

NATHMALL GIRDHARILALL STEELS LIMITED

CIN: U27101WB1984PLC038271

P-1, HIDE LANE, 9TH FLOOR KOLKATA-700073

DIRECTOR'S REPORT

To,
The Shareholders of,
NATHMALL GIRDHARILALL STEELS LTD

Your Directors have pleasure in presenting Annual report together with the Audited Statement of the affairs of the Company for the financial year ended on 31st March, 2019.

FINANCIAL SUMMARY OR PERFORMANCE OF THE COMPANY:

(Amount. In INR 000, unless otherwise stated)

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Other Income	131925.80	17722.69
Less: Other Administrative Expenses	12797.69	2835.15
Total Income	119128.11	14887.54
Profit/ (Loss) Before Tax	119128.11	14887.54
Less: Current Tax	33000.00	3230.00
Deferred Tax	-34.35	-19.42
Profit/Loss for the Year	86162.46	11676.96
Profit /Loss carried to Balance Sheet	86162.46	11676.96

OPERATIONS

Your Directors are considering various proposals with respect to property development and are yet to conclude any deal in the matter.

TRANSFER TO RESERVES

The Company was not required to transfer any amount to Reserves.

CHANGES IN SHARE CAPITAL, IF ANY

During the Financial Year 2018-19, the share capital of the Company has not been changed as there was no allotment of equity shares under Private Placement/Preferential allotment/ Rights issue /Employee Stock Option Scheme of the Company.

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PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

No loan, Guarantees or Investments by the Company has been undertaken during the year. However, repayment of part of the existing loans were made during the year.

DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any equity shares carrying differential rights as stated in Rule 4(4) of Companies (Share Capital and Debenture Rules, 2014) during the year under reference.

DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS

The Company has not issued shares pursuant to section 62(1)(b) and Rule 12(9) of Companies (Share Capital and Debenture Rules, 2014) during the year under reference.

DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES

The Company has not issued sweat equity shares during the Financial Year as specified in Rule 8(13) of Companies (Share Capital and Debenture Rules, 2014) are to be given.

DIVIDEND

In view of the inadequate profits as well as for future endeavors of the Company, the board does not recommend any dividend for the year under reference.

MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR.

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

No contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2018-19 has been entered into and there were no related party transactions during the year.

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SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

SUBSIDIARY COMPANY:

As on March 31, 2019, the Company does not have any subsidiary.

AUDITOR & AUDIT REPORT:

At the Annual General Meeting of the Company held on 30th September, 2016 the Members had appointed M/s Saraf & Chandra, Chartered Accountants, as the Statutory Auditors of the Company for a period of five years commencing from the conclusion of the above stated Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2021.

CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of the business of the company.

RISK MANAGEMENT POLICY

The Board of Directors of the Company has developed and implemented a Risk Management Policy for the Company including identification therein of elements of risk, which may threaten the existence of the company.

EXPLANATION TO AUDITOR'S REMARKS

No qualification, reservation, adverse remark or disclaimer was made by the statutory auditor in his report and adequate explanations were given to the auditors wherever required.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL:

MANJU SARAF
NAMAN SARAF
SAJJAN MONDAL
NISITH RAY

During the year Mr. Nisith Ray (DIN: 00266905) was appointed as an Additional Director with effect from- 9th day of January, 2019.

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DISQUALIFICATION OF DIRECTOR:

None of the directors have been disqualified as on 31st March, 2019 from being appointed as a Director in terms of section 164 of the Companies Act, 2013.

STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

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

CORPORATE SOCIAL RESPONSIBILITIES (CSR)

The company's Net Profit for the Financial Year 2018-19 is Rs 8,61,62,460/- (Eight Crore Sixty One Lakhs Sixty Two Thousand Four Hundred and Sixty only) pursuant to which the provision of the Corporate Social Responsibilities as contained under the section 135 of the Companies Act, 2013 is applicable on the company. The board has initiated and formed a Corporate Social Responsibility Committee constituting 3 (Three) directors namely:-

SL No.	Name	Designation
1.	MANJU SARAF	Chairman
2.	NISITH RAY	Member
3.	SAJJAN MONDAL	Member

DEPOSITS

The following details of deposits, covered under Chapter V of the act:

- Deposits Accepted during the year: **NIL**
- Remained unpaid or unclaimed as at the end of the year: **NIL**
- Since there were no deposits undertaken by the Company, the question of making default in repayment does not arise.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The company has nothing to disclose the particulars u/s 134(3) of the Companies Act, 2013 and Rule 8(3) of Companies (Account) Rules, 2014 regarding Technology Absorption and energy Conservation. There is no Foreign Transaction in the company during the previous year.

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NUMBER OF MEETING OF THE BOARD:

During the year 2018-19, Six meetings of the Board of Directors of the company were convened and held.

SL No.	DATES OF BOARD MEETING
1	14/05/2018
2	11/07/2018
3	03/09/2018
4	05/10/2018
5	07/01/2019
6	09/01/2019

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

Company is not required to set up CSR committee under Sec 135 of the Companies Act, 2013.

DISCLOSURE ON ESTABLISHMENT OF A VIGIL MECHANISM

Company is not required to establish a Vigil Mechanism.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 134(5)(C) of the Companies Act, 2013, your directors state that;

- In the preparation of the annual accounts for the financial year ended 31st March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2019 and of the profit and loss of the company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis; and
- The company had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively. This will ensure legal compliance in all area of company operation.

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PARTICULARS OF EMPLOYEE:

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

WEB-LINK OF ANNUAL RETURN

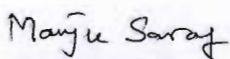
www.nathmallgirdharilall.com

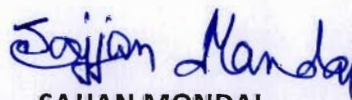
APPRECIATION:

The board wishes to place on record the appreciation of devoted services of the employees, who have largely contributed to the efficient management of your company. The Directors also place on record their appreciation for the continued support from the shareholders, the shareholders and other associates.

By Order of the Board

For NATHMALL GIRDHARILALL STEELS LTD. For NATHMALL GIRDHARILALL STEELS LTD


MANJU SARAF
(Director)
DIN: 00268659


SAJJAN MONDAL
(Director)
DIN: 02569641

Place: Kolkata
Date:30/05/2019



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NATHMALL GIRDHARILAL STEELS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Nathmall Girdharilal Steels Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.





Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matters
Valuation of Investments	
Refer to the accounting policies in Note 3(f) to the standalone financial statements read together with Use of estimates and judgements	
<p>Subjective estimate</p> <p>Evaluation of business model is subjective matter and impacts the classification of investments upon initial recognition and consequently the measurement of the same. Investments carried at fair value comprise:</p> <ul style="list-style-type: none"> Fair value through profit and loss (FVTPL) investments – Fair value through other comprehensive income (FVOCI) investments – <p>With effect of fair value adjustments may impact either the profit or loss or other comprehensive income.</p> <p>The valuation of investments measured at fair value entails significant management estimates and is based on a combination of observable market data and / or valuation techniques which are often based on unobservable inputs.</p>	<p>We performed audit procedure set out below</p> <p>Design / controls</p> <ul style="list-style-type: none"> Test checked the design, implementation and operating effectiveness of management's key internal controls over the valuation process and inputs. <p>Substantives tests</p> <ul style="list-style-type: none"> Read the investment agreements on a sample basis, to understand the relevant investment terms and identify any conditions that were relevant to the classification and valuation of investments; Assessed the appropriateness of the valuation methodology and test key inputs used such as pricing inputs and discount factors; Checked that valuation methodology was consistently followed and critically evaluated any change in valuation technique; Assessed whether the disclosures appropriately reflected the Corporation's exposure to





We identified determination of fair value of investments as a key audit matter because of the degree of subjectivity and judgement exercised by management in determining the inputs used in the valuation techniques and methodologies.	investment valuation risk with reference to the requirements of the prevailing accounting standards; <ul style="list-style-type: none">• Critically evaluated the reliability of inputs i.e. market observable / unobservable data to determine fair value of investments.
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Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statement

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate





accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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





- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to





communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other Legal and Regulatory Requirements

1. 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 accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of the Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of accounts.
 - d) In our opinion, the aforesaid financial statements comply with the Indian 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 31st March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our Report





expresses an unmodified opinion on the adequacy and effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of Section 197 (16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provision of Section 197 of the Act.

