karvy Selenium Tower B Plot 31–32, Gachibowl Financial District Nanakramguda, Hyderabad – 500 032 Ph. : 040-23420815 to 824, Fax : 040-23420814 Email : einward.ris@karvy.com Website: www.karvycomputershare.com	
<u>Bankers</u> Canara Bank	



SAIL-SCL KERALA LIMITED

Registered Office: 'Steel Nagar', P.B.No.42, Kolathara (P.O) Kozhikode – 673655

CIN: U27104KL1969SGC002253

Tel: 0495- 2483328 To 2483332

E-mail: cs@steelcomplexkerala.com

NOTICE

NOTICE is hereby given that the 45th Annual General Meeting (“AGM”) of the members of SAIL-SCL Kerala Limited will be held at 3:00 p.m. on Saturday, the 19th day of December, 2015, at the Registered Office premises of the Company situated at “Steel Nagar”, P.B.No.42, Kolathara (P.O), Kozhikode – 673 655 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2015 together with Report of the Directors, Statutory Auditors & C&AG thereon.
2. To appoint a Director in place of Sri. Unneenkutty Kalady (DIN: 05208728) who retires by rotation and is eligible for reappointment.
3. To fix the remuneration of the Auditors of the Company appointed by the Comptroller & Auditor General of India for the Financial Year 2015-16.

SPECIAL BUSINESS

4. INCREASE IN AUTHORISED SHARE CAPITAL:

To consider and, if thought fit to pass with or without modification the following resolution as a **SPECIAL RESOLUTION:**

RESOLVED THAT pursuant to the provisions of Section 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification, amendment thereto or re-enactment thereof) read with the rules framed there under, the Authorized Share Capital of the Company be and is hereby authorized to be increased from Rs. 28,25,00,000 (Rupees Twenty Eight Crores and Twenty Five Lakhs only) divided into 2,70,00,000 (Two Crores Seventy Lakh) Equity Shares of Rs. 10/- each and 1,25,000 (One Lakh Twenty Fifty Thousand Only) Redeemable Cumulative Preference Shares of Rs. 100/- each to Rs. 50,00,00,000 (Rupees Fifty Crores Only) divided into 4,87,50,000 (Four Crores Eighty Seven Lakhs Fifty Thousand) Equity Shares of Rs. 10/- each and 1,25,000 Redeemable Cumulative Preference Shares of Rs. 100/- each by creation of additional 2,17,50,000 (Two Crores Seventeen Lakhs Fifty Thousand) Equity Shares of Rs. 10/- each ranking pari passu in all respect with the existing Equity Shares.



5. TO AMEND EXISTING MEMORANDUM OF ASSOCIATION:

To consider and if thought fit, pass with or without modifications following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), and subject to the necessary registration approvals, consents, permissions and sanctions required, if any, by the jurisdictional Registrar of Companies, and any other appropriate authority and subject to such terms, conditions, amendments or modifications as may be required or suggested by any such appropriate authorities, which terms, conditions, amendments or modifications, the Board of Directors (hereinafter referred to as “the Board”, which term shall include any of its duly authorised Committees or one or more Directors) is authorised to accept as it may deem fit, the Memorandum of Association of the Company be and is hereby altered/amended as under:

- i. *The old Clause “I” be substituted by new clause “1st” as “The Name of the Company is SAIL-SCL Kerala Limited”;*
- ii. *The old Clause “II” be numbered as “2nd”;*
- iii.
 - a) *The old Clause “III” be numbered as “3rd” by retaining old clause 1 under “(a)” of main objects to be pursued by the company on its incorporation;*
 - b) *the heading of Clause III B, “OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS and for the purpose of carrying on the business of the company:” be replaced with the heading “MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE 3(a);*
 - c) *the heading of Clause III (C), “(C). OTHER OBJECTS FOR WHICH THE COMPANY IS ESTABLISHED ARE” be deleted and the clause there under be included under Clause 3rd (b) and be renumbered as 47;*
- iv. *The old Clause “IV” be numbered as “4th” and the existing clause be substituted by the following new clause*
4th The Liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them; and
- v. *The old Clause “V” be numbered as “5th” and be substituted accordingly with the following new clause:*
5th “The Authorised Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crore Only) divided into 4,87,50,000 (Four Crore Eighty Seven Lakh Fifty Thousand Only) Equity Shares of face value of Rs. 10/- (Rupees Ten Only) each and 1,25,000 Redeemable Cumulative Preference Shares of Rs. 100/- (Rupees One Hundred Only) each.”



vi. *The old Clause "VI" be numbered as "6th"*

RESOLVED FURTHER THAT the board be authorized to make necessary corrections including any spelling errors, grammatical errors, typographical errors as may be required in the existing Clauses III B and III C of the Memorandum of Association pursuant to the above amendments;

RESOLVED FURTHER THAT the Board and/or the Company Secretary be and are hereby jointly or severally authorized to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

6. ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF COMPANY *INTER-ALIA* PURSUANT TO THE COMPANIES ACT, 2013

To consider and, if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

"**RESOLVED THAT** pursuant to the provisions of section 5 and 14 of Companies Act, 2013 ('the Act'), Schedule I made thereunder, read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), the new set of Articles of Association pursuant to the Act, be and is hereby approved and adopted as new set of Articles of Association in the place of existing Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving full effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT Managing Director and/or Company Secretary be and are hereby jointly or severally (as the case may be) authorised to do all such acts, deeds and things as may be required to give effect to the above resolution(s)."

7. AUTHORITY TO BORROW IN EXCESS OF THE PAID UP SHARE CAPITAL AND FREE RESERVES OF THE COMPANY

To consider and, if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION**

"**RESOLVED THAT** pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded



to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee thereof) for borrowing from time to time, any sum or sums of money for the purpose of the Company upon such terms and conditions and with or without security as the Board may at its discretion think fit so, in excess of the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount of such borrowing and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business shall not exceed Rs.100 crore (Rupees One Hundred Crore only) over and above the aggregate of the paid-up capital and free reserves of the Company."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

By Order of the Board of Directors

Place: Thiruvananthapuram

For **SAIL-SCL KERALA LIMITED**

Date: 14-10-2015

Sd/-

P. SAIDEV

Managing Director

(DIN: 02811512)

NOTES:

1. The relevant Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013, with respect to the special business set out in the notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. THE PROXY FORM AS PER THE FORMAT GIVEN IN THE ANNUAL REPORT SHOULD BE DULY FILLED, STAMPED, SIGNED AND RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
4. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS A PROXY.



5. Members should bring dully filled Attendance Slip sent herewith to attend the meeting.
6. Members attending the meeting are requested to bring their copy of the Annual Report as extra copies will not be supplied.
7. Members are requested to notify immediately any change of contact address or e-mail id etc.:
 - (i) to their Depository Participants (DP) in respect of shares held in dematerialized form, and
 - (ii) to the Secretarial Department of the Company at its Registered Office or its Registrar & Transfer Agent, Karvy Computershare Private Limited in respect of their physical shares, if any, quoting their folio number.
8. Pursuant to the provisions of Section 108 read with Rule 20 of Companies (Management and Administration) Amendment Rules, 2015 members whose names appear on the Register of Members as on 12th December, 2015. ("Cut-off Date") would only be eligible for to vote by electronic means or by means of ballot papers at the AGM. Any recipient of the notice who has no voting rights as on the cut-off date shall treat this notice as intimation only.
9. M/s Karvy Computershare Private Limited is acting as the Registrar and Transfer Agents of the Company (R&TA) for carrying out the Company's share related activities. Shareholders are requested to make all further correspondences related to share transfer and allied activities with this agency only at the following address: Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.
10. The Company has dematerialized its Equity Shares to CDSL & NSDL and the Company's ISIN is INE465L01014. Members are requested to update their email ids with their respective Depository Participants. Members, who hold shares in physical form, are requested to dematerialize their shares.
11. Copies of the Annual Report are being sent by electronic mode only, to all the members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report are being sent by the permitted mode.
12. The Company is concerned about the environment and utilizes natural resources in a sustainable manner. Members are requested to register their email address, through written application, with Company's Registrar and Share Transfer Agent.

13. Voting through electronic means:

PROCEDURE AND INSTRUCTIONS FOR E-VOTING

- I. Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'.



- II. Enter the login credentials (i.e., user-id & password). Your folio/DP ID - Client ID will be your User-ID.

User – ID	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL:-16 digits beneficiary ID For Members holding shares in Physical Form: • Event no. followed by Folio Number registered with the Company
Password	Your Unique password is sent alongwith the Annual Report / Separately.
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- III. Members can cast their vote online from 16th December, 2015 from 9:00 a.m. to 18th December, 2015 till 5:00 p.m.
- IV. After entering these details appropriately, click on “LOGIN”.
- V. Members holding shares in Demat / Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through **Karvy Computershare Private Limited e-voting platform**. System will prompt you to change your password and update any contact details like mobile number, email ID etc. on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- VI. You need to login again with the new credentials.
- VII. On successful login, system will prompt to select the ‘Event’ i.e., ‘SAIL – SCL Kerala Ltd.’
- VIII. If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and cast your vote earlier for any company, then your existing login id and password are to be used.
- IX. On the voting page, you will see Resolution Description and against the same the option ‘FOR / AGAINST / ABSTAIN’ for voting. Enter the number of shares (which represents number of votes) under ‘FOR / AGAINST / ABSTAIN’ or alternatively you may partially enter any number in ‘FOR’ and partially in ‘AGAINST’, but the total number in ‘FOR / AGAINST’ taken together



should not exceed your total shareholding. If you do not want to cast your vote, select 'ABSTAIN'.

- X. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly, modify your vote.
- XI. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- XII. Corporate / Institutional Members (Corporate / FIs / FIIs / Trusts / Mutual Funds / Banks, etc.) are required to send scan (PDF format) of the relevant Board resolution/Authority Letter together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutiniser through e-mail to kpsatheesanfcs@gmail.com with copy to evoting@karvy.com.
- XIII. If you are already registered with Karvy Computershare Private Limited (KCPL) for e-voting then you can use your existing user ID and password for casting your vote. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- XIV. Please contact KCPL's toll free No. 1-800-34-54-001 for any further clarifications.
- XV. The voting rights of the shareholders shall be in proportion to their share of the paid-up equity share capital of the Company as on 12th December, 2015 ("Cut-Off Date").
- 14. The facility for voting through ballot will also be made available in the AGM and the members attending the AGM but who have not casted their vote by e-voting will be able to exercise their right in the AGM. Those shareholders, who have not cast their vote electronically, may only cast their vote in the AGM through ballot paper.
- 15. The members who have cast their votes may also attend the Meeting but shall not be entitled to cast their votes again.
- 16. Sri. K. P. Satheesan, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- 17. Any person who becomes member after the dispatch of Notice of the Meeting and holding shares as on the cut off date i.e. 12th December, 2015 may obtain the user id and password as mentioned below:
 - a. On the home page of <https://evoting.karvy.com>, the members may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - b. Member may call Karvy's toll free number 1-800-3454-001
 - c. Members may send an e-mail request to e-voting@karvy.com



18. The Chairman at the AGM, at the end of the discussion on the resolution on which voting is to be held, allow voting, as provided in clauses (a) to (h) of Rule 21 of the Companies (Management and Administration) Rules, 2014, as applicable, with the assistance of the scrutinizer, by use of ballot or polling papers for all those members who are present at the AGM but have not casted their votes by availing the e-voting facility.
19. The Scrutinizer shall, immediately after the conclusion of voting at the General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three (3) days from the conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall counter sign the same for the Company.
20. The Result shall be declared on or after the AGM of the Company. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.steelcomplexkerala.com and on the website of R&TA (KCPL) immediately after the results are declared by the Chairman. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the AGM.
21. Pursuant to Section 143(5) of the Companies Act, 2013 the auditors of the Government Company are appointed or reappointed by the Comptroller & Auditor General of India (C&AG) and in terms of Section 142, the remuneration has to be fixed by the Company in the Annual General Meeting or in such manner as the Company in General Meeting may determine. C&AG had appointed Ms/ Mathew and Thankachan (Firm Regn. No.2024S), Door No.27/383B, Soubhagya Shopping Complex, Arayadathupalam, Mavoor Road, Puthiyara, Kozhikode – 673 004 as the Statutory Auditors of the Company for the financial year ended 31.03.2016. Approval of the Members of the Company is required to authorize the Board of Directors of the Company to fix the remuneration of the Statutory Auditors of the Company appointed by C&AG, for the Financial Year 2015-16, as the Board may deem fit.

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

Item No. 4

Based on the request of the Company the promoters of the Company, i.e., Government of Kerala ("GoK") and Steel Authority of India Limited ("SAIL") had infused Rs. 3,51,75,000/- (Rupees Three Crores Fifty One Lakhs Seventy Five Thousand only) each for meeting the working capital requirements of the company as unsecured loan. Your company proposes to convert the said loan into Equity Share Capital at a later date, subject to the receipt of requisite approvals.

