

**EASTCOAST**  
**STEEL LIMITED**

**33<sup>rd</sup> Annual Report**  
**2015 - 2016**

**Regd. Office :**  
Cuddalore Road, Pillaiyarkuppam Post,  
Bahour Commune, Pondicherry - 607 403.

**EASTCOAST STEEL LIMITED**

Board of Directors	Shri Prithviraj S. Parikh Shri Nalin S. Parikh Shri Anand Sethuprakasem Shri Hitesh V. Raja Smt Sharmila S. Chitale	Chairman Director Director Director Director
Company Secretary	Shri P.K.R.K. Menon	
Auditors	M/s. Chaturvedi & Shah Chartered Accountants Mumbai	
Bankers	State Bank of India Central Bank of India HDFC Bank Limited Dena Bank	
Registered Office & Plant	Cuddalore Road, Pillaiyarkuppam Post, Bahour Commune, Pondicherry - 607 403.	
Registrar & Share Transfer Agents	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078. Tel: 022 - 2596 3838 Fax: 022 - 2594 6969 E-mail : rnt.helpdesk@linkintime.co.in	
Depository Services	National Securities Depository Limited Trade World, 4th Floor, Kamla Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.	
ISIN (Demat)	INE 315F 01013	
CIN	L27109PY1982PLC000199	

**NOTICE**

Notice is hereby given that the Thirty Third Annual General Meeting of the Members of EASTCOAST STEEL LIMITED will be held at the Registered office of the Company at Cuddalore Road, Pillaiyarkuppam Post, Bahour Commune, Pondicherry - 607 403 on Saturday, 24<sup>th</sup>September, 2016 at 10:45 A.M. to transact the following businesses :

**ORDINARY BUSINESS**

1. To consider and adopt the Audited Financial Statement of the Company for the Financial year ended 31<sup>st</sup> March, 2016 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. Prithviraj S. Parikh (DIN : 00106727) who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify appointment of Statutory Auditors and fix their remuneration and for this purpose to consider and, if thought fit, to pass, with or without modification, the following resolution :

**“RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the Company hereby ratifies the appointment of M/s. Chaturvedi and Shah, Chartered Accountants, (Firm Registration No.101720W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Thirty Fourth Annual General Meeting of the Company at such remuneration to be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company.”

**By order of the Board of Directors**

Sd/-

**Prithviraj S. Parikh**

Director

DIN: 00106727

**Place :** Mumbai

**Date :** 6<sup>th</sup> August, 2016

**NOTES:**

1. **A member entitled to attend and vote at the annual general meeting (“meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten 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 proxy and such person shall not act as a proxy for any**

**other person or shareholder. The instrument appointing the proxy must be filled, stamped and duly signed and deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting.**

2. Body Corporates who are members of the Company are requested to send duly certified copy of the Board Resolution authorising their representatives to attend and vote at the Meeting.
3. Members are requested to bring their attendance slip while attending the Meeting. Members holding shares in demat form are requested to write their DP ID and Client ID and those holding shares in physical form are requested to write their Folio Numbers on the attendance slip for attending the Meeting.
4. Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling the Annual General Meeting along with the Annual Report for the year ended 31<sup>st</sup> March, 2016 would be sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company's Registrar and Transfer Agents, unless the Members have requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies would be sent by the permitted mode.
5. Members are requested to support the Green Initiative by registering/ updating their e-mail addresses with the depository participant (in case of shares held in demat form) or with Link Intime India Private Limited (in case of shares held in physical form).
6. Members may also note that Notice of the Thirty Third Annual General Meeting and the Annual Report for financial year ended March 31, 2016 will also be made available on the Company's website at [www.eastcoaststeel.com](http://www.eastcoaststeel.com)
7. Annual Report copies will not be distributed at the Meeting. Members are therefore requested to bring their copies of the Annual Report.
8. As required by Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile of director seeking re-appointment at the ensuing Annual General Meeting is given in this notice.
9. In case of joint holders attending the Meeting, joint holder ranked higher in the order of names will be entitled to vote at the Meeting.
10. The Register of Members and Share Transfer Books of the Company shall remain closed from **September 19, 2016 to September 24, 2016 (both days inclusive)**.
11. Members holding shares in demat (electronic) account are requested to notify changes, if any, in their address, e-mail address, bank mandate, etc. to their respective Depository Participants (DPs). Members holding shares in physical form are requested to intimate the changes to the Company's Registrar.
12. Members desirous of getting any information concerning the accounts or operations of the Company may send their queries at least 7 (Seven) days before the Annual General Meeting, to the Company Secretary, at the Corporate office or Registered office of the Company or by email to [esl@eastcoaststeel.com](mailto:esl@eastcoaststeel.com)

13. Facility of nomination is now available and Members are requested to make use of the same by contacting the Registrars in case of physical holding and DPs in case of demat holdings.
14. For any assistance or information about shares, members may contact the Company or the Registrar.
15. Members are requested to quote their Folio Number/ Demat Account Number and contact details such as email address, contact number and complete address in all correspondences with the Company or the Registrar.
16. Members who hold shares in multiple folios and in identical names are requested to contact the Registrars for consolidating their holdings into a single folio.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are having demat accounts. Members holding shares in physical form are requested to submit PAN details to the Company or the Registrar.
18. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing its members with the option of voting by electronic means.
  - a) In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its Members with the facility of exercising their right to vote on resolutions proposed to be considered at the Annual General Meeting (“AGM”) by electronic means and the business may be transacted through e-voting services. The facility of casting votes by the Members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by the Central Depository Services Limited (CDSL).

The facility for casting vote through ballot / polling paper shall be made available at the Annual General Meeting and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting through ballot / polling paper.

The Members who had cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
  - b) The remote e-voting period commences at 9.00 a.m. on Wednesday, September 21, 2016 and ends at 5.00 p.m. on Friday, September 23, 2016. The remote e-voting module shall be disabled by CDSL for voting thereafter.
  - c) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- d) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the members as on the date of dispatch of notice.
- e) Shri Soy Joseph of M/s. JM Associates, Practicing Company Secretary (Membership No. 13852), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- f) The Scrutinizer, after scrutinizing the votes casted through remote e-voting and at the Meeting through ballot or venue e-voting, will prepare a consolidated report and submit the same to the Chairman or Managing Director of the Company within forty eight hours of the conclusion of the Meeting i.e. on Monday September 26, 2016.

**g) Instructions for e-voting:**

The instructions for members for voting electronically are as under:

In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select "COMPANY NAME" from the drop down menu and click on "SUBMIT".
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth in dd/mm/yyyy format as recorded in your Demat account or in the Company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password filed. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “CLICK HERE TO PRINT” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.co.in](http://www.evotingindia.co.in) and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user id which would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from serial number (i) to serial number (xvi) above to cast vote.
- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**19. General Instructions:**

- (i) The remote e-voting period begins at 9.00 a.m. on Wednesday, September 21, 2016 and ends at 5.00 p.m. on Friday, September 23, 2016. During this period, Shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) i.e. Saturday, September 17, 2016, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Those who fail to cast their vote electronically may only cast their vote at the Annual General Meeting.
- (ii) Shri Soy Joseph of M/s. JM Associates, Practicing Company Secretary (Membership No. 13852), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (iii) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Saturday, September 17, 2016.
- (iv) The Results shall be declared not later than forty eight hours from the conclusion of the Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.eastcoaststeel.com](http://www.eastcoaststeel.com) and on the website of CDSL.
- (v) Members/Proxies are requested to bring their Attendance Slip complete in all respects and signed at the place provided there at and hand it over at the entrance of the venue. The route map of the AGM venue is also annexed to this Notice.