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

i. The Company does not have any pending litigations which would impact its financial position.

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

iii. There were no amounts which were required to be transferred by the Company to the Investor Education and Protection Fund.

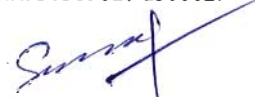
2. As required by the Companies (Auditor's Report) Order, 2016("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Place: Kolkata
Date: 30th May 2019

Address: 501 # Ashoka House
3A, Hare Street,
Kolkata - 700 001, W.B., India



For **SARAF & CHANDRA LLP**
Chartered Accountants
LLPIN: AAL-5216
FRN: 315096E / E300027


CA SUBHASH C. SARAF
Partner
M. No: 052244



ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 2 with the heading "Report on other legal and regulatory requirements" of our report of even date to the Members of **NATHMALL GIRDHARILAL STEELS LIMITED** on the financial statements for the year ended 31st March 2019:

- 1) a) The Company is in process of maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
b) According to the information & explanation given to us, the company has a phased programme of physical verification of its fixed assets where in our opinion, improvement is required having regard to the size of the company and the nature of its assets. In accordance with this programme, the fixed assets were physically verified by management during the year and no material discrepancies were identified during such verification, as informed to us.
c) According to the Information and explanations given to us, the title deeds of the immovable properties are held in the name of the Company.
- 2) According to the information and explanations given to us, inventories have been physically verified by the management at reasonable intervals and no material discrepancies were found.
- 3) In our opinion and according to the information and explanations given to us, the Company has granted unsecured loans to parties covered under register maintained under section 189 of the Companies Act, 2013.
 - i. The terms and conditions of the loans are not prejudicial to the interest of the Company;
 - ii. The receipt of the principal and interest are regular;
 - iii. There is no overdue amount for more than ninety days.
- 4) According to the information and explanations given to us, transactions of granting of Loans, making investments or giving guarantees and securities were generally in compliance of section 185 and 186 of the Companies Act, 2013 during the period under review.





- 5) As per the information and explanations provided to us, the Company has not accepted any Deposit from public and hence this clause is not applicable to the Company.
- 6) According to the information and explanation given to us, the Company is not required to comply with the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013.
- 7) According to the information & explanations given to us, the provisions of Employee's Provident Fund & Miscellaneous Provision Act, 1952 and Employees' State Insurance Scheme are not applicable to the Company for the year under review. In respect of the other statutory dues, the company is generally regular in depositing with appropriate authorities undisputed dues including income tax, trade license fee, municipal taxes, sales tax, and other local dues.
 - i. According to the information and explanation given to us, no disputed amount payable in respect of income tax, wealth tax, sales-tax, Value added tax, service tax, Goods and Service tax customs duty and excise duty or any material statutory dues were outstanding as at 31st March 2019 for a period more than six months from the date they became payable.
 - ii. According to the records of the company, there are no dues of sales tax, income-tax, customs tax/wealth tax, value added tax, service tax, Goods and Service tax, excise duty/cess which has not been deposited on account of any dispute.
- 8) According to the information and explanations given to us, the clause relating to default in repayment of dues to financial institutions/banks is not applicable for the reporting period.
- 9) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans.
- 10) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year, nor we have been informed of any such case by the Management.





- 11) According to the information and explanations given to us, the Company has not paid / provided for any managerial remuneration, hence this clause is not applicable for the reporting period.
- 12) According to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under this clause is not applicable.
- 13) According to the information and explanations given to us, the Company is generally in compliance with section 177 and 188 of the Act, where applicable, for transactions with related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review.
- 15) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors during the year under review.
- 16) According to the information and explanations given to us, the Company is required to take registration under Section 45-IA of the Reserve Bank of India Act, 1934.