Presently, the Company has an Authorised Share Capital of Rs. 28,25,00,000/- (Rupees Twenty Eight Crores and Twenty Five Lakhs only) divided into 2,70,00,000/- Equity Shares of Rs.10/- each and 1,25,000 Redeemable Cumulative Preference Shares of Rs.100/- each. It is considered desirable



to increase the existing Authorized Share Capital to Rs. 50,00,00,000/- (Fifty Crores Only) by creation of an additional 2,17,50,000 equity shares of Rs.10/- (Rupees Ten Only) each; to enable issuance of Equity Shares pursuant to the conversion of above mentioned loan.

Therefore, after such increase the aggregate authorised share capital comes to Rs.50,00,00,000/- (Rupees Fifty Crores Only) consisting of 4,87,50,000 (Four Crore Eighty Seven Lakh only) Equity Shares of Rs.10/- (Rupees Ten Only) each and 1,25,000 (One Lakh Twenty Five Thousand) Redeemable Cumulative Preference Shares of Rs.100 (Rupees Hundred Only) each.

Consequent upon the increase in the Authorised Share Capital of the Company as proposed, Clause V of the Memorandum of Association of the Company will have to be altered.

A copy of the proposed draft of the altered Memorandum of Association of the Company will be available for inspection by the Members at the Registered Office of the Company between 10:00 a.m and 1:00 p.m. on any working day of the Company upto the date of the Annual General Meeting.

The Board of Directors recommends the resolution set out in Item no. 4 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel or their relative is, in any way interested in the said resolution.

Item No. 5

With the enactment of new Companies Act, 2013 (the Act), it is considered expedient to amend the form of the existing Memorandum of Association to be in accordance with the requirements under the Companies Act, 2013.

In terms of Section 4(1)(c) of the Companies Act, 2013, the Memorandum of Association of a company is to state the objects for which the Company is proposed to be incorporated and any matter considered necessary in furtherance thereof. As such, the requirement of separately indicating the “main objects”, “incidental or ancillary objects” and “other objects” under the erstwhile legislation has changed. Accordingly, it is proposed to replace with the heading of Clause 3(B) to “*MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE 3rd and thereby* delete the heading “Other Objects” in the existing Memorandum of Association in order comply with the provision of the Companies Act, 2013 including Table A.

Further, certain provisions of the existing Clause III B contain reference to the Companies Act, 1956. Thus, while making the aforementioned amendment it is considered expedient to amend such provisions of the existing Memorandum of Association and to replace it with the Companies Act, 2013 in order with the provisions of the Act. It may be noted that the alterations do not change the scope of the existing clauses.

Further, in terms of Section 4(1)(d) of the Act, the Memorandum of Association of a company is to state, in the case of a company limited by shares, that liability of its members is limited to the



amount unpaid, if any, on the shares held by them. Accordingly, it is proposed to amend Clause IV of the Memorandum of Association so as to comply with the provisions of Section 4 and 13 and other applicable provisions, of the Act, 2013.

A copy of the proposed draft of the amended Memorandum of Association of the Company will be available for inspection by the Members at the Registered Office of the Company between 10:00 a.m and 1:00 p.m. on any working day of the Company upto the date of the Annual General Meeting.

The Board of Directors recommends the resolution set out in Item no. 5 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel or their relative is, in any way interested in the said resolution.

Item No. 6

The existing Articles of Association (“AoA”) of the Company are in line with the erstwhile Companies Act 1956, which are thus no longer in full conformity with the Companies Act, 2013 (‘New Act’). The New Act is now largely in force and substantive sections of the Act which deal with the general working of companies stand notified. With the coming into force of the Act several articles of the existing Articles of Association of the Company require alteration / deletions. Given this position, it is considered expedient to wholly replace the existing Articles of Association by a new set of Articles.

It is thus expedient to adopt new set of Articles of Association, in place of existing Articles of Association of the Company instead of amending the Articles of Association by alteration/ incorporation of provisions of the Companies Act, 2013.

In terms of section 5 and 14 of the Companies Act, 2013, the consent of the members by way of special resolution is required for adoption of new set of Articles of Association of the Company.

The Board of Directors recommends the resolution set out in Item no. 6 of the accompanying Notice for approval of the members in terms of the provisions of *inter-alia*, Section 14 of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection for the members at the Registered Office of the Company during the office hours on any working day, between 10.00 a.m. to 1:00 p.m.

None of the Directors, Key Managerial Personnel of Company and their relatives are concerned or interested in the said resolution.

Item No. 7

As per Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a Company cannot except with the consent of the Company in the Annual General Meeting, borrow monies, apart from temporary loans obtained from the Company’s bankers in the ordinary course of business, in excess of the aggregate of the paid-up share capital and free reserves of the Company.



Section 180(1)(c) is the corresponding section to Section 293(1)(d) of the Companies Act, 1956. Members in the Extra Ordinary General Meeting held on August 12, 2013 had approved borrowings up to a limit not exceeding Rs.100 crore (Rupees One Hundred Crore) over and above the aggregate of the paid up capital and free reserves, under Section 293(1)(d) of the Companies Act, 1956.

The Ministry of Corporate Affairs vide a General Circular No 04/2014 dated March 25, 2014, had clarified that the resolution passed by the shareholders under Section 293(1)(d) of the Companies Act, 1956, will be valid till one year from the notification of Section 180 of the Companies Act, 2013. The Ministry has already notified the Section 180 of the Companies Act, 2013. Considering the requirements of the funds in future, the Board of Directors deem fit it necessary to borrow funds from banks, financial institutions or any other lending institutions or persons on such terms and conditions as may be considered suitable by the Board of Directors, a limit not exceeding in the aggregate of Rs.100 crore (Rupees One Hundred Crore) over and above the aggregate of the paid up capital and free reserves.

The Board of Directors recommends the resolution set out in Item no.7 of the accompanying Notice for approval of the Members.

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

By Order of the Board of Directors

For **SAIL-SCL KERALA LIMITED**

Sd/-

P. SAIDEV

Managing Director

(DIN: 02811512)

Place: Thiruvananthapuram

Date: 14-10-2015



BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the Company's 45th Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2015.

FINANCIAL RESULTS

(Rs. In Lakhs)

Particulars	Year Ended 31-03-2015	Year Ended 31-03-2014
Sales	1777.77	2041.82
Other Income	78.34	199.29
Total Revenue	1856.11	2241.12
Expenditure	2351.39	2740.99
Profit/(Loss) before Interest and Depreciation & Tax	(495.28)	(499.87)
Interest	173.58	133.40
Depreciation	13.61	13.77
Profit/(Loss) before tax	(682.47)	(647.04)
Less. Tax expenses	—	—
Current Tax	—	—
Deferred tax	—	—
Profit/(Loss) for the period	(682.47)	(647.04)

PERFORMANCE OVERVIEW

The high cost of production and the continuous reduction in market price of billets has contributed to the loss of the company and has resulted in critical financial position. Higher volumes of production of billets would have resulted in higher cash losses to the company since the final price of billets could not even cover the variable expenses incurred by the company. Consequently, the billet production was stopped in the month October 2014.

Production for the year was 3945.09 tonnes of Steel Billets representing a decrease of 38.43% over the preceding year output of 6408.292 tonnes. Sales turnover decreased to Rs.1777.77 Lakhs in 2014-15 from Rs. 2041.82 Lakhs in the preceding year showing a decrease of 12.93%.

DIVIDEND

In view of the losses the Board of Directors, did not recommend any dividend for the Financial Year 2014-15.



TRANSFER TO RESERVE:

No amount was transferred to Reserve during the financial year ended on March 31, 2015.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual return is enclosed in Form MGT-9, as **Annexure – ‘A’** to this report.

DIRECTORS

During the year under review, Sri. K.S. Srinivas, Chairman and Smt. T.S. Sheeja, Director had resigned from the Board of Directors of the company w.e.f July 19, 2014 and based on the nominations received from Government of Kerala, Sri. P.H. Kurian and Sri. V.K. Balachandrakumar were appointed as Chairman and Director respectively on the Board of Directors of the Company.

Sri. P.H. Kurian resigned as Chairman from the Board of Directors of the Company w.e.f. November 04, 2014 and Sri. Satyajeet Rajan was appointed as Chairman of the Board of Directors w.e.f. from that date based on the nomination received from Government of Kerala.

As per the provisions of the Companies Act, 2013, Sri. Unneenkutty Kalady (DIN: 05208728) will retire at the ensuing AGM and being eligible, seeks re-appointment. The Board recommends his re-appointment.

BOARD MEETINGS

The Board met Six (6) times during the financial year 2014-15 on April 09, 2014, May 10, 2014, July 19, 2014, November 04, 2014, January 17, 2015 and March 13, 2015. The time gap between two meetings was less than 120 days.

Attendance Details of Directors are as follows:

Sr. No	Name of the Director	Number of Meetings Attended
1*	Sri. K.S. Srinivas	2
2	Sri. P. Saidev	6
3	Sri. K. Unneenkutty	6
4*	Smt. T. S. Sheeja	1
5	Sri. Raman	2
6	Sri. O. P. Arora	5
7*	Sri. P. H. Kurian	1
8	Sri. Satyajeet Rajan	3
9*	Sri. V. K. Balachandrakumar	1

** were present only for part of the financial year*



GENERAL MEETINGS FOR THE FY 2013-14

44th Annual General Meeting dated 26.12.2014

The Registrar of Companies, Kerala had sanctioned the Company for the extension of due date for holding the 44th Annual General Meeting. The extension was for a period of 3 months. Pursuant to the above extension, the Annual General Meeting was held on 26.12.2014.

RECENT SIGNIFICANT DEVELOPMENTS

65,000 TPA TMT BAR ROLLING MILL PROJECT IN THE COMPANY

During the year under review, the ambitious and dream project of 65000 TPA TMT Bar Rolling Mill has been completed successfully. The trial runs have been completed in the month of June this year. The company had applied for BIS License for the product TMT which was accorded on 10th August 2015. Trial production was started on 28th September, 2015. The new Rolling Mill will be producing top quality TMT.

AUDIT COMMITTEE

The Audit Committee met Two (2) times during the financial year 2014-15 on 19th July 2014 & 04th November 2014.

As on March 31, 2015, the Audit Committee comprises of the following members:

1. Sri. K. Unneenkutty – Chairman
2. Sri. Raman – Member
3. Sri. O.P. Arora – Member
4. #Sri. V.K. Balachandrakumar – Member

Sri. V K Balachandrakumar resigned as a Director from the Board of Directors of the Company w.e.f May 30, 2015.

Attendance details of the Director

Sr. No.	Name of the Members	Number of Meetings Attended
1	Sri. K. Unneenkutty	2
2	Sri. V.K. Balachandrakumar	–
3	Sri. Raman	–
4	Sri. O.P. Arora	2



REMUNERATION COMMITTEE

As on March 31, 2015 the Remuneration Committee comprises of the following members:

1. Sri. K Unneenkutty – Chairman
2. Sri. Raman – Member
3. Sri. O P Arora – Member
4. #Sri. V K Balachandrakumar – Member

Sri. V K Balachandrakumar resigned as a Director from the Board of Directors of the Company w.e.f May 30, 2015.

No meeting was held during the year under review.

PUBLIC DEPOSITS

The Company has not accepted or renewed any deposit as covered under Section 73 of the Companies Act, 2013, from public during the year under review and hence, no amount is outstanding as on March 31, 2015.

HUMAN RESOURCES MANAGEMENT

The labour relations in the Company throughout the period continued to be cordial. Your Company has a splendid practice of having good employee relations state of affairs.

There has been a healthy tradition of settling the issues through discussions with trade unions and this has helped in bringing and maintaining a peaceful IR climate. No production days were lost due to labour unrest.

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

The Company has been employing about 16 women employees in various cadres within the factory premises. The Company has in place a policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee has been set up to redress any complaints received. All employees (permanent, contractual, temporary, trainees) are covered under the policy.

During the Financial Year 2014-15, the Company received no complaints of sexual harassment and hence no complaint is outstanding as on 31.03.2015 for redressal.

EXPLANATIONS OR COMMENTS BY THE BOARD IN RESPECT OF QUALIFICATIONS / ADVERSE REMARKS / DISCLAIMERS MADE IN THE STATUTORY AUDITORS REPORT:

The shareholders are advised to refer to **Annexure 'B'** in this report.



LOANS AND INVESTMENTS

Your company complied with the provisions of Section 186 of the Companies Act, 2013 during the year under review.