Detailed profile of Director seeking re-appointment in the Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Name of Director	<b>Mr. Prithviraj S. Parikh</b>
Date of Birth	19 <sup>th</sup> February, 1946
Date of Appointment	08 <sup>th</sup> January, 1987
Expertise in Specific Functional area	Has completed his Masters in Engineering in U.S. Returning to India he joined owned business of manufacturing steel. He has over four decades in management of Steel Plants & allied activities, international trade, etc.
Qualification	MS., M.E. from New York University
Board Membership of other Public Companies (excluding Foreign, Private & Sec.8 Companies) as on 31 <sup>st</sup> March, 2016	<ol style="list-style-type: none"> <li>1. WRM Private Limited</li> <li>2. Bombay Warehousing Company Private Limited</li> <li>3. Wist Overseas Private Limited</li> <li>4. Gunjar Finance and Investment Private Limited</li> <li>5. Western India Steel Company Private Limited</li> <li>6. Aspher Foods Private Limited</li> <li>7. Western Ministil Limited</li> <li>8. Satori Realty Private Limited</li> <li>9. Anagha Enterprises Private Limited</li> <li>10. R and A Foods Private Limited</li> <li>11. Merit Industries Limited</li> </ol>
Chairman /Member of the Committee as on 31 <sup>st</sup> March, 2016 (Includes only Audit and Shareholders' Grievance Committee)	N.A
Number of shares held as on 31 <sup>st</sup> March, 2016	8600 (0.16%)

**By order of the Board of Directors**

Sd/-

**Prithviraj S. Parikh**

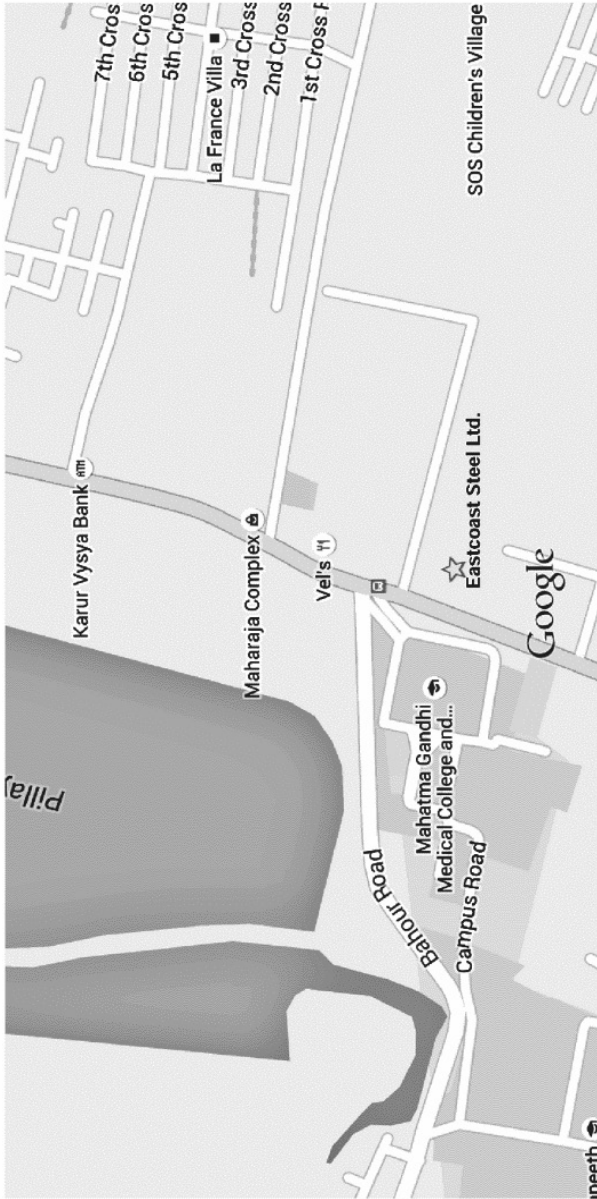
Director

DIN : 00106727

**Place :** Mumbai

**Date :** 6<sup>th</sup> August, 2016

VENUE OF 33RD AGM (2015-16) - ROUTE MAP



Venue :  
Registered Office  
Eastcoast Steel Ltd.  
Cuddalore Road,  
Pillaiyarkuppam Post  
Bahour Commune  
Pondicherry - 607 403

Date : 24-09-2016  
Time : 10-45 A.M.

**BOARD'S REPORT**

Dear Shareholders,

The Directors of your Company are pleased to present the Thirty Third Annual Report and the Audited Accounts for the financial year ended as on March 31, 2016.

**1. FINANCIAL PERFORMANCE****(₹ In Lacs)**

Sr. No.	Particulars	2015-16	2014-15
1	Sale	-	-
2	Other Income	32.35	44.04
3	<b>Total</b>	<b>32.35</b>	<b>44.04</b>
4	Profit/Loss Before Depreciation & Tax (PBDT)	(73.76)	(11.98)
5	Less: Depreciation	(2.94)	(4.07)
6	Profit/Loss Before Taxation (PBT)	(76.70)	(16.05)
7	Less: Taxation (all Taxes)	-	-
8	Profit/Loss After Taxation (PAT)	(76.70)	(16.05)
9	Add: Balance brought forward from last year	(1305.55)	(1289.50)
10	Balance to be carried forward	(1382.26)	(1305.55)

**2. RESERVES**

There has been no amounts proposed to be carried into the reserves during the financial year 2015-16.

**3. SALIENT FEATURES OF COMPANY'S WORKING DURING THE YEAR**

During the year under review, the Company has not undertaken any activity / operation and remains to be at a standstill since 1995.

**4. EQUITY INFUSION OF FUNDS**

Your Company has not issued any equity shares during the year under review.

**5. DIVIDEND**

Considering the financial performance during the year and carried forward losses of previous years, the Board has decided not to recommend any dividend.

**6. CHANGE IN NATURE OF BUSINESS, IF ANY**

Our Company has not deviated its line of business activity nor has expanded the area of activities; therefore, there is no change in the nature of business for the year under review. Further, the Company has no operations during the year.

**7. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

The Company has no subsidiaries, associate and joint ventures, therefore, disclosing the names of the respective entities does not arise.

**8. MATERIAL CHANGES & COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY, OCCURRING AFTER BALANCE SHEET DATE**

There are no material changes or commitments likely to affect the financial position of the Company which is having an impact on the functioning and working of the Company.

**9. DEPOSITS**

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013.

**10. SEGMENT REPORTING**

The Company had only one segment while in operation. However, after closure in 1995, no activity has been carried out.

**11. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EARNINGS AND OUTGO**

- i) The Company has not earned any foreign exchange during the year under review.
- ii) No information with regard to conservation of energy is required to be furnished as the plant has remained closed since 1995.
- iii) There is no employee in receipt of remuneration in excess of the prescribed limits.

**12. MANAGEMENT**

Despite the activities and operations being at a standstill, the Company has evolved strategy to identify unsatisfactory risks on account of credit, liquidity, reputation etc. and the board has assumed overall responsibility for its implementation.

**13. ENVIRONMENT AND SAFETY**

Since the Company has neither any workmen nor engaged in any activity since the closure of the plant in 1996, environment and safety measures are not required to be followed for the time being.

**14. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

In terms of section 149 of the Act, the following are the Independent Directors of the Company:

1. Shri Anand Sethuprassem
2. Shri Hitesh V. Raja
3. Smt. Sharmila S. Chitale

The independent directors met on February 09, 2016 in order to evaluate the:-

- The performance of non-independent directors and Board of directors, as a whole
- The performance of Chairman of the Company taking into account the views of executive directors and non-executive directors
- The quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All independent directors attended the annual meeting and expressed satisfaction with the evaluation process.

In terms of Section 203 of the Act, the following were designated as Key Managerial Personnel of your Company by the Board

1. Shri P.K.R.K. Menon : Company Secretary
2. Shri B.N. Kamath : Chief Financial Officer

The Company has received declaration from all the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

In terms of the provisions of Section 152(6) of the Companies Act, 2013, Shri. Prithviraj S. Parikh, Director (DIN: 00106727) retires by rotation at the forthcoming Annual General Meeting, and being eligible offers himself for re-appointment. In accordance with Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions of the Companies Act, 2013, brief profile of the Director to be re-appointed is included in the Notice which forms part of the Annual Report.

Shri. B. N. Kamath was appointed as the Chief Financial officer of the Company w.e.f. November 10, 2015.

During the year, five Meetings of Audit Committee were convened and held, with the requisite quorum.

Particulars with regard to Remuneration of Director and KMP are set out in Annexure "B" (V).

## 15. BOARD MEETINGS

During the year, the Board of Directors of the Company met 4 times as detailed below

Date of the meeting	Total Number of Directors as on the date of Meeting	No. of Directors who has attended the meeting
May 30, 2015	5	3
August 12, 2015	5	4
November 10, 2015	5	4
February 09, 2016	5	5

## 16. AUDIT COMMITTEE

The Audit Committee comprises of three directors, viz; Shri Hitesh V. Raja, Shri Nalin S. Parikh and Shri Anand Sethuprakasem.

The Chairman of the Committee is Shri Hitesh V. Raja

## 17. CORPORATE GOVERNANCE

In view of the exemption granted vide Circular No. CIR/CFD/POLICY CELL/7/2014 dtd. 15.05.2014 by SEBI and as per Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provision with regard to Corporate Governance is not applicable to the company as the paid up equity capital is not exceeding ₹ 10 crores and net worth not exceeding ₹ 25 crores as on the last day of the previous financial year.