Place: Kolkata
Date: 30th May 2019

Address: 501 # Ashoka House
3A, Hare Street,
Kolkata - 700 001, W.B., India



For **SARAF & CHANDRA LLP**
Chartered Accountants
LLPIN: AAL-5216
FRN: 315096E / E300027


CA SUBHASH C. SARAF
Partner
M. No: 052244



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NATHMALL GIRDHARILAL STEELS LIMITED

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

We have audited the internal financial controls over financial reporting of **NATHMALL GIRDHARILAL STEELS LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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





Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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.

Place: Kolkata
Date: 30th May 2019

Address: 501 # Ashoka House
3A, Hare Street,
Kolkata - 700 001, W.B., India



For SARAF & CHANDRA LLP
Chartered Accountants
LLPIN: AAL-5216
FRN: 315096E / E300027


CA SUBHASH C. SARAF
Partner
M. No: 052244

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NATHMALL GIRDHARILALL STEELS LTD

CIN: U27101WB1984PLC038271

BALANCE SHEET as at 31st March, 2019

(Amount in INR in 000, unless otherwise stated)

	Note No.	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	4	2,142.98	2,284.17
Financial Assets			
Investments	5	133,410.39	175,164.94
Deferred tax assets (Net)	14	128.29	154.71
Total Non Current Assets		<u>135,681.66</u>	<u>177,603.82</u>
CURRENT ASSETS			
Inventories	9	1,628.54	1,628.54
Financial Assets			
Trade Receivables	10	1,092.54	1,098.09
Cash and Cash Equivalents	11	21,571.10	1,682.61
Loans	6	149,022.84	46,224.42
Other Financial Assets	7	65,510.03	9,855.55
Current Tax Assets	8	-	-
Total Current Assets		<u>238,825.05</u>	<u>60,489.21</u>
TOTAL ASSETS		<u>374,506.71</u>	<u>238,093.03</u>
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	12	5,000.00	5,000.00
Other Equity	13	197,122.55	110,974.64
		<u>202,122.55</u>	<u>115,974.64</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred Tax Liabilities (Net)	14	-	-
Total Non Current Liabilities		<u>-</u>	<u>-</u>
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	16	136,498.48	102,952.68
Trade Payables	17	-	-
Total outstanding dues of creditors to micro enterprises and small enterprises		-	-
Total outstanding dues of creditor to other than micro enterprises and small enterprises		-	-
Other Financial Liabilities	18	1,980.35	16,029.88
Current Tax Liabilities (Net)	15	33,363.35	1,797.00
Other Current Liabilities	19	541.98	338.83
Total Current Liabilities		<u>172,384.16</u>	<u>122,118.39</u>
TOTAL EQUITY AND LIABILITIES		<u>374,506.71</u>	<u>238,093.03</u>

Company Overview, Basis of Preparation & Statement of Significant Accounting Policies 1, 2 & 3
The notes are integral part of these Financial Statements

This is the Statement of Balance Sheet referred to in our report of even date.

For SARAF & CHANDRA LLP
Chartered Accountants
LLPIN: AAL-5216
FRN: 315096E / E300027

CA SUBHASH C. SARAF
Partner
M. No: 052244
Kolkata, 30th day of May 2019



For and on behalf of Board of Director

For NATHMALL GIRDHARILALL STEELS LTD.

Manju Saraf
Director

MANJU SARAF
(Director)
DIN: 00268659

For NATHMALL GIRDHARILALL STEELS LTD.