RELATED PARTY TRANSACTIONS

During the year under review, the Company has not entered into any Related Party Transaction in terms of Section 188 of the Companies Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

Details of the energy conservation, technology absorption and foreign exchange earnings and outgo are annexed to this report (**Annexure – ‘C’**)

DETAILS OF DIRECTORS AND KMP

The details of the Directors and KMP appointed/resigned during the year are as under:

SI No.	Name	Designation	Date of Appointment as Director/KMP	Date of Resignation as Director/KMP
1	Sri.K S Srinivas	Chairman		July 19, 2014
2	Smt. T S Sheeja	Director		July 19, 2014
3	Sri. V. K Balachandrakumar	Director	July 19, 2014	
4	Sri.Satyajeet Rajan	Chairman	November 04, 2014	
5	Sri.P H Kurian	Chairman	July 19, 2014	November 04, 2014
6	Smt. Anandakumari S	CFO	March 03, 2015	

PARTICULARS OF EMPLOYEES

During the year under review there were no employees drawing salary in excess of the limit prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

Members' attention is drawn to the statement on contingent liabilities in the notes forming part of the Financial Statements.

STATUTORY AUDITORS

The statutory Auditors of your company are appointed by the Comptroller and Auditor General of India. M/s. Mathew & Thanakachan, Chartered Accountants, Calicut were appointed as the Statutory Auditors



for the year 2014-15 and the Board of Directors of the Company had taken necessary decisions in accordance with the same.

INTERNAL AUDIT

Your Company had appointed M/s. Mohan & Mohan, Chartered Accountants to conduct the internal audit of the Company for the FY 2014-15. Internal audit is conducted on a quarterly basis and the reports and findings of Internal Auditors are placed before the Audit committee of the Board and are reviewed in detail. All significant observations and comments are placed before the Board of Directors and appropriate actions are taken based on the observations made by the auditors.

REVIEW OF ACCOUNTS BY COMPTROLLER AND AUDITOR GENERAL OF INDIA

As advised by the office of the Comptroller and Auditor General of India (C&AG), the comments of C&AG for the Financial Year 2014-15 are being placed with the report of the Statutory Auditors of your Company elsewhere in this Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of section 134(5) of the Companies Act, 2013 your directors hereby state that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
2. they have 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 at the end of the financial year and of the profit and loss for the year ended on that date;
3. they have 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;
4. they have prepared the annual accounts on a going concern basis; and
5. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENTS

Your Directors' place on record their appreciation for co-operation and support received from the Bankers of the Company, Registrar of Companies, other local Governmental as well as Non-Governmental agencies, all the customers, suppliers, business partners and auditors during the Financial Year.

The Directors would also like to place on record their appreciation to the contribution made by employees during the financial year and to the members of the Company for their continued affiliation with the Company.



The Directors, finally, would like to specially thank and place on record their gratitude to the Government of Kerala and Steel Authority of India Limited, for their valuable contribution and continued support in the operations of the Company.

Place: Thiruvananthapuram

Date: 14-10-2015

For and On behalf of the Board of Directors

Sd/-

Satyajeet Rajan

Chairman

(DIN: 01917990)



**Annexure – ‘A’
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31-03-2015

**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:

1.	CIN	U27104KL1969SGC002253
2.	Registration Date	12/12/1969
3.	Name of the Company	SAIL-SCL Kerala Limited
4.	Category/Sub-category of the Company	Company Limited by Shares / State Government Company
5.	Address of the Registered office & contact details	“Steel Nagar”, P.B.No.42, Kolathara (P.O) Kozhikode -673655 - Kerala Ph: (0495) 2483328 to 2483332, Fax: (91 45-2483043)
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any	M/s. Karvy Computershare Private Limited Karvy Selenium Tower B, Plot number 31 & 32 Financial District, Gachibowli, Hyderabad – 500 032 Tel.: 040 6716 1559

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 and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Produce/Manufacture Steel	241	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary / Associate	% of shares held	Applicable Section
1	None	–	–	–	–



I. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	13189902	-	13189902	49.91%	13189902	-	13189902	49.91%	-
d) Bodies Corporate	12779850	-	12779850	48.36%	12779850	-	12779850	48.36%	-
e) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
F) Director/ Relatives	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total A(1)	25969752	-	25969752	98.27%	25969752	-	25969752	98.27%	-
(2) Foreign									
a) Individuals (NRIs/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total A(2)	-	-	-	-	-	-	-	-	-



Total shareholding of Promoter (A) = (A)(1) + (A)(2)	25969752	-	25969752	-	25969752	98.27%	25969752	98.27%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (B)(1)									
2. Non-Institutions									
a) Bodies Corporate	22,050	65,850	87,900	22,050	65,850	0.33%	87,900	0.33%	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	14500	320848	335348	14,500	3,20,848	1.27%	3,35,348	1.27%	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	35000	35000	-	35,000	0.13%	35,000	0.13%	-



c) Any Other	-	-	-	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-	-	-	-
Other Directors / Relatives	-	-	-	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-	-	-	-
OCB	-	-	-	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	36,550	4,21,698	4,58,248	1.73%	36,550	4,21,698	4,58,248	1.73%	36,550	4,21,698	4,58,248	1.73%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	36,550	4,21,698	4,58,248	1.73%	36,550	4,21,698	4,58,248	1.73%	36,550	4,21,698	4,58,248	1.73%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2,60,06,302	4,21,698	2,64,28,000	100%	2,60,06,302	4,21,698	2,64,28,000	100%	2,60,06,302	4,21,698	2,64,28,000	100%

i. Shareholding of Promoter & Promoter Group

S.N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	GOVERNOR OF KERALA	13189902	49.91%	-	13189902	49.91%	-	No Change
2	STEEL AUTHORITY OF INDIA LIMITED	12779850	48.36%	-	12779850	48.36%	-	No Change
	Total	25969752	98.27%	-	25969752	98.27%	-	No Change



iii. Change in Promoters' Share holding (please specify, if there is no change)

S.N.	Particulars	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
During the Year under review there has been no change in Promoters' Shareholding.					

iv. Shareholding Pattern of top ten Share holders: (Other than Directors, Promoters and Holders of GDRs and ADRs)

S.N.	For Each of the Top 10 Share holders	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
1	KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION	65850	0.25%	65850	0.25%
2	H. H. MAHARANI BIBHUDEVI	20000	0.08%	20000	0.08%
3	H H MAHARAJA KIRIT BIKRAMKISHORE	15000	0.06%	15000	0.06%
4	SECURITY TRADING SYNDICATE P LTD	11000	0.04%	11000	0.04%
5	ABBASBHAI SAHEB FAKHRUDDIN	10000	0.04%	10000	0.04%
6	BABUBHAI SHAH CHIRAG SHAH	5700	0.02%	5700	0.02%
7	Mr. C MAMMOO	5500	0.02%	5500	0.02%
8	THE WESTERN INDIA PLYWOODS LTD.	5000	0.02%	5000	0.02%
9	Mr. A. SRINIVASAN	3400	0.01%	3400	0.01%
10	Mr. V R KRISHNA IYER	3000	0.01%	3000	0.01%



V. Share holding of Directors and Key Managerial Personnel:

S.N.	Shareholding of each Directors and Key Managerial Personnel	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
None of the Directors or Key Managerial Personnel hold shares in the Company					

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	23,47,29,353	13,57,27,000	—	37,04,56,353
ii) Interest due but not paid	Nil	1,66,10,074	—	1,66,10,074
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	23,47,29,353	15,23,37,074		38,70,66,427
Change in Indebtedness during the financial year				
* Addition	17,56,70,170	5,52,90,000	—	23,09,60,170
* Reduction	2,50,82,739.38	—	—	2,50,82,739.38
Net Change	15,05,87,430.62	5,52,90,000	—	20,58,77,430.62
Indebtedness at the end of the financial year				
i) Principal Amount	38,53,16,783.62	19,10,17,000	—	57,63,33,783.62
ii) Interest due but not paid	—	2,74,19,150	—	2,74,19,150
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	38,53,16,783.62	21,84,36,150	—	60,37,52,933.62



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of Managing Director	Total Amount
		Mr. P. Saidev	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option	—	
3	Sweat Equity	—	
4	Commission - as % of profit - others, specify...	—	
5	Others, please specify		
	Total (A)	20,55,038*	

*Net salary Payable/paid by the Company during the year under review.



A. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors							Total Amount
1	Independent Directors	-	-	-	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	-	-	-	-	-	-	-	-
2	Other Non-Executive Directors	Sri. Satyajeet Rajan	Sri. Unneenkutty Kalady #	Sri. Balachandra Kumar#	Sri. O. P. Arora	Sri. Raman	Sri. Srinivas K. S.*	Smt. Sheeja T. S.**	Sri. P.H. Kurian***
	Fee for attending board committee meetings	-	3600	800	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (2)	-	3600	800	-	-	-	-	-
	Total (B)=(1+2)	-	3600	800	-	-	-	-	-
	Total Managerial Remuneration	-	3600	800	-	-	-	-	-

* Sri. Srinivas K.S. Ceased to be a Director as on 19.07-2014

** Smt. Sheeja T. S. Ceased to be a Director as on 19.07.2014

*** Sri P.H. Kurian Ceased to be a Director as on 04.11.2014

Sri. Unneenkutty Kalady & Sri. Balachandra Kumar receive remuneration only by way of sitting fees for attending the Board and Committee Meetings.

Other Non-executive Directors are neither paid remuneration nor sitting fees


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

SN	Particulars of Remuneration	Name of the KMP		
		Sri. Neeraj Varma C.S.	Smt. Anandakumari CFO	Total
1	Gross salary	4,58,498	3,67,455	8,25,953
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	—	
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	37,100	31,084	68,184
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option	—	—	
3	Sweat Equity	—	—	
4	Commission as % of profit	—	—	
5	Others, please specify			
	Total	4,95,598	3,98,539	8,94,137

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Place: Thiruvananthapuram

Date: 14-10-2015

For and On behalf of the Board of Directors

Sd/-

Satyajeet Rajan

Chairman

(DIN: 01917990)



ANNEXURE – ‘B’

EXPLANATIONS OR COMMENTS BY THE BOARD IN RESPECT OF QUALIFICATIONS / ADVERSE REMARKS / DISCLAIMERS MADE IN THE STATUTORY AUDITORS REPORT:

1. Reply to Point no. i b) of Annexure to Independent Auditors Report:

We have started the verification of Fixed Assets in this financial year and it is expected to be completed by First Quarter of Financial Year 2016-17.

ANNEXURE – ‘C’

A. Conservation of energy:

- i. Your Company has constituted an Energy Circle consisting of members from various sections and is functioning with the Energy Manager as the convener.
- ii. Your Company has formed an Energy Policy to conserve energy and to ensure sustainable environmental quality.
- iii. Your Company had conducted an Energy Audit by an external agency M/s Energy and Safety Consultant, Thrissur, Kerala. Their suggestions / recommendations could not be implemented due to financial distress of the Company.

B. Technology Absorption:

The company neither has its own R&D Department nor has it undertaken any R&D activity in any specific area during the year under review, and hence no cost has been incurred towards the same.

C. Foreign Exchange Earnings and Outgo

(in Rs.)

Particulars	2014-15	2013-14
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	6,75,92,677	12,96,05,400

Place: Thiruvananthapuram

Date: 14-10-2015

For and On behalf of the Board of Directors

Sd/-
Satyajeet Rajan
Chairman
(DIN: 01917990)



**प्रधान महालेखाकार (आर्थिक एवं राजस्व क्षेत्र लेखापरीक्षा)
कार्यालय, केरल, तिरुवनन्तपुरम**

**OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (E & RSA)
KERALA, THIRUVANANTHAPURAM**

31 मार्च 2015 को समाप्त वर्ष के लिए सेयिल - एस.सी.एल. केरला लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143(6) (b) के अधीन भारत के नियंत्रक - महालेखापरीक्षक की मसौदा टिप्पणियाँ

DRAFT COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SAIL-SCL KERALA LIMITED FOR THE YEAR ENDED 31 MARCH 2015

The preparation of financial statements of **SAIL-SCL Kerala Limited** for the year ended **31 March 2015** in accordance with the financial reporting frame work prescribed under the Companies Act, 2013 is the responsibility of Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(7) of the Act is responsible for expressing opinion on these financial statements under Section 143 of the Act based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated **10 June 2015**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6) (a) of the Act of the financial statements of **SAIL-SCL Kerala Limited**, for the year ended **31 March 2015**. The supplementary audit has been carried out independently without access



to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6) (b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

A. COMMENT ON FINANCIAL POSITION

1. Balance Sheet

Long Term Borrowings (Note No. 5) – Secured

Canara Bank Term Loan – ₹ 35,18,22,917/-

Short Term Borrowings (Note No. 5A) – Secured

Canara Bank OCC Account – ₹ 3,34,93,866.62

The company had availed secured loan from Canara Bank but the nature of security has not been specified separately for the secured long term borrowing which is on hypothecation of 30.23 acres of land as required by the General Instructions for Preparation of Balance Sheet under Part 1 of Schedule III to the Companies Act, 2013.