## 18. REMUNERATION AND EVALUATION POLICY

The Company has not paid any remuneration to the Directors nor does it intend to do so in the near future except sitting fees to Independent Directors as the activities / operations are at standstill and no income is earned. While the individual director's performance was reviewed by the Chairman and rest of the Board excluding the Director are being evaluated, the Chairman's and Non – Independent Directors performance was appraised through feedback from Independent Directors.

In compliance of Companies Act, 2013 a Nomination and Remuneration Committee has however been constituted which is headed by Shri Anand Sethuprakashan, Independent Director (Non-executive). The other members are Shri Hitesh V. Raja Independent Director (Non-executive) Shri Nalin S. Parikh, Non -Independent Director (Non-executive).

The Nomination and Remuneration Committee (NRC) has formulated a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The philosophy for remuneration is based on the commitment of fostering a culture of leadership with trust. The remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013. While formulating this policy, the Committee has considered the factors laid down in Section 178(4) of the Companies Act, 2013, which are as under:

- That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The key principles governing the remuneration policy are as follows:

- Market Competitiveness
- Role played by the individual
- Reflective of size of the company, complexity of the sector / industry / Company's operations and the Company's capacity to pay
- Consistent with recognised best practices and
- Aligned to any regulatory requirements.

## **19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not granted any loans or provided any guarantees or made investments covered under the provisions of Section 186 of the Companies Act, 2013, except intercorporate deposit (ICD) of ₹ 1,20,00,000 (Rupees One Crore Twenty lakhs Only) which has been advanced to Richline Leasing and Finance Private Limited earning interest @15% per annum.

## **20. PARTICULARS OF CONTRACTS OR ARRANGEMENT MADE WITH RELATED PARTIES**

There are no materially significant related party transactions made by the Company during the year under consideration with the Promoters, Directors or Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. All the related party transactions as required under Accounting Standard - 18 are reported in the Notes to the financial statements.

The particulars as required under the Companies Act, 2013 are furnished in Form AOC - 2 which is annexed as "Annexure A" to this report.

**21. PARTICULARS OF EMPLOYEES AND HUMAN RESOURCES**

The Company has not appointed any employee(s) in receipt of remuneration exceeding the limits specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**22. VIGIL MECHANISM / WHISTLEBLOWER POLICY**

The Company has adopted a policy to provide a mechanism for any concerned person of the Company to approach Chairman of the Audit Committee for the purpose of dealing at the instance of fraud and mismanagement, if any and also ensure that whistleblowers are protected from retribution, whether within or outside the organisation.

The Policy has been uploaded in the website [www.eastcoaststeel.com](http://www.eastcoaststeel.com).

**23. PURSUANT TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has, during the year, rolled out a policy for prevention of Sexual Harassment of women in the organisation.

It has been noted that no complaints were reported during the year.

**24. OTHER MATERIAL ORDERS**

Shri Suresh Kumar Jalan and others have filed a Company Appeal No. 20 of 2015 in Madras High Court against the dismissal order of C.L.B. Chennai in respect of C.P. No. 56 of 2013 wherein he had alleged acts of oppression and mismanagement. The appeal is however still pending for admission.

The C.A. No. 8079 of 2003 filed by P.E. Dept. pending before Hon'ble Supreme Court, New Delhi is being sought to be transferred to Lok Adalat, with regard to the disputed claim of ₹ 17.78 crore (including accrued interest of ₹ 12.01 crore) and the legal Advisors are of opinion that it could be contested / defended successfully.

**25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The company may not be able to undertake any project until the pending Legal matters are resolved.

**26. EXTRACT OF ANNUAL RETURN**

Pursuant to the provisions of Section 92 (3) of the Companies Act, 2013, an extract of annual return is annexed hereto as "Annexure- B" and forms part of this report.

**27. SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Ashish Bhatt & Associates, Company Secretary, (CP: 2956), have been appointed as the Secretarial Auditors to conduct the Secretarial Audit of the Company for the financial year 2015-16, the Secretarial Audit Report is annexed herewith as "Annexure- C" and forms part of this report.

**STATUTORY AND SECRETARIAL AUDITOR OBSERVATION**

The Statutory Auditors of the Company have not reported any fraud as specified under the Second provision of Section 143 (12) of the Companies Act, 2013 (including any Statutory modification(s) or re-enactment(s) for the time being in force).

There are no adverse remarks, observations or disclaimer remarks by the Statutory Auditors.

However, the Secretarial Auditors have made certain observations to which our reply is as follows:

Observations	Reply
The Board of Directors at their meeting held on February 09, 2016 has passed the resolution for appointment of Internal and Secretarial Auditor, but the Company has not filed the MGT-14 for the same.	The Company had duly appointed Company Secretary to perform these duties. However, it appears from Audit that the form inadvertently remained to be filed. The Company has taken necessary step for filling form MGT 14 on May 31, 2016 pertaining to the appointment of Internal Auditor and Secretarial Auditor of the Company.

**28. STATUTORY AUDITORS**

M/s. Chaturvedi & Shah, Chartered Accountants, Statutory Auditors of the Company, having (Firm Registration Number 101720W), were appointed as Auditors of the Company to hold the office from the conclusion of the 32<sup>nd</sup> Annual General Meeting until the conclusion of 36<sup>th</sup> Annual General Meeting is hereby ratified and the Board has been empowered to fix their remuneration for the financial year 2016-17.

**29. COST AUDIT**

The Company is not required to maintain cost record as prescribed by the Central Government under the provisions of Section 148 of the Companies Act, 2013 in view of the closure of the plant in 1995 and cessation of manufacturing activities. No activities or services have been undertaken by the Company since then.

**30. INTERNAL AUDITORS**

The Company has carried out the internal audit for nine month ended December 31, 2016 and thereafter for the year ended March 31, 2016 by M/S. Krishnan & Giri, Chartered Accountants and the reports issued by the respective Auditor have also been considered and taken on record.

**31. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company has in place internal control systems and procedures commensurate with the size and nature of its operations. Internal control processes which consist of adopting appropriate management systems and implementing them are followed. The Board has laid down the principles of policy being followed for Internal Financial Control (I.F.C.) in accordance with Sec: 177(4)(vii) of the Companies Act, 2013. These are aimed at giving the Audit Committee a reasonable



assurance on the reliability of financial reporting and statutory and regulatory compliances, effectiveness and efficiency of your Company's operations and are reviewed subjected to internal audit in compliance of Section 138 of the Act, periodically and revised to keep in tune with the changing business environment.

### 32. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors, based on the representations received from the Operating Management and after due enquiry, hereby confirm that:

- I. In the preparation of annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- II. They had in consultation with Statutory Auditors, selected accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the loss of the Company for the year ended on that date;
- III. 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;
- IV. They have prepared the annual accounts on a "going concern" basis;
- V. They have laid down internal financial controls, which are adequate and operating effectively;
- VI. They have devised proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

### 33. ACKNOWLEDGEMENT

Your Directors acknowledge with thanks the co-operation and understanding displayed by the shareholders & others and continue to look forward to the same.

**On behalf of the Board of Directors**

Sd/-

**Prithviraj S. Parikh**

Director

DIN :00106727

Sd/-

**Hitesh V. Raja**

Director

DIN :02681574

**Place :** Mumbai

**Date :** 6<sup>th</sup> August, 2016

## ANNEXURE – A

## FORM NO. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:  
The Company has not entered into any transaction with related parties which were not on an arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis:  
The Company has not entered into any material contracts or transactions during the financial year 2015-16.