Sajjan Mondal
Director

SAJJAN MONDAL
(Director)
DIN: 02569641

NATHMALL GIRDHARILALL STEELS LTD
CIN: U27101WB1984PLC038271
STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2019

(Amount in INR in 000, unless otherwise stated)

	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
INCOME			
Revenue from Operations	20	-	-
Other Income	21	131,925.80	17,722.69
TOTAL INCOME		131,925.80	17,722.69
EXPENSES			
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	22	-	-
Employee Benefits Expense	23	90.00	90.00
Finance Costs	24	11,391.02	1,803.62
Depreciation and Amortisation Expense	25	141.19	152.01
Other Expenses	26	1,175.48	789.52
TOTAL EXPENSES		12,797.69	2,835.15
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX		119,128.11	14,887.54
Exceptional Items	27	-	-
PROFIT/(LOSS) BEFORE TAX		119,128.11	14,887.54
TAX EXPENSE:	28		
Current Tax		33,000	3,230.00
Deferred Tax		(34.35)	(19.42)
PROFIT/(LOSS) FOR THE YEAR		86,162.46	11,676.96
Other Comprehensive Income / (Loss)			
Items that will not be reclassified to profit or loss (net of tax)	29	(15)	(217.94)
Other Comprehensive Income/(Loss) for the Year (Net of Tax)		(14.55)	(217.94)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		86,147.91	11,459.02
EARNING PER SHARE	30	(75.58)	
(i) Basic		172.32	23.35
(ii) Diluted		172.32	23.35

Company Overview, Basis of Preparation & Statement of Significant Accounting Policies 1, 2 & 3
The notes are integral part of these Financial Statements

This is the Statement of Profit and Loss referred to in our report of even date.

For **SARAF & CHANDRA LLP**
Chartered Accountants
LLPIN: AAL-5216
FRN: 315096E / E300027

CA SUBHASH C. SARAF
Partner
M. No: 052244
Kolkata, 30th day of May 2019



For and on behalf of Board of Director

For NATHMALL GIRDHARILALL STEELS LTD. For NATHMALL GIRDHARILALL STEELS LTD.

MANJU SARAF
(Director)
DIN: 00268659

SAJJAN MONDAL
(Director)
DIN: 02569641

NATHMALL GIRDHARILALL STEELS LTD
CIN: U27101WB1984PLC038271
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

(Amount in INR in 000, unless otherwise stated)

Particulars	2018-2019		2017-2018	
	Amount	Amount	Amount	Amount
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Exceptional Items & before Tax		119,128.10		14,887.55
Adjustments for :				
Depreciation & Amortisation	141.19		152.01	
Loss / (Profit) on Sale of Investment	(127,625.64)		(15,257.50)	
Interest Income	(4,171.62)		(2,094.79)	
Finance Cost	11,391.02		1,803.62	
Dividend Income	(56.54)		(82.40)	
Provision for doubtful debts/Advances and Advances written off(Net)	-	(120,321.59)	-	(15,479.06)
Operating Profit before working capital changes		(1,193.49)		(591.51)
Adjustments for :				
(Increase)/Decrease in Trade Receivables	5.55		(140.56)	
(Increase)/Decrease in Inventories	-		-	
(Increase)/Decrease in Loans, Other Financial Assets & Other Assets	(55,654.47)		(8,762.14)	
Increase/(Decrease) in Trade Payables & Other Liability	(13,846.38)		13,508.27	
Increase/(Decrease) in Provisions	-	(69,495.30)	-	4,605.57
Cash Generated from Operations		(70,688.79)		4,014.06
Direct Taxes (Paid)		1,387.43		3,937.30
Net Cash from operating activities		(72,076.22)		76.76
B) CASH FLOW FROM INVESTING ACTIVITIES				
Sale of Tangible Assets	-		-	
(Purchase)/ Sale of Liquid Investments (Net)	169,380.19		(84,053.98)	
(Increase)/Decrease in Investment in Subsidiary & Associates	(595.25)		(168.48)	
Loans to Corporates (Net)	(102,203.17)		5,499.29	
Interest Received	4,171.62		2,094.79	
Dividend Received	56.54		82.40	
Net cash used in Investing Activities		70,809.93		(76,545.98)
		(1,266.29)		(76,469.22)
C) CASH FLOW FROM FINANCING ACTIVITIES				
(Repayments)/Proceeds from Short Term Borrowings	32,545.80		77,923.63	
Interest paid	(11,391.02)		(1,803.62)	
Net Cash from/(used in) Financing Activities		21,154.78		76,120.01
Net Change in Cash and Cash Equivalents		19,888.49		(349.21)
Cash and Cash Equivalents - Opening Balance	1,682.61		2,031.82	
Cash and Cash Equivalents - Closing Balance	21,571.10		1,682.61	