B. GENERAL

The comments of the Comptroller and Auditor General of India on the accounts of the Company for the year ended 31 March 2014 has not been made a part of the final resolution of adoption by the share holders in the Annual General Meeting held on 26-12-2014 for adoption as per the provisions of Section 619(5) of the Companies Act, 1956.

**For and on behalf of
The Comptroller and Auditor General of India**

Sd/-

एन. नागराजन

N. NAGARAJAN

तिरुवनन्तपुरम

Thiruvananthapuram

Dated : 22-09-2015

प्रधान महालेखाकार (आ.एवं.रा.क्षे.ले.) केरल

PRINCIPAL ACCOUNTANT GENERAL (E & RSA) KERALA



ANNEXURE – ‘D’

COMMENTS OF C & AG

MANAGEMENT’S REPLIES TO THE COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SAIL-SCL KERALA LIMITED FOR THE YEAR ENDED 31st MARCH 2015

Comments	Management’s Replies
<p>1. Balance Sheet</p> <p>Long Term Borrowings (Note No.5) – Secured Canara Bank Term Loan – Rs. 35,18,22,917/- Short Term Borrowings (Note no.5A) – Secured Canara Bank OCC account – Rs. 3,34,93,866.62/-</p> <p>The company had availed secured loan from Canara Bank but the nature of security had not been specified for the secured long term borrowing which is on hypothecation of 30.23 acres of land as required by the General Instructions for Preparation of Balance Sheet under Part I of Schedule III to the Companies Act, 2013.</p>	<p>The borrowings have been classified as secured and unsecured in the Balance Sheet as on 31st March 2015 (Schedule no. 5 & 5A of Balance Sheet). The secured loan has been availed from Canara Bank in the FY 2013-14.</p> <p>However, the nature of security has not been specified separately for the secured long term borrowing which is on hypothecation of 30.23 acres of land. The security for secured short term borrowing from Canara Bank is on hypothecation of stock which has been disclosed in item no. 2.3 of Note 2 attached with Financial Statement. It shall be disclosed in the Annual Accounts of FY 2015-16.</p>
<p>2. General</p> <p>The comments of the Comptroller & Auditor General of India on the accounts of the Company for the year ended 31st March 2014 has not been made part of the final resolution of adoption by the shareholders in the Annual General meeting held on 26.12.2014 for adoption as per the provisions of Section 619(5) of the Companies Act, 1956.</p> <p style="text-align: center;">For and on the behalf of The Comptroller & Auditor General of India Sd/- (N. Nagarajan) Principal Accountant General (E&RSA), Kerala</p> <p>Place : Thiruvananthapuram Date : 22/09/2015</p>	<p>As suggested by the Audit the comments of the Comptroller & Auditor General of India on the accounts of the Company shall be expressly made part of the final resolution for adoption by the shareholders in the Annual General Meeting. It would be followed in the ensuing AGM of the company.</p> <p style="text-align: center;">For and on behalf of the Board of Directors SAIL-SCL Kerala Limited Sd/- (Satyajeet Rajan) Chairman (DIN: 01917990)</p> <p>Place: Thiruvananthapuram Date: 14/10/2015</p>



INDEPENDENT AUDITOR'S REPORT

To

The Members of SAIL-SCL KERALA LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of SAIL-SCL KERALA LIMITED which comprise the Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss for the year then ended, the cash flow statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, The accounting and Auditing Standards and matters which are required to be included in the Audit report under provisions of the Act and the rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified u/s 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit



procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, subject to the reservations in Significant Accounting policies and notes to accounts;
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
 - b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
 - c) in the case of Cash flow statement, of the cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order, To the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet and Statement of Profit and Loss cash flow statements dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014; and
 - e) on the basis of written representations received from the directors as at 31st March 2015 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.



- f) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and explanation given to us:
- i. The company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.9, 2.10 and 2.14 to the financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. The company was not required to transfer any amount to the Investor Education and Protection Fund

For **MATHEW & THANKACHAN**
CHARTERED ACCOUNTANTS

Sd/-

N.M. MATHEW

B Com, FCA

PARTNER NO: 27049

FIRM Reg: No. 2024.S

Place : Calicut

Date : 10-06-2015



ANNEXURE to the Independent Auditors' Report - 31st March, 2015

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:

- i. a) The company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- b) The company does not follow a regular programme of physical verification of its fixed assets so as to cover all fixed assets are verified in a phased manner, over a period of three years. In our opinion, this periodicity of physical verification is unreasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed upon the verification of assets.
- ii. a) The inventories of stock in trade have been physically verified during the year by the Management. In our opinion the frequency of verification is reasonable
- b) The procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
- c) The company is maintaining proper records of stock in trade. The discrepancies' noticed on verifications between the physical stock and book records were not material.
- iii) The company has not granted any loans, secured and unsecured to companies, firms or parties covered in the register maintained u/s 189 of the Act. Consequently requirement of clauses (iii,a) and (iii,b) of paragraph 3 of the Order are not applicable
- iv) In our opinion and according to the information and explanations given to us, there exist an adequate internal control system commensurate with the size of the company and the nature of business with regard to acquisition of fixed assets, stock in trade and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in Internal controls
- v) The Company has not accepted any deposits from the public
- vi) We have reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 148 (1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income-tax, Sales-tax/ Value Added tax, Wealth tax, Service tax, Customs Duty, Excise Duty, and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as on 31st march 2015 for a period more than six months from the date they became payable.



(b) According to the information and explanations given to us, following are the material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.

STATUTE	NATURE OF DUES	AMOUNT (Rs)	PERIOD	FORUM WHERE DISPUTE IS PENDING
Central Excise Act 1944	Excise Duty	5,00,984.00	1996-1998	Supreme Court
Central Excise Act 1944	Excise Duty	54,100.00	1/1/1998 – 21/7/1998	Supreme Court of India
Income Tax Act, 1961	Income tax	172.49 lakhs		Under the consideration of CBDT

(c) According to the information and explanations given to us there was no amount required to be transferred to the investor education and protection fund in accordance with the relevant sections of the Companies Act, 1956. Thus the paragraph (vii,c) of the Order is not applicable to the Company.

- viii) The accumulated losses of the company at the end of the Financial Year 2014-15 is more than 50% of its net worth. The company has incurred cash loss during the financial year 2014-15 which is subject to our audit and immediately preceding financial year.
- ix) According to the information and explanations given to us, the company has not defaulted in any payments to the bank or any other financial institutions.
- x) In our opinion and according to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi) In our opinion and according to the information given to us, the Company has applied the term loans for the purposes for which they were obtained.
- xii) According to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the course of our audit.

For **MATHEW & THANKACHAN**
CHARTERED ACCOUNTANTS

Sd/-

N.M. MATHEW

B Com, FCA

PARTNER NO: 27049

FIRM Reg: No. 2024.S

Place : Calicut

Date : 10-06-2015



SAIL-SCL KERALA LTD., CALICUT
(formerly known as Steel Complex Ltd.)
BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	Figures as at 31.03.2015	Figures as at 31.03.2014
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	26 42 80 000.00	26 42 80 000.00
(b) Reserves and Surplus	4	(346,207,201.97)	(277,959,883.57)
(c) Money received against share warrants		-	-
(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings	5	54 28 39 917.00	31 18 79 747.00
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings	5A	3 34 93 866.62	-
(b) Trade payables		4 05 79 984.38	8 02 42 916.77
(c) Other current liabilities	6	14 58 36 359.30	10 23 55 705.95
(d) Short-term provisions	7	7 66 62 622.51	6 38 88 737.51
Total		75 74 85 547.84	54 46 87 223.63
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	2 18 82 029.51	2 31 24 720.85
(ii) Intangible assets	9	45 097.85	61 854.88
(iii) Capital work-in-progress	10	60 90 22 326.00	26 39 83 401.00
(iv) Intangible assets under development		-	-
(b) Non-current investments	11	40 000.00	40 000.00
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances		-	-
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	12	3 51 07 932.29	8 06 08 148.44
(c) Trade receivables	13	18 24 395.14	17 68 638.14
(d) Cash and cash equivalents	14	4 66 80 182.51	12 98 93 323.01
(e) Short-term loans and advances	15	4 28 83 584.54	4 52 07 137.35
(f) Other current assets		-	-
Total		75 74 85 547.84	54 46 87 223.63
Summary of Significant Accounting policies	1		
Other Important Notes	2		

As per report attached
MATHEW & THANKACHAN
CHARTERED ACCOUNTANTS
F R N 002024 S

Sd/-
N.M. MATHEW
Mem No.027049
CALICUT
DATE: 10-06-2015

On behalf of the Board

Sd/-
SATYAJEET RAJAN
CHAIRMAN

Sd/-
P. SAIDEV
MANAGING DIRECTOR

Sd/-
ANANDAKUMARI S.
DM (Fin) & CFO

Sd/-
NEERAJ R. VARMA
COMPANY SECRETARY



SAIL-SCL KERALA LTD., CALICUT

(formerly known as Steel Complex Ltd.)

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2015

Particulars	Note No.	Figures as at 31.03.2015	Figures as at 31.03.2014
I. Revenue from operations	16	17 77 76 902.00	20 41 82 998.42
II. Other Income	17	78 34 500.38	1 99 29 989.90
III. Total Revenue (I + II)		18 56 11 402.38	22 41 12 988.32
IV. Expenses:			
Cost of materials consumed	18	11 38 61 417.31	18 52 97 379.67
Purchase of Stock-in-Trade		74 87 376.00	6 75 789.00
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	3 04 49 951.77	- 2 11 03 068.20
Employee benefit expense	20	4 01 98 477.64	3 78 96 821.06
Financial costs	21	1 73 58 164.00	1 33 40 297.00
Depreciation and amortization expense		13 60 760.33	13 77 065.69
Other expenses	22	3 95 05 238.06	7 10 56 297.43
Total Expenses		25 02 21 385.11	28 85 40 581.66
V. Profit before exceptional and extraordinary items and tax (III - IV)		- 6 46 09 982.73	- 6 44 27 593.34
VI. Exceptional Items	23	- 36 37 335.64	- 2 76 046.00
VII. Profit before extraordinary items and tax (V - VI)		- 6 82 47 318.37	- 6 47 03 639.34
VIII. Extra ordinary Items		-	-
IX. Profit before tax (VII - VIII)		- 6 82 47 318.37	- 6 47 03 639.34
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI. Profit(Loss) from the period from continuing operations (VII-VIII)		- 6 82 47 318.37	- 6 47 03 639.34
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		- 6 82 47 318.37	- 6 47 03 639.34
XVI. Earning per equity share:			
Basic & diluted		- 2.58	- 2.45
Summary of Significant Accounting Policies	1		

As per report attached
MATHEW & THANKACHAN
CHARTERED ACCOUNTANTS
F R N 002024 S

Sd/-
N.M. MATHEW
 Mem No.027049
CALICUT
 DATE: 10-06-2015

On behalf of the Board

Sd/-
SATYAJEET RAJAN
CHAIRMAN

Sd/-
P. SAIDEV
MANAGING DIRECTOR

Sd/-
ANANDAKUMARI S.
DM (Fin) & CFO

Sd/-
NEERAJ R. VARMA
COMPANY SECRETARY



SAIL-SCL KERALA LTD., CALICUT
(formerly known as Steel Complex Ltd.)