**On behalf of the Board of Directors**

Sd/-

**Prithviraj S. Parikh**

Director

DIN :00106727

Sd/-

**Hitesh V. Raja**

Director

DIN :02681574

**Place :** Mumbai**Date :** 6<sup>th</sup> August, 2016

## ANNEXURE – B

## FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management and Administration) Rules, 2014.

## I. REGISTRATION &amp; OTHER DETAILS:

1	CIN	L27109PY1982PLC000199
2	Registration Date	20.08.1982
3	Name of the Company	EASTCOAST STEEL LIMITED
4	Category/Sub-category of the Company	Public Company
5	Address of the Registered office & contact details	Cuddalore Road, Pillaiyarkuppam, Bahour Commune, Pondicherry – 607 403. Ph. No. : 0413-2611117 Fax No. : 0413-2611423 E-mail : esl@eastcoaststeel.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078. Ph. No. : 022-2596 3838 Fax. No. : 022-2594 6969 E-Mail : rnt.helpdesk@linkintime.co.in

## 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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
	Manufacture of steel in ingots or other primary forms, and other semi-finished products of steel.	24103	Nil

### III. A) SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	De-mat	Physical	Total	% of Total Shares	De-mat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	Nil	10370	10370	0.19	8600	Nil	8600	0.16	-0.03
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	878135	3000	881135	16.33	950935	Nil	950935	17.62	1.29
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total shareholding of Promoter (A)</b>	<b>878135</b>	<b>13370</b>	<b>891505</b>	<b>16.52</b>	<b>959535</b>	<b>Nil</b>	<b>959535</b>	<b>17.78</b>	<b>1.26</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	Nil	22300	22300	0.41	Nil	16900	16900	0.31	-0.10
b) Banks / FI	150	2750	2900	0.05	150	2750	2900	0.05	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	5400	5400	0.10	0.10
<b>Sub-total (B)(1):-</b>	<b>150</b>	<b>25050</b>	<b>25200</b>	<b>0.47</b>	<b>150</b>	<b>25050</b>	<b>25200</b>	<b>0.37</b>	<b>Nil</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	1423469	36900	1460369	27.06	1436069	36900	1472969	27.29	0.23
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	471127	1014513	1485640	27.53	411596	1028264	1439860	26.68	-0.85

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	De-mat	Physical	Total	% of Total Shares	De-mat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	1406120	31691	1437811	26.64	1204911	Nil	1204911	22.33	-4.31
c) Others (specify)									
NRI	15583	68060	83643	1.55	14583	64960	79543	1.47	-0.08
Partnership Firm	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
HUF	Nil	1000	1000	0.02	203850	500	204350	3.79	3.77
Clearing Members	2800	Nil	2800	0.05	1600	Nil	1600	0.03	-0.02
Trusts	450	8050	8500	0.16	450	8050	8500	0.16	Nil
Foreign Bodies - D	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (B)(2):-</b>	<b>3319549</b>	<b>1160214</b>	<b>4479763</b>	<b>83.01</b>	<b>3319549</b>	<b>1160214</b>	<b>4479763</b>	<b>83.01</b>	<b>-1.26</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3319699	1185264	4504963	83.48	3319699	1185264	4504963	83.48	- 1.26
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Grand Total (A+B+C)</b>	<b>4197834</b>	<b>1198634</b>	<b>5396468</b>	<b>100</b>	<b>4197834</b>	<b>1198634</b>	<b>5396468</b>	<b>100</b>	<b>Nil</b>

## B) SHAREHOLDING OF PROMOTER

Sr. No.	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	Anagha Enterprises Pvt. Ltd	881135	16.33	Nil	950935	17.62	Nil	1.29
2	Prithviraj S. Parikh	7150	0.13	Nil	8600	0.16	Nil	0.03
3	Pallavi A. Parikh	3220	0.06	Nil	Nil	Nil	Nil	-0.06
	<b>Total</b>	<b>891505</b>	<b>16.52</b>	<b>Nil</b>	<b>959535</b>	<b>17.78</b>	<b>Nil</b>	<b>1.26</b>

**C) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)**

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year (as on 01.04.2014)		Date	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Anagha Enterprises Private Limited	881135	16.33	At the beginning of the year (as on 01.04.2015)				881135	16.33
				28.08.2015	Purchase of Shares	69500	1.29	950635	17.61
				27.11.2015	Purchase of Shares	300	0.01	950935	17.62
2.	Prithviraj S. Parikh	7150	0.13	At the beginning of the year (as on 01.04.2015)				7150	0.13
				29.09.2015	Purchase of Shares	1400	0.03	8550	0.16
				12.10.2015	Purchase of Shares	50	0.00	8600	0.16
3.	Pallavi A. Parikh	3220	0.06	05.09.2015	Sale of Shares	3220	0.06	0	0.00

**D) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Vajradhar Leasing and Finvest Private Limited	650800	12.06	650800	12.06
2.	Ashok Kumar Dalmia	535600	9.93	535600	9.93
3.	Vigil Stock and Shares Private Limited	527800	9.78	527800	9.78
4.	Suresh Kumar Jalan	362440	6.71	369440	6.85
5.	Sisir Kumar Jalan	134900	2.50	139400	2.58
6.	Servo Packaging Limited	101550	1.88	101550	1.88
7.	Sisir Kumar Jalan HUF	93500	1.73	99400	1.84
8.	Suresh Kumar Jalan HUF	80550	1.49	82450	1.53
9.	Darshana Haresh Jhaveri	67350	1.25	3300	0.06
10.	Western Guineas Private Limited	66200	1.23	66200	1.23

**E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Prithviraj S. Parikh At the beginning of the year At the end of the year	7150 7150	0.13 0.13	8600 8600	0.16 0.16
2	Mr. Nalin S. Parikh At the beginning of the year At the end of the year	Nil Nil	Nil Nil	Nil Nil	Nil Nil
3	Mr. Anand Sethuprakasem At the beginning of the year At the end of the year	Nil Nil	Nil Nil	Nil Nil	Nil Nil
4	Mr. Hitesh V. Raja At the beginning of the year At the end of the year	200 200	0.00 0.00	200 200	0.00 0.00
5	Ms. Sharmila Chitale At the beginning of the year At the end of the year	100 100	0.00 0.00	100 100	0.00 0.00

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

( Amount in ₹ )

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	N.A.	25,541,393	N.A.	N.A.
ii) Interest due but not paid	N.A.	N.A.	N.A.	N.A.
iii) Interest accrued but not due	N.A.	N.A.	N.A.	N.A.
<b>Total (i+ii+iii)</b>	N.A.	25,541,393	N.A.	N.A.
<b>Change in Indebtedness during the financial year</b>				
* Addition	N.A.	5,65,000	N.A.	N.A.
* Reduction	N.A.	5,65,000	N.A.	N.A.
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	N.A.	25,541,393	N.A.	N.A.
ii) Interest due but not paid	N.A.	N.A.	N.A.	N.A.
iii) Interest accrued but not due	N.A.	N.A.	N.A.	N.A.
<b>Total (i+ii+iii)</b>	N.A.	25,541,393	N.A.	N.A.

**V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**  
**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND / OR MANAGER ( Amount in ₹ )**

Sr. No.	Particulars of Remuneration	Name of Director	
		Whole Time Director / Managing Director / Manager	Total
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	N.A.	N.A.
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	N.A.	N.A.
2.	Stock Option	N.A.	N.A.
3.	Sweat Equity	N.A.	N.A.
4.	Commission - as % of profit - others, specify...	N.A.	N.A.
5.	Others, please specify	N.A.	N.A.
	Total (A)	N.A.	N.A.
	Ceiling as per the Act	N.A.	N.A.

**B. REMUNERATION TO OTHER DIRECTOR ( Amount in ₹ )**

Sr. No.	Particulars of Remuneration	Name of Director					Total
		Prithviraj S. Parikh	Nalin S. Parikh	Anand Sethu-prakasem	Hitesh V. Raja	Sharmila S. Chitale	
1	Independent Directors	NIL	NIL	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL	NIL
2	Other Non-Executive Directors	NIL	NIL	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL	NIL	NIL	NIL	NIL



**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR, WHOLE-TIME DIRECTOR / MANAGER**

(Amount in ₹)

SL. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Company Secretary	Chief Financial officer	Chief Financial officer	
		P.K.R.K.Menon	R.Radhakrishnan	B.N.Kamath	
	Gross salary	950,000	345,960	170,000	1,465,960
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	as % of profit				
	other				
5	Others, please specify	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>950,000</b>	<b>345,960</b>	<b>170,000</b>	<b>1,465,960</b>

**VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

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

By and on behalf of the Board of Directors  
For Eastcoast Steel Limited

Place : Mumbai  
Date : 6<sup>th</sup> August, 2016

Sd/-  
Prithviraj S. Parikh  
Director  
DIN :00106727

Sd/-  
Hitesh V. Raja  
Director  
DIN :02681574

## ANNEXURE – C

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2016**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
Eastcoast Steel Limited  
Cuddalore Road,  
Pillaiyarkuppam Post,  
Bahour Commune,  
Pondicherry - 607403.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Eastcoast Steel Limited (hereinafter called the Company). The Secretarial Audit was conducted in a manner which provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and regulations made there under to the extent of Overseas Direct Investment; (Not applicable to the Company during audit period)

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during audit period);
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during audit period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme); Guidelines, 1999 (Not applicable to the Company during audit period);
  - (e) The Securities and Exchange Board of India; (Issue and Listing of Debt Securities) Regulations, 2008(Not applicable to the Company during audit period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during audit period); (Not applicable to the Company during audit period);
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The Company having had stopped production at its Pondicherry plant owing to uneconomical operations since 1995, the activity have remained at a standstill.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s);
- (iii) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015; (with effect from December 1, 2015)

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

1. The Board of Directors at their meeting held on February 9,2016 has passed the resolution for appointment of Internal Auditor and Secretarial Auditor, but the Company has not filed the MGT-14 for the same.