Notes :

- Cash and cash equivalents consists of cash on Hand and balances with banks in current / Cash Credit accounts as per note 2.14
- The above Cash Flow Statement has been prepared under the "Indirect method" set out in Indian Accounting Standard (Ind AS) - 7 on Statement of Cash Flow.
- Previous year comparatives have been reclassified to confirm with current year's presentation, wherever applicable.
- Cash and cash equivalents consists of:

Particulars	2018-2019	2017-2018
Cash on hand	87.38	109.27
Bank Balance	21,483.72	1,573.34
Total	21,571.10	1,682.61

Company Overview, Basis of Preparation & Statement of Significant Accounting Policies 1, 2 & 3
The notes are integral part of these Financial Statements

This is the Cash Flow Statement referred to in our report of even date.

For SARAF & CHANDRA LLP
Chartered Accountants
LLPIN: AAL-5216
FRN: 315096E / E300027

CA SUBHASH C. SARAF
Partner
M. No: 052244
Kolkata, 30th day of May 2019



For NATHMALL GIRDHARILALL STEELS LTD.

Manju Saraf

MANJU SARAF
(Director)
DIN: 00268659

For and on behalf of Board of Director

For NATHMALL GIRDHARILALL STEELS LTD.

Sujan Mondal
Director

SAJAN MONDAL
(Director)
DIN: 02569641

NATHMALL GIRDHARILALL STEELS LTD

U27101WB1984PLC038271

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1. COMPANY OVERVIEW

Nathmall Girdharilall Steels Ltd. (hereinafter referred as "the Company") was incorporated on 11th December 1984. The Company has its registered office at Kolkata. The Company is involved in trading activities.

2. BASIS OF PREPARATION AND COMPLIANCE WITH IND AS

a) Statement of Compliance

These financial statements are prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules as amended from time to time and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 30th May 2019.

b) Basis of measurement

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain items that are measured at fair values/amortised cost, as explained in the accounting policies.

c) Functional and Presentation

The financial statements are presented in Indian Rupees (INR), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All financial information presented in INR has been rounded off to nearest thousands as per the requirement of Part II of Schedule III, unless otherwise stated.

d) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements. Paragraph 66 (c) of Ind AS 1 provides that an asset shall be classified as current when an entity expects to realise the asset within a period of twelve months after the reporting period. To determine the expectation of the entity, the commercial reality of the transaction are considered. If the loans have been given with an understanding that these loans be called for repayment and these are recoverable on demand, it is classified as current asset.

Paragraph 69 (c) of Ind AS 1 provides that a liability should be classified as current if the liability is due to be settled within twelve months after the reporting period. In cases where the loan/ inter- corporate deposit would become due immediately as and when demanded and presuming that the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period, it is classified as current.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

As Ind AS 115, Revenue from Contracts with Customers supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue recognition, and it applies to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which a Company expects to be entitled in exchange for transferring goods or services to a customer.