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2015

	Rupees	Rupees
A Cash Flow from Operating Activites		
Net Profit As Per Profit and Loss Account		- 6 82 47 318.37
Adjustments for		
Depreciation	13 60 760.33	
Interest Received	- 22 37 121.10	
Insurance Claim Received	- 19 64 171.00	
Other Income	- 43 918.90	
Interest on WCTL and TL	3 70 99 869.00	
Loss on Sale of Asset	.00	
Profit on sale of fixed assests	.00	3 42 15 418.33
Operating Cash out Flow before working capital changes		- 3 40 31 900.04
Changes in working capital		
Increase/Decrease in Current liabilities	3 73 11 587.58	
Increase/Decrease in Provisions	1 27 73 885.00	
Increase/Decrease in Advances	23 23 552.81	
Increase/Decrease in Inventories	4 55 00 216.15	
Increase/Decrease in Debtors	- 55 757.00	
Operating Cash flow before Provison for Taxation		9 78 53 484.54
Net Cash generated from operating Activities		6 38 21 584.50
B Cash Flow from Investing Activities		
Interest Received	22 37 121.10	
Insurance Claim Received	19 64 171.00	
Other Income	43 918.00	
Interest provided on WCTL and TL	- 3 70 99 869.00	
Sale of Assets	.00	
Capital Work in progress	- 34 50 38 925.00	
Purchase of fixed assets	- 1 01 312.00	
Net Cash generated from Investing Activities		- 37 09 60 170.00
C Cash Flow from Financing Activites		
Additional Paid up share capital	.00	
Additional Term Loan	23 09 60 170.00	
Net Cash raised in Financing Activities		23 09 60 170.00
Net Increase in Cash and Cash Equivalents		- 8 32 13 140.50
Cash and Cash Equivalents as on 01-04-2014		12 98 93 323.01
Cash and Cash Equivalents as on 31-03-2015		4 66 80 182.51

As per report attached
MATHEW & THANKACHAN
CHARTERED ACCOUNTANTS
F R N 002024 S

Sd/-
N.M. MATHEW
Mem No.027049
CALICUT
DATE: 10-06-2015

Sd/-
SATYAJEET RAJAN
CHAIRMAN

Sd/-
ANANDAKUMARI S.
DM (Fin) & CFO

On behalf of the Board

Sd/-
P. SAIDEV
MANAGING DIRECTOR

Sd/-
NEERAJ R. VARMA
COMPANY SECRETARY

**SAIL-SCL KERALA LTD., CALICUT****NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED ON 31-03-2015****Note 1 - SIGNIFICANT ACCOUNTING POLICIES****1. BASIS OF PREPARATON**

The financial statements of the Company have been prepared and presented in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis with an exception of bonus to workers and staff which are accounted on cash basis. The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013.

2. USE OF ESTIMATES

The preparation of Financial Statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Although these estimates are based on the Management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes different from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

3. TANGIBLE ASSETS

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. Tangible assets not ready for the intended use on the date of balance Sheet are disclosed as "Capital work in Progress"

4. DEPRECIATION

Depreciation on fixed assets other than Building, is provided using the straight line method based on the useful lives of the assets at the rates prescribed in schedule II to the Companies Act, 2013.

5. INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are stated at cost of acquisition less accumulated amortization. Intangible assets are amortized over their estimated economic useful life. Computer software is amortized over five years.

6. IMPAIRMENT OF ASSETS

During the year impairment of assets has been neither ascertained nor accounted in the accounts, since the impairment indicators are negative.

7. BORROWING COSTS

Borrowing costs directly attributable to the acquisition and construction of assets which takes a substantial period of time to get ready for its intended use are capitalized as a part of the cost of



such assets, until such time the asset is ready for its use. All other borrowing costs are recognized in the statement of profit and loss in the period they occur.

8. INVESTMENTS

Investments intended to be held for more than one year is classified as noncurrent investments. They are carried at cost.

9. INVENTORIES

Inventories are valued after providing for obsolescence as follows:

Materials and other items held for use in production are valued at cost. Inventories of finished goods are valued at net realizable value. Loose tools are recognized in the profit and loss account.

10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purpose of cash flow statement comprise of cash in hand, cash at bank and short term highly liquid investments.

11. REVENUE RECOGNITION

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

Revenue from sale of goods is recognized when the significant risk and rewards of ownership of the goods have been passed to the buyer. Sales are disclosed net of sales tax, trade discounts and returns wherever applicable. Excise duties that are included in the turnover are the amounts that are included in the amount of turnover and not the entire liability that arose during the year

Interest income is recognized on a time proportionate basis taking into time the outstanding time and the rate applicable.

12. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are initially recorded at the rates of exchange as notified by CBEC. Foreign currency monetary items are subsequently reported using the closing rate.

Exchange differences arising on the settlement of monetary items are recognized as income or expenditure in the year in which they arise.

13. EMPLOYEE BENEFITS

Short term employee benefits are recognized as an expense on accrual basis.

Contributions to Provident fund is made monthly and charged to profit and loss statement.

Provision for Gratuity is provided as per the provisions of the Gratuity Act, based on the number of employees on the pay roll as on the closing date. The total amount so computed for the year is charged to the profit and loss statement.

No actuarial valuation has been done for determining the employee's retirement benefits.

14. INCOME TAXES

The company has not recognized deferred tax assets/ liabilities in the accounts; as it has no material



effects on the accounts of the company because the company is running on huge losses and there are huge accumulated losses to be carried forward under the Income Tax law

15. PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognized when the company has a present obligation as a result of past events, if it is probable that an outflow of company's resources will be required to settle the obligation and a reliable estimate can be made for the amount. Provisions are not discounted and are valued at the best possible estimate of the requirement to settle at the reporting date.

Contingent Liabilities are disclosed based on the information available up to the date on which the financial statements are approved. However, where a reasonable estimate of financial effect cannot be made, suitable disclosures are made with regard to this fact and the existence and nature of contingent liabilities.

16. EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing the net loss attributable to the share holders by the number of equity shares.

17. SEGMENT REPORTING

The company neither deals in multiple products nor operates in different geographical areas. Hence the disclosure requirements under AS 17 are not required.

18. CONTINGENCIES AND EVENTS OCCURRING AFTER BALANCE SHEET DATE

There are no events or contingencies after the Balance sheet date which affects the going concern.

19. RELATED PARTY TRANSACTION

The company had entered into following transactions during the year:

NAME OF PARTY	NATURE OF TRANSACTION	AMOUNT
Govt. of Kerala	Working Capital loan	3,51,75,000.00
Steel Authority of India	Interest free advance	3,51,75,000.00

20. The company does not have any leasehold premises as defined in Accounting Standard "Accounting for Leases"
21. The company is not required to prepare consolidated financial statements and interim financial reporting. Hence the applicability of Accounting Standard 21 and 25, respectively, do not arise.
22. The company neither holds significant influence in any enterprise nor have any investments in joint ventures. Hence Accounting Standard 23 and 27 does not apply to the company.
23. The Company has complied with the Accounting Standard 5, "Net profit or loss for the period, Prior period items and changes in Accounting policies"
24. There are no discontinuing operations for the company as defined under Accounting Standard 24.



SAIL-SCL KERALA LTD., CALICUT

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED ON 31-03-2015

NOTE 2

a) LICENCED CAPACITY / INSTALLED CAPACITY / PRODUCTION (BILLETS)

a) Licenced Capacity		50000 MT pa
b) Installed Capacity		55000 MT pa
c) Production (Steel Billets)	31.3.2015	31.3.2014
	Tonnes	Tonnes
Own Production	3,945.090	6,408.294
Job Work	0.000	0.000
	3,945.090	6,408.294
d) Production of Finished Steel (Conversion basis)	780.214	2,154.622

b) TURNOVER (INCLUDING EXCISE DUTY)

	31.3.2015		31.3.2014	
	Tonnes	Rupees	Tonnes	Rupees
a Steel Billets- Value	3,877.500	13 29 59 498.000	3,409.310	11 16 95 809.000
Duty		1 64 33 830.000		1 38 35 632.000
b Finished Steel	1,023.142	4 48 17 404.000	2,241.885	9 24 87 189.420
Duty		44 65 693.000		1 13 44 882.000
	4,900.642	19 86 76 425.000	5,651.195	22 93 63 512.420

c) STOCK OF FINISHED GOODS

	31.3.2015		31.3.2014	
	Tonnes	Rupees	Tonnes	Rupees
a Steel Billets	365.532	1 20 66 279.00	1,142.478	3 93 58 367.10
b Finished Steel	7.759	3 22, 563.53	84.587	34 80 427.20
c Others	0.000	0.00	0.000	0.00
	373.291	1 23 88 842.53	1,227.065	4 28 38 794.30

d) MATERIAL CONSUMED

	31.3.2015		31.3.2014	
	Tonnes	Rupees	Tonnes	Rupees
a) Scrap	4,305.100	10 02 07 931.50	7,073.80	16 11 65 974.42

e) VALUE OF IMPORTS ON CIF BASIS/ EXPENSES INCURRED IN FOREIGN CORRENCY

	31.3.2015	31.3.2014
	Rupees	Rupees
a) Scrap	6 49 57 540.00	12 74 19 038.00
b) Electrode	26 35 137.00	21 86 362.00

f) CONSUMPTION OF RAW MATERIAL OTHER THAN SCRAP

	31.3.2015	31.3.2014
	Rupees	Rupees
a) Fuel	10 39 557.48	37 14 809.05
b) General Stores	54 42 437.98	1 09 45 157.81
c) Other Raw Materials	71 71 490.35	94 65 400.79
TOTAL	1 36 53 485.81	2 41 25 367.65



- 2.1 ***The honourable Board for Industrial and Financial Reconstruction (Bench – II) in its hearing held on 22nd January, 2013 has discharged SAIL-SCL Kerala Ltd. (formerly known as Steel Complex Ltd.) from the purview of SICA/BIFR (Case No.614/1992.)***
- 2.2 The Company had launched the setting up of its dream project of **65000 MT/pa capacity Rerolling Mill** for conversion of Billets into TMT in this financial year with an estimated cost of 64.76 Crores. The project was finalized and the Contract of setting up of Rolling Mill was signed by SAIL-SCL & M/s. Rajendra Gears, Ghaziabad on 28th September, 2013. The estimated period of completion contract is 18 Months even though the party has agreed to complete it within 15 months. For this purpose, Canara Bank had sanctioned a term loan @ 11.45 % for an amount of Rs. 45.33 Crores. The Company had already procured Rs. 9.714 Crores each from both the promoters, SAIL & Government of Kerala by way of share issue in the previous FY 2012-13. The project is expected to be completed in the financial year 2015-16.
- 2.3 In addition to the Term Loan for project finance, the Canara Bank had sanctioned a Working capital Loan of Rs. 14.28 Crores @ 11.45% on hypothecation of stock with 25% margin on 17th June, 2013 with an OCC and FLC limits of Rs. 4.28 crores and 10 crores respectively. We had utilized Rs. 332.59 Lakhs from the above till 31st March, 2015.
- 2.4 An amount of Rs 5 crores which was transferred by SAIL in December 2007 for procurement of scrap by the Company, has been treated as interest-free advance as per the communication from SAIL. The Company has received a further amount of Rs.3 crores from SAIL in the month of July 2011. Further an amount of Rs. 9,71,40,000 has been received from SAIL on 08/01/2013 against which equity shares are issued by the company. Besides the above, SAIL has funded an amount of 351.75 Lakhs during 2014-15 as Interest free Trade advance
- 2.5 In the financial year 2010-11 the following old buildings were demolished in order to clear the land for construction of the Re-rolling mill:
- (a) Tiled roof building (No.5/517) admeasuring approximately 275 sq.mts.
 - (b) Asbestos roofed store (No.5/518) admeasuring approx. 500 sq.mts.
 - (c) Asbestos roofed car shed admeasuring 36 sq. mts.
- The original value and the corresponding written down value of the above said structures could not be ascertained as they were constructed over 37 years ago. Therefore, they could not be deleted from the Schedule of Fixed Assets. The Value of 'Buildings' are over stated to that much extent.
- 2.6 During the financial years 1990-91, 1991-92 & 1992-93 the company had sold steel billets to some parties without collecting KGST. The total amount to be collected was Rs.12,51,196.83. Against this the criminal proceedings under CC 35/06 is continuing against the four ex-employees of the company.



2.7 Comments on A G Audit 2013-14.

AG Audit for the financial year 2014-15 will be taken up after completion of the Statutory Audit. C&AG decided not to review the report of Statutory Auditors and the accounts of the company for the financial year 2013-14 and issued a non review certificate to the company.

2.8 GOK had decided to operate the company under the joint venture scheme with SAIL. The Memorandum of Understanding was signed on 03.05.2008 and joint venture agreement was signed on 10.12.2008 and the company is continuing as a joint venture company.

2.9 Contingent Liabilities.

Income tax department demanded a total amount of Rs 172.49 lakhs as follows:

Particulars	(Rs. in lakhs)
Tax	81.61
Interest	90.88
Total demand	172.49
Less: Accounted in 2010-11	100.26
Total	72.23

2.10 An amount of Rs. 582.71 lakhs has been allowed by the CIT (A) as carry forward loss and depreciation in the AY 2004-05 and order giving effect to the order issued by the CIT(A) has also been received. Appeals for the years 2007-08, 2008-09 & 2009-10 pending before the CIT(A) were dismissed and the company has filed further appeals before Appellate Tribunal (IT) Cochin which also has been dismissed. Further, the company is in the process of filing appeal before the High Court. Hence the demand of Rs. 72.23 lakhs has not been considered in the books of Accounts. Assessment upto the financial year 2011-12 (AY. 2012-13) has been completed.

2.11 The workmen, had through their respective Unions have demanded D.A. at Kerala Govt. rates with effect from 01/10/2008. At present Industrial D.A. rates are applicable to the workmen and Kerala Govt. D.A. rates are applicable to managerial staff. The Long Term Agreement of the workers is valid up to Sept. 2012. The case has been ruled in favour of the Company by the Labour Court, Kozhikode.