**I further report that**

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

Adequate notice is given to all directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

**I further report that** during the audit period the Company has not passed any resolution which are having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Ashish Bhatt & Associates**

Sd/-

**Ashish Bhatt**

Practicing Company Secretary

FCS No: 4650

C.P. No. 2956

**Place :** Thane

**Date :** 6<sup>th</sup> May, 2016

## INDEPENDENT AUDITOR'S REPORT

To the Members of

**Eastcoast Steel Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **Eastcoast Steel Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement

of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016, and its loss and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 21 (a) and (b) to the financial statements.
  - ii. The Company did not have material foreseeable losses on long term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
  - iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

**For Chaturvedi & Shah**

Chartered Accountants

Firm Registration No : 101720W

Sd/-

**Amit Chaturvedi**

Partner

Membership No. : 103141

**Place :** Mumbai

**Date :** 6<sup>th</sup> May, 2016

**“Annexure A” to Independent Auditors’ Report referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date.**

- 1) In respect of its Fixed Assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c) In our opinion and according to the information and explanations given to us, title deeds of immovable properties are held in the name of the company.
- 2) As the Company did not have Inventories during the year, clause (ii) of paragraph of 3 of the order is not applicable to the Company.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- 4) Company has not directly or indirectly advanced loan to the persons or given guarantees or securities in connection with the loan taken by persons covered under Section 185 of the Act. Company has complied with the provisions of Section 186 of the Act, in respect of loans, investments, guarantee or security given.
- 5) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- 6) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.
- 7) In respect of Statutory dues :
  - a) According to the records of the Company, undisputed statutory dues including provident fund, employees’ state insurance, income tax, service tax, cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.
  - b) According to the information and explanations given to us, there are no dues of income tax, service tax and cess on account of any dispute, which have not been deposited.
- 8) The Company has not raised loans from financial institutions, banks, government or by issue of debentures and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.



- 9) The company has not raised money by way of initial public offer or further public offer (including debt instruments) or term Loan and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.
- 10) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 11) Company has not paid any managerial remuneration during the year and hence clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- 12) In our opinion company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.
- 13) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act, as applicable and their details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- 14) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the company.
- 15) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under Section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- 16) To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Registration No : 101720W

Sd/-  
**Amit Chaturvedi**  
Partner

Membership No. : 103141

**Place :** Mumbai  
**Date :** 6<sup>th</sup> May, 2016

“Annexure B” to Independent Auditors’ Report referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” of our report of even date.

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

We have audited the Internal Financial Control over financial reporting of **Eastcoast Steel Limited** (“the Company”) as of 31<sup>st</sup> March, 2016 in conjunction with our audit of the financial statements of the Company for the year then ended.

#### **Management Responsibility for the Internal Financial Controls**

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

#### **Auditor’s Responsibility**

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

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

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

### Meaning of Internal Financial Controls Over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Chaturvedi & Shah**

Chartered Accountants

Firm Registration No : 101720W

Sd/-

**Amit Chaturvedi**

Partner

Membership No. : 103141

**Place** : Mumbai

**Date** : 6<sup>th</sup> May, 2016

## BALANCE SHEET AS AT 31ST MARCH, 2016

(Amount in ₹)

	Note	As at 31st March, 2016	As at 31st March, 2015
<b>SOURCES OF FUNDS</b>			
<b>I EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholders Funds:</b>			
(a) Share Capital	2	53,964,680	53,964,680
(b) Reserves and Surplus	3	(41,402,110)	12,562,570
			(33,731,753)
			20,232,927
<b>2 Non Current Liabilities</b>			
(a) Long Term Borrowings	4	25,541,393	25,541,393
(b) Long Term Provisions	5	779,228	26,320,621
			869,234
			26,410,627
<b>3 Current Liabilities</b>			
(a) Trade Payables	6	5,737	7,454
(b) Other Current Liabilities	7	831,782	348,791
(c) Short Term Provisions	8	907,224	1,744,743
			578,902
			935,147
<b>TOTAL</b>		<b>40,627,934</b>	<b>47,578,701</b>
<b>APPLICATION OF FUNDS</b>			
<b>II ASSETS</b>			
<b>1 Non - Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	9	12,050,019	11,899,308
(b) Non Current Investments	10	56,475	56,475
(c) Long Term Loans and Advances	11	10,948,570	10,660,886
(d) Other Non Current Assets	12	2,294,467	25,349,531
			1,446,790
			24,063,459
<b>2 Current Assets</b>			
(a) Current Investments	13	1,922,164	9,410,626
(b) Cash and Cash Equivalents	14	250,009	699,357
(c) Short Term Loans and Advances	15	12,481,117	13,165,033
(d) Other Current Assets	16	625,113	15,278,403
			240,226
			23,515,242
<b>TOTAL</b>		<b>40,627,934</b>	<b>47,578,701</b>
Significant Accounting Policies and Notes on Financial Statements <b>1 to 29</b>			

As per our report of even date  
For **Chaturvedi & Shah**  
(Firm Registration No. 101720W)  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-  
**Amit Chaturvedi**  
Partner  
Membership No.103141

Sd/-  
**Prithviraj S. Parikh**  
Director  
(DIN: 00106727)

Sd/-  
**Hitesh V. Raja**  
Director  
(DIN: 02681574)

**Place :** Mumbai  
**Date :** 6<sup>th</sup> May, 2016

Sd/-  
**P. K. R. K. Menon**  
Company Secretary  
(F.C.S. - 1074)

Sd/-  
**B. N. Kamath**  
Chief Financial Officer  
(PAN: AESPK5610C)

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in ₹)

	Note	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
<b>INCOME</b>			
Revenue from Operations		-	-
Other Income	17	3,234,768	4,403,623
		<b>3,234,768</b>	<b>4,403,623</b>
<b>EXPENDITURES</b>			
Employee Benefits Expenses	18	3,619,066	1,874,421
Finance Charges	19	9,445	1,420
Depreciation & Amortization Cost	9	294,289	406,930
Other Expenses	20	6,982,325	10,905,125
		<b>10,905,125</b>	<b>6,008,200</b>
<b>Profit/(Loss) Before Tax</b>		<b>(7,670,357)</b>	<b>(1,604,577)</b>
Provision for Current Tax		-	-
<b>Profit/(Loss) for the year</b>		<b>(7,670,357)</b>	<b>(1,604,577)</b>
Basic and Diluted Earnings per Share (in ₹) (Face Value ₹10)		<b>(1.42)</b>	<b>(0.30)</b>

Significant Accounting Policies and  
Notes on Financial Statements

1 to 29

As per our report of even date  
For **Chaturvedi & Shah**  
(Firm Registration No. 101720W)  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-  
**Amit Chaturvedi**  
Partner  
Membership No.103141

Sd/-  
**Prithviraj S. Parikh**  
Director  
(DIN: 00106727)

Sd/-  
**Hitesh V. Raja**  
Director  
(DIN: 02681574)

**Place :** Mumbai  
**Date :** 6<sup>th</sup> May, 2016

Sd/-  
**P. K. R. K. Menon**  
Company Secretary  
(F.C.S. - 1074)

Sd/-  
**B. N. Kamath**  
Chief Financial Officer  
(PAN: AESPK5610C)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

	Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>A Cash Flow From Operating Activities</b>		
Net Profit/(Loss) before tax & extraordinary Items	(7,670,357)	(1,604,577)
<b>Adjustments For:</b>		
Depreciation and Amortisation Cost	294,289	406,930
Finance Charges	9,445	1,420
Sundry Balances written back	(53,225)	(3,448)
Profit on sale of investment	(5,887)	-
Dividend	(298,833)	(40,895)
Interest Income	(2,756,823)	(4,239,280)
<b>Operating Profit/Loss before Working Capital Change</b>	<b>(10,481,391)</b>	<b>(5,479,850)</b>
(Increase)/Decrease in Trade receivables and Other Assets	-	(643,136)
(Increase)/Decrease in Long Term Loans and Advances	-	16,057
(Increase)/Decrease in Short Term Loans and Advances	683,916	10,428,459
Increase/(Decrease) in Trade Payables	(1,717)	887
Increase/(Decrease) in Other Current Liabilities	774,530	(127,591)
<b>Cash Generated From Operations</b>	<b>(9,024,662)</b>	<b>4,203,826</b>
Income Tax Paid	(287,683)	(198,452)
<b>Net Cash Flow From Operating Activities</b>	<b>(9,312,345)</b>	<b>4,005,374</b>
<b>B Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	(445,000)	-
Purchase of Investments	(3,648,833)	(8,710,626)
Sale of Investments	11,143,182	1,011,257
Dividend Received	298,833	40,895
Interest Received	1,524,260	3,999,054
<b>Net Cash Flow From Investing Activities</b>	<b>8,872,442</b>	<b>(3,659,420)</b>
<b>C Cash Flow From Financing Activities</b>		
Interest and Finance Charges Paid	(9,445)	(1,420)
<b>Net Cash Flow From Financing Activities</b>	<b>(9,445)</b>	<b>(1,420)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(449,348)</b>	<b>344,534</b>
Cash and Cash Equivalent as on 01-04-2015	699,357	354,823
Cash and Cash Equivalent as on 31-03-2016	250,009	699,357
Increase/(Decrease)	(449,348)	344,534
<b>Note:</b>		
Cash and Cash Equivalent consists of		
i) Cash on Hand	3,268	27,955
ii) Balance with Banks	246,741	511,402
iii) Cheques on Hand	-	160,000
	<b>250,009</b>	<b>699,357</b>

As per our report of even date

For and on behalf of the Board of Directors

For **Chaturvedi & Shah**

(Firm Registration No. 101720W)

Chartered Accountants

Sd/-

**Amit Chaturvedi**

Partner

Membership No.103141

Sd/-

**Prithviraj S. Parikh**

Director

(DIN: 00106727)

Sd/-

**P. K. R. K. Menon**

Company Secretary

(F.C.S. - 1074)

Sd/-

**Hitesh V. Raja**

Director

(DIN: 02681574)

Sd/-

**B. N. Kamath**

Chief Financial Officer

(PAN: AESPK5610C)

**Place :** Mumbai**Date :** 6<sup>th</sup> May, 2016

## Notes on Financial Statements for the year ended 31st March, 2016

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 Basis of Accounting

The financial statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

#### 1.2 Use of Estimates

The preparation of financial statement requires estimates and assumptions to be made and that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

#### 1.3 Fixed Assets and Depreciation

a) Fixed Assets are stated at cost of acquisition or installation and includes erection and construction expenses.

b) Depreciation is provided under the "written down value" method at the useful life prescribed in Schedule II to the Companies Act, 2013 in the manner stated therein.

#### 1.4 Investment

a) Current investments are carried at lower of cost and market value.

b) Non Current investments are stated at cost. Provision for diminution in the value of Non Current investments is made only if such a decline is other than temporary.

#### 1.5 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

#### 1.6 Retirement Benefits

Retirement benefits are accounted for on accrual basis as per Revised Accounting Standard –15 on the basis of actuarial valuation.

#### 1.7 Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Exchange difference arising on foreign currency transactions other than fixed assets are recognized as income or expense in the Statement of Profit and Loss. Exchange differences on unpaid liability arising on foreign currency transactions for fixed assets are adjusted to the Cost of fixed assets.

#### 1.8 Taxes

Income tax expense comprises current tax, deferred tax charge or credit. The deferred tax charge or credit and the corresponding deferred tax liability and assets are recognized using the tax rates that have been enacted or substantially enacted on the Balance Sheet date.

Deferred Tax assets arising from unabsorbed depreciation or carry forward losses are recognized only if there is virtual certainty of realization of such amounts. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets are reviewed at each Balance Sheet date to reassess their reliability.

#### 1.9 Impairment of Assets

The carrying amount of assets are reviewed at each Balance Sheet date to assess whether there is any indication of impairment of the carrying amount of such assets of the company. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

(Amount in ₹)

**Note 2****SHARE CAPITAL****Authorised**

	As at 31st March, 2016	As at 31st March, 2015
10,000,000 Equity Shares (Previous year: 10,000,000 Equity Shares) of ₹ 10/- each	100,000,000	100,000,000

**1) Issued, Subscribed & Paid up**

5,396,468 Equity shares (Previous year: 5,396,468 Equity shares) of ₹ 10/- each fully paid	53,964,680	53,964,680
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<b>TOTAL</b>	<b>53,964,680</b>	<b>53,964,680</b>
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**2) Reconciliation of Opening and Closing number of Shares**

Equity Shares outstanding at the beginning of the year	5,396,468	5,396,468
--	-----------	-----------

Equity Shares issued during the year	-	-
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Equity Shares outstanding at the end of the year	<b>5,396,468</b>	<b>5,396,468</b>
--	------------------	------------------

**3) Shareholders holding more than 5% of the Equity Shares of the Company are**

Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	% held	No. of Shares	% held
Anagha Enterprises Private Limited	950,935	17.62%	881,135	16.33%
Ashok Kumar Dalmia	535,600	9.93%	535,600	9.93%
Vigil Stocks & Shares Private Limited	527,800	9.78%	527,800	9.78%
Vajradhar Leasing & Finvest Private Limited	650,800	12.06%	650,800	12.06%
Suresh Kumar Jalan	369,440	6.85%	362,440	6.72%

**4) Terms and Rights attached to shares**

The Company has only one class of equity shares having face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Equity shares holders are also entitled to dividend as and when proposed by the Board of Directors and approved by Share holders in Annual General Meeting. In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all Preferential amounts which shall be in proportion to the number of shares held by the Shareholders.



(Amount in ₹)

**Note 3****RESERVES AND SURPLUS**

	As at 31st March, 2016	As at 31st March, 2015
<b>A. Capital Reserve</b>		
Balance as per last Balance Sheet	2,500,000	2,500,000
<b>B. Share Premium Account</b>		
Balance as per last Balance Sheet	94,323,634	94,323,634
<b>C. Profit &amp; Loss Account</b>		
Balance as per last Balance Sheet	(130,555,388)	(128,950,811)
Add: Transferred from Statement of Profit & Loss	(7,670,357)	(1,604,577)
	(138,225,744)	(130,555,388)
<b>TOTAL</b>	<b><u>(41,402,110)</u></b>	<b><u>(33,731,754)</u></b>

**Note 4****LONG TERM BORROWINGS****UNSECURED LOANS**

Loan from Related Parties	25,541,393	25,541,393
(Repayable over a period of 3 to 5 years)		
<b>TOTAL</b>	<b><u>25,541,393</u></b>	<b><u>25,541,393</u></b>

**Note 5****LONG TERM PROVISIONS**

Provision for Gratuity	654,851	761,392
Provision for Leave Encashment	124,377	107,842
<b>TOTAL</b>	<b><u>779,228</u></b>	<b><u>869,234</u></b>

**Note 6****TRADE PAYABLES**

Micro and Small Enterprises	-	-
Others	5,737	7,454
<b>TOTAL</b>	<b><u>5,737</u></b>	<b><u>7,454</u></b>

**Note:** The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosure relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been made.

**Note 7****OTHER CURRENT LIABILITIES**

Statutory Dues	202,111	27,524
Book Overdraft	42,327	-
Others	587,344	321,267
<b>TOTAL</b>	<b><u>831,782</u></b>	<b><u>348,791</u></b>

**Note 8****SHORT TERM PROVISIONS**

Provision for Gratuity	886,017	576,134
Provision for Leave Encashment	21,207	2,768
<b>TOTAL</b>	<b><u>907,224</u></b>	<b><u>578,902</u></b>

## Note 9

FIXED ASSETS

(Amount in ₹)

	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK		
	As at 01.04.2015	Additions	Deductions/ Adjustments	As at 31.03.2016	As at 01.04.2015	For the year ended	Deductions/ Adjustments	As at 31.03.2016	As at 31.03.2015
Land -Freehold	2,832,179	-	-	2,832,179	-	-	-	2,832,179	2,832,179
Office Building	14,124,924	-	-	14,124,924	5,057,799	259,060	-	8,808,065	9,067,125
Furniture & Fixtures	1,278,841	-	-	1,278,841	1,278,840	-	-	1,278,840	1
Office Equipment	2,017,467	-	-	2,017,467	2,017,466	-	-	2,017,466	1
Computers	168,605	-	-	168,605	168,604	-	-	168,604	1
Vehicle	540,000	445,000	-	985,000	539,999	35,229	-	409,772	1
<b>Total</b>	<b>20,962,016</b>	<b>445,000</b>	<b>-</b>	<b>21,407,016</b>	<b>9,062,708</b>	<b>294,289</b>	<b>-</b>	<b>9,356,997</b>	<b>11,899,308</b>
Previous Year	<b>20,962,016</b>	<b>-</b>	<b>-</b>	<b>20,962,016</b>	<b>8,655,778</b>	<b>406,930</b>	<b>-</b>	<b>11,899,308</b>	<b>12,306,238</b>

(Amount in ₹)

**Note 10****NON CURRENT INVESTMENTS****Unquoted - Trade (at cost)**

	As at 31st March, 2016	As at 31st March, 2015
In National Savings Security	56,475	56,475
(Pledged with Pondicherry State Electricity Board and Commercial Tax Authorities)		
<b>TOTAL</b>	<b><u>56,475</u></b>	<b><u>56,475</u></b>

**Note 11****LONG TERM LOANS AND ADVANCES**

(Unsecured and Considered Good)

Security Deposits	492,206	492,206
Advance Tax / TDS	1,803,248	1,515,565
Fixed deposit with HDFC*	8,653,116	8,653,116
<b>TOTAL</b>	<b><u>10,948,570</u></b>	<b><u>10,660,886</u></b>

\* Note: 1) Indicates that the amount has been deposited in accordance with the order dated 18.11.2008 of the High Court of Chennai. The matter is still pending final disposal with Supreme Court. (Refer Note: 21)

2) The maturity period is of more than 12 months.