Significant judgments when applying Ind AS 115 - Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in



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exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

i. Interest income

Interest income from debt instruments which are accounted for at amortized cost is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

ii. Dividends

Dividend income is recognized in the statement of profit and loss only when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

iii. Sale of Service

Revenue from rendering services is recognized when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction. The outcome of a transaction can be estimated reliably when the amount of revenue, stage of completion of the transaction and cost incurred or to-be incurred, at the end of the reporting period can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the company.

b) Property, plant and equipment

i. Recognition and Measurement

PPE is recognized when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Property, plant and equipment acquired on hire purchase basis are recognized at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalized in accordance with the company's accounting policy.

ii. Subsequent costs and disposal

Subsequent expenditure relating to Property, Plant and Equipment is capitalized only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognized in the Statement of Profit and Loss.

iii. Capital-work-in-progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs (net of income) associated with the commissioning of an asset are capitalised until the period of commissioning has been completed and the asset is ready for its intended use.

iv. Depreciation, depletion and amortisation expense



Depreciation is recognized using written down value method so as to write off the cost of the assets (other than freehold land and properties under construction) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to/deductions from, owned assets is calculated pro rata to the period of use.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight line basis over the lease term. Where there is reasonable certainty that the company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the company for similar assets.

c) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

d) Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

e) Impairment of assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or



groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

f) Financial instruments

Transaction prices and fair value at initial recognition

As per Ind AS in many cases the transaction price, i.e. the price paid (received) for a particular asset (liability), will represent the fair value of that asset (liability) at initial recognition, (e.g. that might be the case when on the transaction date the transaction to buy an asset takes place in the market in which the asset would be sold). When determining whether fair value at initial recognition equals the transaction price, an evaluation is done by taking into account the factors specific to the transaction and to the asset or liability.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

From a measurement perspective, the initial fair value, required under Ind AS 109, should be based on Ind AS 113 principles. Ind AS 113 requires fair value of demand deposits to be at the amounts which can be demanded by the counterparty. Therefore, in case of deposit liability from customer, the entire amount of deposit that can be demanded by customer can be treated as the fair value. Therefore, no discounting would be required. Also, Ind AS 18 does not require interest accrual on advance payments from customers to be adjusted in the future sale consideration. On the same analogy discounting of current items are not done.

Financial assets and/or financial liabilities are recognized when the company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognized amounts and it is intended to either settle on net basis or to realize the asset and settle the liability simultaneously.

I. Financial assets:



NATHMALL GIRDHARILALL STEELS LTD

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Recognition: Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognized at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

- i. All recognized financial assets are subsequently measured in their entirety at amortised cost or at fair value depending on the classification of the financial assets as follows:
 - Investments in debt Instruments that are designated as fair value through profit or loss (FVTPL) - at fair value.
 - Other investments in debt instruments – at amortised cost, subject to following conditions:
The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- ii. Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (unless the same are designated as fair value through profit or loss)
 - a. The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
 - b. The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- iii. Investment in preference shares are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares not meeting the aforesaid conditions are classified as debt instruments at FVTPL.
- iv. Investments in equity instruments are classified as at FVTPL, unless the related instruments are not held for trading and the company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income.
- v. For financial assets that are measured at FVTOCI, income by way of interest, dividend and exchange difference (on debt instrument) is recognised in profit or loss and changes in fair value (other than on account of such income) are recognized in Other Comprehensive Income and accumulated in other equity. On disposal of debt instruments measured at FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case of equity instruments measured at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.
- II. Impairment of Financial Assets using Expected Credit Loss Model under Ind AS 109 – Trade Receivables
Ind AS 109 requires testing of impairment for certain financial asset under what is known as expected credit loss (ECL) model. This applies to debt instruments recorded at amortised cost or at fair value through other comprehensive income, such as loans, debt securities and trade receivables, lease receivables and most loan commitments and financial guarantee contracts.

ECL Model requires recognition of a provision for bad debt/ impairment for either 12- month or lifetime expected credit losses (ECLs), depending on whether there has been a significant increase in credit risk since initial recognition. The measurement of ECLs reflects a probability-weighted outcome, the time value of money and the best available forward-looking information.

Ind AS 109, provides an option for entities to work out their impairment provision based on a simplified approach. The simplified approach does not require the entities to track the changes in credit risk. Instead it requires the



recognition of lifetime ECLs at all times. For trade receivables or lease receivables, the entities has applied the simplified approach using a provision matrix as a practical expedient for determining ECL on trade receivables. For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

III. A financial asset is primarily derecognised when:

- i. the right to receive cash flows from the asset has expired, or
- ii. the company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the company has transferred substantially all the risks and rewards of the asset, or b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognised in profit or loss.