2.12 40% of salary of existing employees, 60% of the remuneration to Managing Director and part of Electricity charges had been considered as expenditures related to Rolling mill Project and hence, Capitalized as per the Board Decision.

2.13 The Company has transferred two pieces of land admeasuring 72.413 cents at Ernakulam and 3 acres 56 cents at Venniyur, Malappuram in lieu of arrear power charges up to Sept. 2008 vide Kerala Govt. Order No. G.O.(Ms) No.29/10/ID dt.15/02/2010 in the month of March 2012. The



Company had passed necessary entries in its books in the financial year 2009-10 based on the Kerala Govt.'s order. However the actual transfer of the property took place only in March 2012. Hence, the accounting entries passed in 2009-10 were reversed and fresh entries were passed in 2011-12. The transfer of the properties were for a total value of Rs.11,36,27,221/- which has been arrived at based on the 'Fair Market Value' of the lands declared by the Kerala Govt. Hence an amount of Rs.8,64,96,509/- has been shown as profit on sale of assets under the head "other income". An amount of Rs.50,88,351/- had been provided during the year 2009-10 towards Capital Gains Tax. As the Honourable BIFR has recommended to the Income Tax dept. to consider waiving of the Capital Gains Tax and the company expects a favourable decision in this matter. During the Assessment of AY 2012-13 the Assessing Officer has set off the Capital gain against Business Loss and hence no further provision was made in the books of accounts in the year 2014-15.

- 2.14 The following dues in respect of Excise duty demanded by the department and compensation under consumer protection act have not been brought in to the books of accounts as the disputes are pending for final decision by the concerned forum.

Sl. No	Name of Statute	Nature of Dues	Amount (₹)
1.	Central Excise Act,1944	Excise Duty	5,55,084
2.	Consumer Protection Act,1986	Compensation	31,500
	Total		36,75,202

- 2.16 The P.F. dept. had directed the company to remit P.F. dues @ 12% instead of 10% from Feb. 2013 onwards vide their letter no. KR/KK/3996/Enf(3) 2012-2013 dt.21/03/2013 as the company was discharged by the BIFR. However, the Company has remitted the dues @ 12% from April 2013 onwards
- 2.17 Confirmation in respect of majority of sundry debtors and creditors has not been obtained. Most of the debts are to and from government departments.
- 2.18 The Company holds 6950 shares out of 7450 shares of Malabar Steel Re-rolling Mill Ltd. from 31.03.1986 onwards. The purchase consideration for amalgamation amounts to Rs 500/- (Re. 1 per share), on the balance 500 shares held by the private parties which have not been claimed by them so far.
- 2.19 Stock of finished goods includes 8.626 MT of Tor steel costing Rs. 34,364/- (Rupees Thirty four thousand Three hundred and Sixty four only) lying at Trivandrum Depot of the Company, from 31.03.1998. Though the stock is reported to be nil due to shortage, no adjustment thereof has been made in the accounts.
- 2.20 An amount of Rs. 3,64,983.45 (Rupees Thirty lakhs sixty four thousand nine hundred eighty three and forty five paise) incurred on discontinued project has been included in the closing stock of inventories.



2.21 Following differences prevail in the closing balances of CENVAT Credit

PARTICULARS	AS PER EXCISE RETURN	AS PER LEDGER	DIFFERENCE	REMARKS
CENVAT on Capital Goods	1,08,62,202.00	1,10,88,914.40	2,26,712.40	The difference is due to the 50% of capital goods which are eligible only for claiming CENVAT credit during the year 2015-16 as per Central Excise .
CENVAT on inputs	11,23,480.00	11,70,879.00	47,399.00	An invoice has not been included for claiming credit as per excise returns, but has been accounted in ledger.
Service tax	10,47,198.00	10,96,369.00	49,171.00	The amount has been omitted from claiming credit in excise returns during previous years.
Service tax on inputs	0.00	3,05,241.00	3,05,241.00	The amount has been omitted from claiming credit in excise returns during previous years.

2.22 Previous Year's figures have been re-arranged wherever necessary.



SAIL-SCL KERALA LTD., CALICUT

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31-03-2015

NOTE – 3 — SHARE CAPITAL

SI No.	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
(a)	Authorised Share Capital 1,25,000 (9.5 percent) redeemable Cumulative Preference Share of Rs.100 each	1 25 00 000.00	1 25 00 000.00
	27000000 Equity Shares of Rs.10 each	27 00 00 000.00	27 00 00 000.00
	TOTAL	28 25 00 000.00	28 25 00 000.00
(b)	Issued Share Capital 2,64,28,000 Equity Shares of Rs.10 each, of these 1,31,89,902 shares were issued to Govt. of Kerala, 127,79,850 shares to Steel Authority of India Ltd, 65,850 shares were issued to Kerala State Industrial Dev. Corpn. Ltd., 3,92,398 Equity Shares were issued to others.	26 42 80 000.00	26 42 80 000.00
(c)	Subscribed and paid up 2,64,28,000 Equity Shares of Rs.10 each fully paid up	26 42 80 000.00	26 42 80 000.00
		26 42 80 000.00	26 42 80 000.00

Details of shareholders holding more than 5% shares in the company -

SI No	Name of Shareholder	As at Mar 31, 2015		As at March 31, 2014	
		No. of shares	% Holding in the class	No. of shares	% Holding in the class
1	Govt. of Kerala	1 31 89 902.00	49.91	1 31 89 902.00	49.91
2	Steel Authority of India Ltd.	1 27 79 850.00	48.36	1 27 79 850.00	48.36



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

Particulars	As at Mar 31, 2015		As at March 31, 2014	
	No.	Rs. in Lacs	No.	Rs. in Lacs
Equity Shares				
At the beginning of the period	2 64 28 000.00	2 642.80	2 64 28 000.00	2 642.80
Issued during the period -	.00	.00	.00	.00
Govt. of Kerala				
Steel Authority of India Ltd.				
Outstanding at the end of the period	2 64 28 000.00	2 642.80	2 64 28 000.00	2 642.80

NOTE - 4 — RESERVES AND SURPLUS

SI No.	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
1	Special Reserve as per last Balance Sheet	29 400.00	29 400.00
2	Accumulated Losses	- 27 79 89 283.60	- 21 32 85 644.23
3	Loss incurred during the current year	- 6 82 47 318.37	- 6 47 03 639.34
	Total	- 34 62 07 201.97	- 27 79 59 883.57

NOTE - 5 — LONG TERM BORROWINGS

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
	LONG TERM BORROWINGS – SECURED		
4437	CANARA BANK TERM LOAN A/C No. 0752773012588	35 18 22 917.00	17 61 52 747.00
	Total Secured Loan	35 18 22 917.00	17 61 52 747.00
	LONG TERM BORROWINGS – UNSECURED BORROWINGS FROM RELATED PARTIES		
3242	Govt. of Kerala Term Loan @ 13.50% p.a. (GO(RT) No. 1424/11/ID)		1 50 00 000.00
3243	Govt. of Kerala Working Capital Loan @ 13.50% p.a. GO(RT) No. 1824/12/ID)	75 00 000.00	75 00 000.00
3244	Govt. of Kerala Investment Loan @ 11.50% p.a. (GO(RT) No. 26/2013/ID)	.00	60 000.00
3245	Govt. of Kerala Working Capital Loan @ 13.50% p.a. (GO(RT) No. 26/2013/ID)	3 31 67 000.00	3 31 67 000.00
3246	Govt. of Kerala Working Capital Loan @ 13.50% p.a. (2014-15)	3 51 75 000.00	.00
3322	Steel Authority of India - Interest Free Advance	11 51 75 000.00	8 00 00 000.00
	Total Unsecured Loan	19 10 17 000.00	13 57 27 000.00
	Grand Total	54 28 39 917.00	31 18 79 747.00

**NOTE – 5A — SHORT TERM BORROWINGS**

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
	SECURED BORROWINGS FROM BANK		
4436	Canara Bank OCC Account	3 34 93 866.62	
	Total	3 34 93 866.62	

NOTE – 6 — OTHER CURRENT LIABILITIES

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
	CURRENT MATURITIES OF LONG TERM DEBT		
	Canara Bank Term Loan A/c No. 0752773012588	1 51 10 000.00	
	Govt. of Kerala Term Loan @ 13.50% p.a. (GO(RT) No. 1424/11/ID)	3 00 00 000.00	1 50 00 000.00
	TOTAL	4 51 10 000.00	1 50 00 000.00
	SECURED DEPOSIT		
3504	Security Deposit	11 37 600.00	8 37 100.00
3500	Earnest Money Deposit	2 92 556.00	1 99 756.00
	OTHER PAYABLES		
	CAPITAL WORKS		
	Retention on Capital Work in Progress payable	7 26 99 383.00	.00
	OTHERS		
3501	Employees Contribution to ESI	4 486.00	7 096.00
3502	EMPLOYEE CONTRIBUTION TO PF PAYABLE	537.00	2 51 372.00
3505	Unclaimed Salary	32 521.00	32 521.00
3506	Sales Tax Payable	7 863.14	11 70 732.79
3511A	INCOME TAX DEDUCTED AT SOURCE SALARY	45 890.00	
3523	Professional Tax	5 568.00	558.00
3528	Life Insurance premium	43 848.00	42 466.00
3533	Bonus payable	10 389.00	7 631.00
3536	Contractors ESI	9 257.00	35 046.00
3537	Contractors P F	2 824.00	2 826.00
3538	Wages Payable	4 73 908.00	5 51 505.00
3539	Stipend Payable	76 064.63	1 45 258.63
3540	Salary - Payable	11 27 411.00	10 32 715.00



3542	Retirement Fund	100.00	150.00
3543	REMUNERATION PAYABLE	1 15 191.00	.00
3544	Unclaimed Wages	13 190.00	13 190.00
3547	Employees Contbn. To Rec. Club	6 464.00	4 640.00
3550	Trade Advance	7 50 000.00	7 75 000.00
3551	Recovery Account - Deputation Staff	9 984.00	1 143.00
4489	Suspense - Tvm Depot	1 241.30	1 241.30
3503	Income Tax Deducted at source	23 111.00	1 21 379.00
3521 A	Purchase Tax refundable to parties	2 772.00	2 330.00
3552	RECOVERY ACCOUNT- CANTEEN CONTRACTOR	12 000.00	.00
3557	Canteen Contractor - P. Ussain	1 47 967.25	21 027.25
3541	Employees contribution to Labour Welfare Fund	- 8.00	.00
-	Customer Advance	1 61 61 433.30	1 97 77 083.98
3545	Death Benovelent Fund		62 280.00
3510	Work contract tax payable	8 14 040.00	21 994.00
3509	Hire Purchase		1 459.00
4542	Deposit payable others	5 000.00	5 000.00
	Duties and Taxes payable	- 8 923.32	
	Service tax payable	.00	20 825.00
	ESI PAYABLE	5 090.00	.00
	PF PAYABLE	4 72 967.00	.00
4460	RECOVERABLE ADVANCE (01.01.2013 ONWARDS)	6 97 499.00	
3417	Salary on deputation (S A I L) Payable	1 28 092.00	
3418	Salary to C E O Payable	36 25 280.00	
3518	expenses payable	2 27 679.00	
	Audit fees payable	60 000.00	
3429/ 3420	Power charges payable	14 86 084.00	
4436	Canara Bank OCC account		5 85 76 606.00
3410	Earned leave encashment		36 33 774.00
	TOTAL	14 58 36 359.30	10 23 55 705.95

**NOTE – 7 — SHORT TERM PROVISIONS**

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
	GRATUITY		
3424	Gratuity Provisions	2 57 56 108.00	2 14 60 431.00
	LEAVE ENCASHMENT		
3410	Earned Leave Encashment	48 37 847.00	
	INCOME TAX		
3411	Interest on Income Tax Payable	1 00 26 000.00	1 00 26 000.00
3611	Provision for Income Tax	50 88 351.00	50 88 351.00
	OTHERS		
3401	Outstanding payables upto 2005	3 69 473.00	3 69 473.00
3403	Outstanding payable 2007-08	45 742.00	45 742.00
3404	Outstanding payable 2008-09	92 245.51	92 245.51
3406	Outstanding payable 2010-2011	1 78 567.00	1 78 567.00
3407	Outstanding payable 2011-12	5 219.00	5 219.00
3408	Outstanding payable 2012-13	26 81 889.00	26 81 889.00
3430	Outstanding payable 2013-14	3 726.00	2 84 866.00
3419	Outstanding payables upto 2006	1 58 305.00	1 58 305.00
3413	Interest @13.50% payable on Term Loan - GOK	1 50 50 480.00	97 07 774.00
3416	Interest Payable on GOK Loan	1 23 68 670.00	69 02 300.00
3417	Salary on deputation (S A I L) Payable		1 28 092.00
3418	Salary to C E O Payable		15 70 242.00
3518	expenses payable		9 71 698.00
	Audit fees payable		70 000.00
3429/ 3420	Power charges payable		41 47 543.00
	Total	7 66 62 622.51	6 38 88 737.51