**Note 12****OTHER NON CURRENT ASSETS**

Interest Accrued	2,294,467	1,446,790
<b>TOTAL</b>	<b><u>2,294,467</u></b>	<b><u>1,446,790</u></b>

**Note 13****CURRENT INVESTMENTS****Investment in Mutual Fund- Unquoted**

190090.102 Units (P.Y. 933188.305) of HDFC Cash Management Fund - Treasury Adv-DP-Ret- Weekly Dividend	1,922,164	9,410,626
<b>TOTAL</b>	<b><u>1,922,164</u></b>	<b><u>9,410,626</u></b>

Aggregate amount of unquoted investments	1,922,164	9,410,626
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(Amount in ₹)

**Note 14****CASH AND CASH EQUIVALENTS**

	As at 31st March, 2016	As at 31st March, 2015
Cash on hand	3,268	27,955
Balance with Banks	246,741	511,402
Cheques in hand	-	160,000
<b>TOTAL</b>	<b>250,009</b>	<b>699,357</b>

**Note 15****SHORT TERM LOANS AND ADVANCES**

(Unsecured and Considered Good)

Loan to Body Corporates	12,000,000	12,500,000
Others*	481,117	665,033
<b>TOTAL</b>	<b>12,481,117</b>	<b>13,165,033</b>

\*Note: Includes Prepaid Expenses and Advance to Employees

**Note 16****OTHER CURRENT ASSETS**

(Unsecured and Considered Good)

Interest Accrued	625,114	240,226
<b>TOTAL</b>	<b>625,114</b>	<b>240,226</b>

**Note 17****OTHER INCOME**

	For the Year ended 31st March, 2016	For the year ended 31st March, 2015
Interest Income	2,756,823	4,239,281
Dividend on Current Investment	298,833	40,895
Sundry Balances written back	53,225	3,448
Profit on Sale of Current Investment	5,887	-
Miscellaneous Income	120,000	120,000
<b>TOTAL</b>	<b>3,234,768</b>	<b>4,403,624</b>

**Note 18****EMPLOYEE BENEFITS**

Salaries and Wages	2,841,127	1,737,660
Contribution to Provident and Other Funds	150,752	152,760
Gratuity and Leave Encashment	487,116	(89,768)
Employees Welfare Expenses	140,071	73,769
<b>TOTAL</b>	<b>3,619,066</b>	<b>1,874,421</b>

**Note 19****FINANCE CHARGES**

Bank Charges	3,248	1,420
Interest Expenses	6,197	-
<b>TOTAL</b>	<b>9,445</b>	<b>1,420</b>

(Amount in ₹)

**Note 20****OTHER EXPENSES****Administration Expenses**

	For the Year ended 31st March, 2016	For the year ended 31st March, 2015
Advertisement Expenses	79,964	60,410
Auditor's Remuneration (Refer Note No 20.1)	91,600	89,888
Books and Periodicals	3,520	4,213
Director's Sitting Fees	10,000	-
Electricity Charges	67,830	74,313
Entertainment Expenses	10,150	25,727
Printing and Stationery	67,280	61,098
Legal and Professional Fees	4,051,272	1,063,822
Listing Fees	225,844	128,091
Postage and Telegram	244,473	137,256
Rent, Rates and Taxes	102,568	58,745
Repairs and Maintenance		
Building	16,800	37,069
Others	262,566	41,531
Service Tax	465,815	165,522
Security Charges	663,423	671,767
Share Transfer Expenses	67,371	68,623
Travelling Expenses	511,745	579,199
Others	40,104	458,156
<b>TOTAL</b>	<b><u>6,982,325</u></b>	<b><u>3,725,429</u></b>

**Note 20.1****Payment to Auditor's**

Statutory Audit Fees	91,600	89,888
<b>TOTAL</b>	<b><u>91,600</u></b>	<b><u>89,888</u></b>

**Note 21 CONTINGENT LIABILITIES**

- a) The Electricity Dept. Pondicherry has filed a special leave petition before the Supreme Court of India, challenging the findings of the Madras High Court in respect of demand towards Electricity Charges of ₹ 177,851,077 (includes interest of ₹ 121,085,645/-) since converted into a Civil Application. Subsequently the matter has been referred to Supreme Court, Lok Adalat, where it is pending for hearing and disposal. The Company has been legally advised that the case can be successfully contested/defended and hence no provision is made.

- b) The Company has not provided in the Accounts disputed claim of ₹ 13,400,000/- towards demurrage charges (in addition to interest on the said claim) relating to import of scrap for which the appeal before the Supreme Court is pending disposal. The Company has been advised that no liability will be fastened on the Company, based on the facts and circumstances of the case. However, an amount (along with Interest over the years) of ₹ 8,653,116 is lying deposited with HDFC in accordance with the directions of the Supreme Court vide order dated 18th November, 2008.

**Note 22** The Company has not been carrying on any operations. Hence information pursuant to AS-17 on "Segment Reporting" is not applicable to the Company.

**Note 23** The Company has suspended its operation. In view thereof and in consideration of prudence, the Company has not recognised Deferred Tax Asset in respect of set off of available losses and timing differences.

**Note 24** No provision for taxation is necessary, in view of the accumulated losses incurred over the years.

**Note 25 RELATED PARTY DISCLOSURES**

As Per Accounting Standard 18 (AS- 18) "Related Party Disclosures", the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

**i) Related Party with whom transactions have been taken place and relationships**

Name of the Related Party	Relationship
Prithviraj S. Parikh	Key Managerial Personnel (KMP)
Western Rolling Mills Private Limited	Enterprise over which relatives of KMP having control

**ii) Transactions during the year with related parties**

(Amount in ₹)

Particulars	Prithviraj S. Parikh	Western Rolling Mills Private Limited
1) Travelling Expense reimbursement	-	-
	(11,920)	(-)
2) Short Term Borrowings taken	360,000	-
	(2,421,445)	(-)
3) Short Term Borrowings repaid	360,000	-
	(2,421,445)	(-)

## iii) Balance as at 31st March, 2016

(Amount in ₹)

Particulars	WRM Private Limited (Formerly known as Western Rolling Mills Private Limited)
Long Term Borrowings	25,541,393 (25,541,393)

Note: Figures in brackets represents Previous Year's amount.

## Note 26 Earnings per share (EPS)

Particulars	For the Year ended	For the Year ended
	31st March, 2016	31st March, 2015
Net profit after tax attributable to Equity Shareholders in (In ₹)	(7,670,357)	(1,604,577)
Weighted Average number of equity shares outstanding during the year	5,396,468	5,396,468
Basic and Diluted Earnings per share (In ₹)	(1.42)	(0.30)
Face Value per equity share (In ₹)	10	10

## Note 27 EMPLOYEE BENEFITS OBLIGATIONS

As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below

**Defined Contribution Plans**

The Company offers its employees defined contribution plan in the form of provident fund, family pension fund and superannuation fund. Provident fund, family pension fund cover substantially for all regular employees. Contributions are paid during the year into separate funds. While both the employees and the Company pay predetermined contributions into the provident fund and pension fund, no fund has been created by the Company for gratuity. The Company's contribution to the provident fund and family pension fund has been charged to Statement of Profit and Loss.