NOTE – 10 — CAPITAL WORK IN PROGRESS

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
4180	Capital Work in Progress	28 839.00	28 839.00
4182	Rolling Mill Project- WORK IN PROGRESS	60 89 93 487.00	26 39 54 562.00
	Total	60 90 22 326.00	26 39 83 401.00

**NOTE – 11 — NON CURRENT INVESTMENTS (unquoted)**

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
4200	In the SAIL-SCL Kerala Ltd., Calicut Employees' Co-Operative Credit Society Ltd. (200 B class shares of Rs.200 each)	40 000.00	40 000.00
	Total	40 000.00	40 000.00

NOTE – 12 — INVENTORY

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
	Inventories Raw material, Finished goods are valued at lower of cost or net realisable value and General Stores & Spares valued at cost less Provision for obsolescence		
-	Raw Materials Sub Note 11(A)	87 81 643.72	2 52 86 726.43
-	Finished Goods	1 23 88 842.53	4 28 38 794.30
-	General Stores, Components & Spares Sub Note 11(A)	1 39 37 446.04	1 24 82 627.71
	Total	3 51 07 932.29	8 06 08 148.44

NOTE – 13 — TRADE RECEIVABLES

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
-	Unsecured considered good		4 97 086.67
-	Outstanding for a period exceeding 6 months	44 85 330.00	39 32 486.33
-	Less: Provisions	26 60 934.86	26 60 934.86
	Total	18 24 395.14	17 68 638.14

NOTE – 14 — CASH AND CASH EQUIVALENT

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
	CASH BALANCE		
4381	Head Office – Cash	1 89 544.10	9 785.60
4390	Trivandrum Depot – Cash	557.44	557.44
4397	Head Office – Stamps on Hand	622.00	1 612.00
	Total	1 90 723.54	11 955.04

**BANK BALANCES**

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
A	<u>With Scheduled Banks</u>		
	Savings Accounts		
4452 A	SBT Bank Account (MSRM)	3 040.94	3 040.94
	Current Accounts		
4433	SBI Current Account No. 2	2 95 248.03	91 217.03
4434	SBI Current Account No. 3	24 932.00	50 740.00
4439	Canara Bank Current Account - No Lien	2 56 01 447.00	13 798.00
	TOTAL	2 59 21 627.03	1 55 755.03
	TERM DEPOSIT MORE THAN 3 MONTHS		
4633	Term deposit	9 383.00	7 84 167.00
4634	TDR 0752401000870/1	26 672.00	61 11 735.00
	TDR 075401000898/1	2 14 370.00	65 00 000.00
	TDR 075401000893/2	6 18 798.00	
4632	Canara Bank Term Deposit	65 09 183.00	10 00 63 705.00
	TOTAL	73 78 406.00	11 34 59 607.00
B	<u>With Govt. Treasury</u>		
	Savings Accounts		
4451	Dist. Treasury - Calicut (Public A/c)	100.00	100.00
4452	Dist. Treasury - Trivandrum	1 577.00	1 577.00
4435	Dist. Treasury - Calicut	1 31 84 708.00	1 62 61 288.00
	Total	1 31 86 385.00	1 62 62 965.00
	GRAND TOTAL	4 66 80 182.51	12 98 93 323.01

NOTE – 15 — SHORT TERM LOANS AND ADVANCES (UNSECURED)

	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
	Advances recoverable in Cash or in kind or for value to be received		
	a) Considered good	1 00 67 707.74	1 79 15 092.95
	b) Considered Doubtful	4 74 949.40	4 74 949.40
	Sub Note 15 (A)	1 05 42 657.14	1 83 90 042.35
	Less: Provision	4 74 949.40	4 74 949.40
		1 00 67 707.74	1 79 15 092.95
	Advances with Govt. Depts.:		
	Considered good	3 28 15 876.80	2 72 92 044.40
	Considered doubtful	7 500.00	7 500.00
	Sub Note 15 (B)	3 28 23 376.80	2 72 99 544.40
	Less: Provision	7 500.00	7 500.00
		3 28 15 876.80	2 72 92 044.40
	Total	4 28 83 584.54	4 52 07 137.35

**NOTE – 16 — SALES**

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
1070	Sale of Billets	14 93 93 328.00	12 55 31 441.00
1030	Sale of TMT steel	4 92 83 097.00	10 38 32 071.42
	GROSS SALES (A)	19 86 76 425.00	22 93 63 512.42
	Less: Excise duty		
-	Duty on Billets	1 64 33 830.00	1 38 35 632.00
-	Duty on TMT/TOR/Rounds	44 65 693.00	1 13 44 882.00
	Total Excise Duty (B)	2 08 99 523.00	2 51 80 514.00
1070	Sale of Billets (Net)	13 29 59 498.00	11 16 95 809.00
1030	Sale of TMT steel (Net)	4 48 17 404.00	9 24 87 189.42
	NET SALES [(A) - (B)]	17 77 76 902.00	20 41 82 998.42

NOTE – 17 — OTHER INCOME

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
1095	Sales Miscellaneous	29 95 475.00	11 47 702.00
1101	Interest Received	22 37 121.10	1 72 38 012.90
1103	Insurance Claim Received	19 64 171.00	2 16 449.00
1110	profit on sale of Fixed assets	.00	2 46 000.00
1107	Miscellaneous Receipts	3 77 961.00	2 80 819.00
1199	Other Income	43 918.90	7 200.00
2426	Foreign Exchange Difference	56 899.38	6 17 612.00
2322 S	Freight Outward and Handling Charge - CLT. Depot	1 58 954.00	1 76 195.00
	TOTAL	78 34 500.38	1 99 29 989.90

NOTE – 18 — CONSUMPTION OF RAW MATERIALS

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
a)	Consumption of scrap	10 02 07 931.50	16 11 65 974.42
b)	Other Raw Materials	71 71 490.35	94 65 400.79
c)	Fuel	10 39 557.48	37 14 809.05
d)	Stores, Components & Spare Parts	54 42 437.98	1 09 51 195.41
	TOTAL	11 38 61 417.31	18 52 97 379.67

**NOTE – 19 — INVENTORY CHANGES**

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
	Change in value of Finished Goods		
	Stock as at 31.03.2015		
4341	Steel Billets	3 22 563.53	3 93 58 367.10
4342	Finished Steel	1 20 66 279.00	34 80 427.20
		1 23 88 842.53	4 28 38 794.30
	Stock as at 31.03.2014		
4341	Steel Billets	3 93 58 367.10	1 48 19 700.00
4342	Finished Steel	34 80 427.20	67 70 458.10
4344	TOR Steel		1 45 568.00
		4 28 38 794.30	2 17 35 726.10
4325	Inventory Changes	- 3 04 49 951.77	2 11 03 068.20

NOTE – 20 — EMPLOYEE EXPENSES

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
-	Salaries, Wages, Dearness Allowances & Medical Reimbursements	2 25 55 585.78	2 55 75 509.86
2209	Salary Paid to Deputation Staff	2 28 547.00	11 95 134.20
2230	Provident Fund & Family Pension Scheme	27 30 224.00	24 60 017.30
2231	Employees State Insurance Scheme	63 995.00	4 67 635.00
2232	Labour Welfare Fund	1 048.00	881.60
2247	Staff & Labour Welfare Expenses	1 66 057.00	1 59 947.00
2251	Gratuity	99 35 593.00	44 74 047.00
2217	Earned Leave Encashment	26 56 435.00	20 19 277.00
2339	Canteen Subsidy	18 60 992.86	15 44 372.10
	Total	4 01 98 477.64	3 78 96 821.06

NOTE – 21 — FINANCIAL COSTS

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
2407	Interest on cash credit facility	65 25 410.00	36 29 441.00
2404	Interest on GOK Term Loan @11.50%	.00	6 900.00
2405	Interest on GOK Term Loan @13.50%	53 42 706.00	42 00 000.00
2406	Interest on GOK Term Loan @13.50%	54 90 048.00	55 03 956.00
	Total	1 73 58 164.00	1 33 40 297.00



NOTE – 22 — OTHER EXPENSES

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
1106	Garden Account	42 597.00	3 03 235.00
2001	Electrical Inspection Fee	70 288.00	70 288.00
2119	Unloading Scrap (imp)	.00	6 26 118.00
2125A	Transportation on Import	46 94 528.00	75 72 359.00
2125b	Customs Duty	20 86 848.00	41 90 935.00
2125	Freight on Scrap Indegeneous	7 83 528.00	21 18 719.00
3514	CST @ 2%	1 78 878.95	1 86 392.55
2359	Paddy Husk Purchase	.00	31 265.00
2151	Power Charges	2 00 48 885.00	3 47 25 001.00
2120	Conversion Charges & Freight	40 13 796.00	1 05 27 852.00
2122	Freight on consumables	2 71 756.00	7 57 070.00
2123	Freight on other Raw materials	4 10 448.00	5 60 351.00
2124	FREIGHT ON GENERAL STORE/ IND	16 607.00	.00
2134	SCRAP CUTTING CHARGE	72 780.00	.00
2244	Canteen Expense	17 884.00	26 132.00
2284	Guest House Expenses	1 77 000.00	1 66 060.00
2300	Advertisement	.00	42 872.00
2301	Administrative Charges for P.F	.00	2 52 729.00
2303	Bank Charges	3 76 313.00	4 00 046.00
2304	Usance interest	1 86 907.00	1 34 648.00
2305	Carriage Inward	99 758.00	54 353.00
2308	Letter of credit charges	1 17 407.00	3 52 601.00
2307	LOADING & UNLOADING SAND	2 500.00	.00
2313	Conveyance	13 114.00	18 648.00
2318	Directors' Sitting Fee	2 000.00	6 400.00
2322	Freight outward & handling charges	5 17 310.00	7 86 962.00
2322C	Freight outward & handling charges - Clt. Depot	3 15 559.00	8 58 682.00
2327	Guest Expenses	24 709.00	1 670.00
2330	Insurance	2 20 049.00	2 33 759.00
2331	Service Tax on freight	55 022.00	.00
2333	Legal Charges	69 650.00	25 000.00
2334	Professional Charges	4 53 858.00	5 63 493.00
2336	Loose Tools	.00	2 395.00
2340	Books & Periodicals	460.00	.00
2342	Recruitment & training	.00	5 118.00
2343	Miscellaneous Expenses	14 268.00	19 602.50
2345	Site Maintenance	1 93 898.00	2 09 059.00
2351	Security Charges	14 03 738.00	11 71 448.00
2353	Statutory Audit Fees:		
	Statutory Audit Fees	30 000.00	45 000.00



	Income Tax Audit Fees	15 000.00	15 000.00
	Sales Tax Audit Fees	15 000.00	10 000.00
2354	Telephone charge	1 52 440.00	1 59 513.00
2355	Internal Audit Fees	57 000.00	90 000.00
2357	Postage & Telegram	53 714.00	53 661.00
2358	Printing & Stationery	1 04 661.00	2 06 254.50
2361	Rates & Taxes	1 95 314.00	3 32 594.00
2363	Repairs & Maintenance - Building	2 35 380.00	
2364	Repairs & Maintenance - P & M	4 71 930.00	15 19 593.00
2365	Repairs & Maintenance - Others	1 27 198.00	4 18 322.00
2365A	Repairs & Maintenance - computer	58 443.00	.00
2366	Demolishing Charge - Building	.00	42 950.00
2369	Meeting Expenses	1 22 937.00	1 34 874.00
2332	Sales Promotion Expenses	.00	13 558.00
2370	Sales Promotion Expenses	2 185.00	6 294.00
2371	Subscription	25 111.00	23 386.00
2373	Travelling Expenses - Chairman	.00	11 008.00
2374	Travelling Expenses - MD	2 23 219.00	5 850.00
2375	Travelling Expenses - Directors	4 145.00	53 927.00
2376	Travelling Expenses - Others	1 16 204.00	1 07 220.00
2378	Travelling Expenses - CEO		1 98 993.00
2380	Vehicle Expenses - Office	22 785.00	75 054.00
2381	Vehicle Expenses - Factory	44 849.00	13 135.00
2387	Loss on sale of assets	.00	3 63 009.00
2411	Interest on Others	3 290.00	21 285.00
2414	Interest on Letter of Credit	.00	68 461.00
	Bank charges on LC	8 435.00	61 550.00
	Licence fees	2 51 984.00	.00
2415	INTEREST ON POWER CHARGE 2014-15	1 49 199.00	.00
	ROC Filing Fee		2 500.00
	Other miscellaneous expenditure	5 000.00	
2368	ANNUAL MAINTENANCE CHARGES	46 541.00	
2432	Freight Charges	.00	2 310.00
2299	Office expenses	10 925.00	
2435	Rounding Off	5.11	- 267.12
	Total	3 95 05 238.06	7 10 56 297.43