**Contribution to Defined Contribution Plans, recognised as expense for the year is as under**

Particulars	2015-16	2014-15
Employer's Contribution to Provident Fund	78,614	87,116
Employer's Contribution to Pension Scheme	34,245	31,603
Employer's Contribution to ESIC	32,981	29,110

**Defined Benefit Plans**

The Company offers its employees defined benefit plans in the form of gratuity (a lump sum amount). Benefits under the defined benefit plans are based on years of service and the employees last drawn salary immediately before exit. The gratuity scheme covers substantially all regular employees. However the Company has not created any fund in accordance with the scheme. Commitments are actuarially determined at year end. On adoption of the revised Accounting Standard (AS15) on "Employee Benefits", Actuarial valuation is done based on "Projected Unit Credit Method". Gains and loss of changed actuarial assumptions are charged to Statement of Profit & Loss. The obligation for leave Encashment benefits is recognized in the manner similar to Gratuity.

The defined benefits as below:

- i) Reconciliation of fair value of assets and obligations

(Amount in ₹)

Particulars	Gratuity (Non funded)		Leave Encashment (Non funded)	
	2015-16	2014-15	2015-16	2014-15
Present value of obligation	1,540,868	1,337,526	145,584	110,610
Fair Value of Plan Assets	-	-	-	-
<b>Net Liability recognized in the Balance Sheet</b>	<b>1,540,868</b>	<b>1,337,526</b>	<b>145,584</b>	<b>110,610</b>

- ii) Reconciliation of opening and closing balances of fair value of Plan Assets

(Amount in ₹)

Particulars	Gratuity (Non funded)		Leave Encashment (Non funded)	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
Opening Balance	Nil	Nil	Nil	Nil
Expected Return	Nil	Nil	Nil	Nil
Contributions by the Company	Nil	Nil	Nil	Nil
Benefits paid	Nil	Nil	Nil	Nil
Actuarial Gain	Nil	Nil	Nil	Nil
Closing balance 31.03.16	Nil	Nil	Nil	Nil

The Company has not created any fund into which contributions are made. Hence furnishing of information on Return on Plan Assets does not arise.



## iii) Expenses recognised during the year

(Amount in ₹)

Particulars	Gratuity (Non funded)		Leave Encashment (Non funded)	
	2015-16	2014-15	2015-16	2014-15
Current Service Cost	94,852	71,516	(7,902)	(1,744)
Interest Cost	90,984	100,250	8,296	22,782
Expected Return on Plan Assets	-	-	-	-
Benefits paid directly	-	-	-	-
Net Actuarial (Gain)/loss	266,306	(87,369)	34,580	(195,204)
<b>Expense recognized in the Statement of Profit and Loss</b>	<b>452,142</b>	<b>84,397</b>	<b>34,974</b>	<b>(174,166)</b>

- iv) Actuarial calculations used to estimate defined benefit commitments and expenses are based on the following assumptions, which if changed, would affect the defined benefit commitment's size.

Particulars	Gratuity (Non Funded)		Leave Encashment (Non Funded)	
	2015-16	2014-15	2015-16	2014-15
Mortality table	IALM 2006-08	IALM 2006-08	IALM 2006-08	IALM 2006-08
	(Ultimate)	(Ultimate)	(Ultimate)	(Ultimate)
Rate of Discount applied	7.50%	7.50%	7.50%	7.50%
Expected Salary Escalation	7.00%	6.00%	7.00%	6.00%
Expected Return on plan assets	-	-	-	-

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

v) Amounts recognised in current year and previous four years

(Amount in ₹)

Particulars	31st March				
	2016	2015	2014	2013	2012
Gratuity					
Defined benefit obligation	1,540,868	1,337,526	1,253,128	1,069,646	1,196,777
Fair value of planned assets	-	-	-	-	-
(Surplus) / Deficit in the plan	1,540,868	1,337,526	1,253,128	1,069,646	1,196,777
Actuarial (gain) / loss on plan liabilities	266,306	(87,369)	27,790	(283,671)	(95,413)
Actuarial gain / (loss) on plan assets	-	-	-	-	-

vi) The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 15-16.

**Note 28** Additional Information as required under Section 186 (4) of the Companies Act, 2013 during the year

- (a) No Investment made in Body Corporate.  
 (b) No Guarantee is given by the Company.  
 (c) Loan given by the Company to Body Corporate or person is as under:

Name	Amount (In ₹)	Purpose
Richline Leasing & Finance Private Limited	12,000,000	General Corporate Purpose

**Note 29** The figures of the previous year have been reworked, regrouped, rearranged and reclassified, wherever necessary to conform to the current year presentation.

As per our report of even date  
 For **Chaturvedi & Shah**  
 (Firm Registration No. 101720W)  
 Chartered Accountants

For and on behalf of the Board of Directors

Sd/-  
**Amit Chaturvedi**  
 Partner  
 Membership No.103141

Sd/-  
**Prithviraj S. Parikh**  
 Director  
 (DIN: 00106727)

Sd/-  
**Hitesh V. Raja**  
 Director  
 (DIN: 02681574)

**Place** : Mumbai  
**Date** : 6<sup>th</sup> May, 2016

Sd/-  
**P. K. R. K. Menon**  
 Company Secretary  
 (F.C.S. - 1074)

Sd/-  
**B. N. Kamath**  
 Chief Financial Officer  
 (PAN: AESPK5610C)

**EASTCOAST STEEL LIMITED**

CIN :L27109PY1982PLC000199

**Regd. Office:** Cuddalore Road, Pillaiyakuppam Post, Bahour Commune, Pondicherry - 607 403.  
Tel.: 022-40750100, Fax No: 022-2204 4801, Email : esl@eastcoaststeel.com

**ATTENDANCE FORM**

Name of Shareholder	
Nmber of Equity Shares held	
Folio Number/ DP ID – Client ID	

I/we hereby record my / our presence at the 33<sup>rd</sup> Annual General meeting of the Company held at Cuddalore Road, Pillaiyarkuppam Post, Bahour Commune, Pondicherry – 607 403, on Saturday, 24th September, 2016 at 10:45 A.M.

Signature of the attending Member/ Proxy	
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- Note: 1. A shareholder/ Proxy holder wishing to attend meeting must bring the Attendance Slip to the meeting and hand it over at the entrance duly signed.
2. He / She is advised to bring along a copy of Annual Report to the meeting for reference.

**EASTCOAST STEEL LIMITED**

CIN :L27109PY1982PLC000199

**Regd. Office:** Cuddalore Road, Pillaiyakuppam Post, Bahour Commune, Pondicherry - 607 403.  
Tel.: 022-40750100, Fax No: 022-2204 4801, Email : esl@eastcoaststeel.com

**FORM NO. MGT-11 PROXY FORM**

(Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rule, 2014)

Name & Address of the Shareholder (IN BLOCK LETTERS)	
Email ID:	Folio No /DP ID- Client ID :
No. of Shares :	

I/We \_\_\_\_\_ being the member (s) of the above named company, hereby appointed :

1.	Name:	
	Address :	
	E-mail ID :	Signature :

Or Failing him/her

2.	Name:	
	Address :	
	E-mail ID :	Signature :

Or Failing him/her

3.	Name:	
	Address :	
	E-mail ID :	Signature :

as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 33<sup>rd</sup> Annual general meeting of the Company, to be held on Saturday, the 24th day of September, 2016 at Cuddalore Road, Pillaiyarkuppam Post, Bahour Commune, Pondicherry – 607 403 and at any adjournment thereof in respect of all resolution proposed to be passed therein as Under :

**P.T.O.**

Resolution No.	Resolution(s)	Vote	
		For	Against
<b>Ordinary Business : Ordinary Resolution</b>			
1	To consider and adopt the Audited Financial Statement of the Company for the Financial year ended 31 <sup>st</sup> March, 2016 and the Reports of the Board of Directors and Auditors thereon.		
2	Appointment of Shri Prithviraj S. Parikh holding DIN- 00106727 who retires by rotation.		
3	To ratify appointment of M/s. Chaturvedi & Shah having Firm Registration No. 101720W, Chartered Accountants as Statutory auditors and fix their remuneration for the financial year 2016-17.		

Signed on this day of \_\_\_\_\_ 2016

Signature of shareholder: \_\_\_\_\_

Signature of Proxy Holder(s) : \_\_\_\_\_

Signature across  
Revenue Stamp

Affix  
₹ 1  
Revenue  
Stamp

**Note:**

1. The Proxy must be lodged at the Regd. Office of the Company mentioned as above, not less than 48 hours before the time of Annual General Meeting.
2. The proxy need not be a Member of the Company.
3. In case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint-holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. This form of proxy confers authority to demand or joint in demanding a poll.
5. The submission by a member of this form of proxy will not preclude Member from attending in person and voting at the Meeting.

For Office Use Proxy No. :

Date of Receipt :