NOTE – 23 — PRIOR PERIOD ADJUSTMENTS

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
1200	Previous Year Credits	9 22 894.36	1 03 300.00
2430	Previous Year Debits	45 60 230.00	3 79 346.00
	Net Income/Loss	- 36 37 335.64	- 2 76 046.00



SAIL-SCL KERALA LTD., CALICUT
NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31-03-2015

NOTE - 8 & 9 — TANGIBLE ASSETS - 1st APRIL 2014 TO 31st MARCH 2015

Sl No.	Items	Gross Block			Depreciation Block				Net Block		
		Cost as at 31-3-2014	Additions	Deletion	Cost as at 31-3-2015	Depreciation upto 31-3-2014	Depreciation for the year	Deletion\ adjustment	Total Depreciation	as at 31-3-2015	as at 31-3-2014
1	Land Freehold	29 01 720.65			29 01 720.65	.00			.00	29 01 720.65	29 01 720.65
2.	Buildings	1 53 14 275.61			1 53 14 275.61	1 05 80 336.94	1 12 549.39	.00	1 06 92 886.33	46 21 389.28	47 33 938.67
3.	Plant & Machinery										
	A	5 07 61 015.72	.00		5 07 61 015.72	3 89 50 074.43	7 94 591.89		3 97 44 666.32	1 10 16 349.401	18 10 941.29
	B	1 17 42 087.41	60 428.00		1 18 02 515.41	89 82 136.30	2 54 087.10		92 36 223.41	25 66 292.00	27 59 951.11
4.	Furniture & Fittings	11 84 185.35	15 574.00		11 99 759.35	9 18 599.12	28 163.66		9 46 762.78	2 52 996.57	2 65 586.23
5.	Office Appliances	21 43 315.85	25 310.00	.00	21 68 625.85	18 09 900.77	1 09 316.80		19 19 217.57	2 49 408.28	3 33 415.08
6.	Vehicles	11 89 029.16		.00	11 89 029.16	8 69 861.33	45 294.40	.00	9 15 155.82	2 73 873.34	3 19 167.83
	TOTAL	8 52 35 629.75	1 01 312.00	.00	8 53 36 941.75	6 21 10 908.90	13 44 003.24	.00	6 34 54 912.24	2 18 82 029.51	2 31 24 720.86

INTANGIBLE ASSETS FOR THE PERIOD 01-04-2014 TO 31-03-2015

Sl No.	Items	Gross Block			Depreciation Block				Net Block		
		Cost as at 31-3-2014	Additions	Deletion	Cost as at 31-3-2015	Depreciation upto 31-3-2014	Depreciation for the year	Deletion\ adjustment	Total Depreciation	as at 31-3-2015	as at 31-3-2014
1	Computer Software	2 56 645.00	.00	.00	2 56 645.00	1 94 790.12	16 757.09	.00	2 11 547.21	45 097.85	61 854.88
	Total	2 56 645.00	.00	.00	2 56 645.00	1 94 790.12	16 757.09	.00	2 11 547.21	45 097.85	61 854.88



SUB NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2015

SUB NOTE 11 (A)

INVENTORY OF RAW MATERIAL, STORES, COMPONENTS & SPARES

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
Raw Materials			
4309	Scrap Collected	3 95 666.40	14 900.00
4310	Scrap - Indigeneous	39 39 759.94	17 94 305.89
4311	Scrap - Imported	29 39 858.98	1 84 76 463.93
4316	Ferro silicon	6 84 258.84	7 01 517.87
4317	Silco Manganese	1 68 912.80	7 81 397.26
4318	Lime Stone	4 26 219.75	5 55 296.46
4319	Grafoke, Coke, Iron Ore	1 44 799.20	61 951.20
4320	Goods in transit (at cost)	.00	28 18 726.00
4331	Captive Rolling Mill Materials	3 64 983.45	3 64 983.45
	Sub Total	90 64 459.36	2 55 69 542.07
	Less Provision	2 82 815.64	2 82 815.64
	Total Raw Material	87 81 643.72	2 52 86 726.43
Stores, Components & Spares at cost:			
4300	Fuel	66 784.50	3 09 555.00
4301	Consumables Refractories - Indigenous	28 49 121.77	28 48 077.17
4303	Lubricants	10 62 918.02	
4315	Consumables - Electrodes	85 003.26	3 81 100.41
4304	General Stores & Spares-Indigenous	73 25 300.48	89 43 895.14
4305	General Stores & Spares-slow moving	25 48 318.00	.00
	Total	1 39 37 446.04	1 24 82 627.71

FINISHED GOODS		
SI. NO.	PARTICULARS	AMOUNT
1	TMT	322563.53
2	BILLETS	12066279.00
	TOTAL	12388842.53

**SUB NOTE – 15 (A) — ADVANCE RECOVERABLE IN CASH OR IN KIND**

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
4007	VAT Receivable (setoff)	27 809.65	27 809.65
4008	VAT Receivable (Capital Goods)	48 125.00	48 125.00
4009	Interest receivable A/c	10 513.00	10 513.00
4460	Recoverable Advance (01.01.2013 Onwards)		36 06 684.00
4461	Accounts Receivable	40 87 399.71	42 75 023.71
4462	Adjustment Salary	220.15	307.54
4463	Adjustment Wages	8 373.19	8 514.94
4464	Recoverable Advance - Staff	1 350.00	1 350.00
4465	Exp. Recoverable	216.30	216.30
4466	Prepaid Expense	21 61 531.00	15 55 508.00
4467	Festival Advance - Staff	13 560.00	35 460.00
4468	Salary Advance - General	67 369.00	73 819.00
4471	Salary Advance -	250.00	250.00
4472	Suspense Account	514.50	514.50
4474	Wages Advance - Current Month	1 190.00	1 190.00
4478	Festival Advance - Workers	1 23 590.28	1 39 790.28
4479	Wages Advance - General	1 42 317.88	1 50 602.88
4481	Travelling Advance - others	1 658.00	1 658.00
4490	Interest recoverable	630.05	630.05
4501	Gratuity Fund LIC	66 774.00	66 774.00
4541	Sundry Deposit & Advance - others	1 01 386.00	1 01 386.00
4510 B	MSRM KSEB Deposit	3 10 920.00	3 10 920.00
4510 C	MSRM Sales tax deposit	8 000.00	8 000.00
1104	INTEREST RECEIVABLE	.00	25 72 929.90
-	Advances to Suppliers	33 25 977.42	53 56 166.62
	EMPLOYEES		
3529	<i>OTHER RECOVERY- EMPLOYEES</i>	17 422.00	17 422.00
S0497	Shoukath Ali		1 745.00
4006A	Meera (Petty exp)	5 811.16	2 085.98
S0675	KK GOVINDAN	9 000.00	9 000.00
S0701	NEERAJ R VARMA	- 2 665.00	5 240.00
S1455	P GEETHA	50.00	50.00
S1446	V K SUMATHI	.00	356.00
S0556	<i>C.LOHITHAKSHAN</i>	- 910.00	.00
S0639	<i>T.K.SUDHAKARAN</i>	- 2 658.00	.00
4006B	<i>SWAYAMPRAKHA K P(PETTY CASH)</i>	579.85	.00
CS039	<i>SAIL CORPORATE OFFICE-NEW DELHI</i>	6 352.00	.00
		1 05 42 657.14	1 83 90 042.35


SUB NOTE – 15 (B) — SUNDRY DEPOSIT & ADVANCE WITH GOVERNMENT

Code	Particulars	as at 31.03.2015 (Rs.)	as at 31.03.2014 (Rs.)
3414	PLA - Excise Duty	5 00 000.00	5 00 000.00
3415	PLA - Education Cess & SHE Cess	55 000.00	55 000.00
3520	Service Tax Credit (Inputs)	3 05 241.00	3 00 367.00
-	Cenvat - Inputs NET	11 70 879.00	66 67 941.80
4437	Additional Cash Deposit - KSEB	77 91 190.00	72 63 220.00
4469	Vat receivable 09-10	31 382.00	31 382.00
4473	Central Excise Duty Recoverable		6 89 458.00
4475	IT Deducted At Source	84 24 111.21	78 91 318.21
4476	Income Tax paid - advance	15 70 451.00	15 70 451.00
4477	Vat receivable 10-11	301.31	301.31
4480	Vat receivable 11-12	21 425.42	21 425.42
	SALES TAX RECOVERABLE	5 51 360.46	6 56 760.66
4514	CENVAT ON CAPITAL GOODS	1 07 68 315.40	7 22 616.00
4515	Cenvat SHE Cess on Inputs	2 13 735.00	14 460.00
4516	Cenvat SHE Cess on Capital Goods	1 06 864.00	7 235.00
4525	Sundry Deposit with Govt	21 375.00	21 375.00
4519	KSIDC receivables	22 182.00	22 182.00
4522	Cenvat Service tax (RCM)	10 44 754.00	6 23 819.00
4523	Cenvat Service Tax - Cess	37 102.00	30 192.00
4524	Cenvat Service Tax - HE Cess	14 513.00	16 292.00
4483	EMD PAID TO SIFL	86 845.00	86 845.00
3506R	VAT REFUND	15 136.00	15 136.00
	KVAT SECURITY DEPOSIT RECIEVABLE	68 230.00	.00
	TCS COLLECTED BY PARTIES	311.00	.00
4049	BASIC EXCISE DUTY RECOVERABLE	.00	89 094.00
4050	EDUCATION CESS RECOVERABLE	1 782.00	1 782.00
4051	SHE CESS RECOVERABLE	891.00	891.00
TOTAL		3 28 23 376.80	2 72 99 544.40



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details		(Rs. in thousands)	
Registration No.	U2710KL1969SGC002253	State Code	9.00
Balance Sheet date	31/03/2015		
II Capital raised during the year			
Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil
III Position of Mobilisation and Deployment of Funds			
Total Liabilities	7 57 486.00	Total Assets	7 57 486.00
Sources of Funds			
Paid up Capital	2 64 280.00	Reserves & Surpluses	- 3 46 207.00
Secured Loans	Nil	Unsecured Loans	5 42 840.00
Current Liabilities	2 63 079.00		
Application of Funds			
Net Fixed Assets	6 30 949.00	Investments	40.00
Current Assets	1 26 496.00	Misc. Expenditure	Nil
Accumulated losses			
IV Performance of the Company			
Turn over	1 85 611.00	Total Expenditure	2 53 859.00
Profit/ Loss before Tax	- 68 247.00	Profit after Tax	- 68 247.00
Earning per Share (in Rs.)	- 2.58	Dividend Rate	NA
V Generic names of the three principal products/ services of company			
1.00	Item Code (ITC Code)	MILD STEEL BILLETS	
	Product description		
2.00	Item Code (ITC Code)	MILD STEEL RODS/ TMT STEEL RODS	
	Product description		

As per report attached

MATHEW & THANKACHAN
CHARTERED ACCOUNTANTS
F R N 002024 S

On behalf of the Board

Sd/-
SATYAJEET RAJAN
CHAIRMAN

Sd/-
P. SAIDEV
MANAGING DIRECTOR

Sd/-
N.M. MATHEW
Mem No.027049

Sd/-
ANANDAKUMARI S.
DM (Fin) & CFO

Sd/-
NEERAJ R. VARMA
COMPANY SECRETARY

CALICUT
DATE: 10-06-2015



Resolution Number	Resolution	Vote (Optional see note 2) (please mention no. of shares)		
		For	Against	Abstain
	<u>Ordinary Business</u>			
1	Adoption of Balance sheet, statement of profit and loss, report of the board of directors and auditors for the financial year ended March 31,2015			
2	Appointment of director in place Shri. Unneenkutty Kalady (DIN:05208728), who retires by rotation and being eligible, seeks re-appointment			
3	Appointment of Statutory Auditors of the company			
	<u>Special Business</u>			
4	Increase In Authorised Share Capital			
5	To Amend Existing Memorandum Of Association			
6	Adoption Of New Set Of Articles Of Association Of Company <i>Inter-Alia</i> Pursuant To The Companies Act, 2013			
7	Authority To Borrow In Excess Of The Paid Up Share Capital And Free Reserves Of The Company			

Signed this.....day of.....2015

Affix revenue
stamp of not
less than
₹ 1/-

Signature of member

signature of proxy holder(s)

Notes:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the annual general meeting.
2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

SAIL – SCL TMT
THE BEST OPTION IN CONSTRUCTION STEEL



If Undelivered Please return to:

SAIL – SCL KERALA LIMITED

“STEEL NAGAR”, P.B. NO.42,

KOLATHARA P.O.,

KOZHIKODE – 673 655

PH: (0495) 2483328, Fax - 2483043