Classification of debt or equity

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

IV. Financial liabilities:

Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Borrowings, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

V. Equity Instruments:

Equity Instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

g) Borrowing costs

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options).

h) Leases

Determining whether an arrangement contains lease

At inception of an arrangement, the Company determines whether the arrangement is or contains a lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. Arrangements containing a lease have been evaluated as on the date of transition i.e. April 01, 2016 in accordance with Ind-AS 101 First-time Adoption of Indian Accounting Standard for finance or operating lease, on the basis of facts and circumstances existing as at that date.



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A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments.

Company as a lessee

Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset under Finance Lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the payments are structured to increase in line with general inflation to compensate for the lessor's expected inflationary cost increase.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

i) Inventories

Inventories are valued after providing for obsolescence, as under:

- Raw materials, components, construction materials, stores, spares and loose tools at lower of cost or net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.
- Manufacturing work-in-progress at lower of weighted average cost, including related overheads, or net realisable value. In the case of qualifying assets, cost also includes applicable borrowing costs vide policy relating to borrowing costs.
- Finished goods and stock-in-trade (in respect of goods acquired for trading) at lower of weighted average cost or net realisable value. Cost includes related overheads and duty paid/payable on such goods wherever applicable.

Assessment of net realisable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

j) Taxation

Tax expense represents the sum of current tax and deferred tax. Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years.



Deferred tax is provided using the balance sheet method, on all the temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, on carry forward of unused tax credits and unused tax loss. Deferred tax provision is subject to following exceptions:

- deferred income tax is not recognized on the initial recognition (including MAT) of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- deferred tax assets are recognized only to the extent that it is more likely than not that they will be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized outside profit or loss is recognised outside profit or loss (either in other comprehensive income or equity).

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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

k) Employee benefits

Short term employee benefits:

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service.

l) Provisions, contingent liabilities and contingent assets

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in profit or loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits are probable.



m) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

o) Exceptional Items:

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

p) Fair Value Measurement:

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

q) Critical accounting judgements and estimation uncertainty

The preparation of the financial statements in conformity with Ind AS requires the directors of the Company to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Impact on investments in joint venture and associates & Impact of changes in Related Party

On the transition date an assessment has been made w.r.t. Identification of Joint Ventures, Associates and Related Parties as per Ind AS vis a vis previous IGAAP. Based upon the assessment made by the management, the necessary reclassification has been made and has been disclosed accordingly. The following guiding factors have been evaluated for the purpose of arriving at an informed conclusion. As per Indian Accounting Standard (Ind AS 28), "Investments in Associates and Joint Ventures", there is a requirement of assessment that if an entity holds, directly or indirectly 20 per cent or more of the voting power of the investee, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case. Based on assessment of significant influence and terms of joint arrangement carried out by the Company under Ind AS the management is of the view that under the Indian Accounting Standard the conditions are not being met as a result, equity investment in these entities have been assessed to be carried at fair value through other comprehensive income. As per IND AS 24 dealing with RELATED PARTY DISCLOSURES, the Standard requires disclosure of related party relationships, transactions and outstanding balances, including commitments, in the consolidated and separate financial statements of a parent or investors with joint control of, or significant influence over, an investee presented in accordance with Ind AS 110, Consolidated Financial Statements, or Ind AS 27, Separate Financial Statements. This Standard also applies to individual financial statements. The guiding factor for the identification of the Related Parties have been made on below parameters.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely the legal form. In the context of this Standard, the following are not related parties:

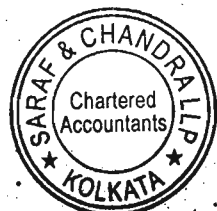
- (a) two entities simply because they have a director or other member of key management personnel in common or because a member of key management personnel of one entity has significant influence over the other entity.
- (b) two joint venturers simply because they share joint control of a joint venture.
- (c) (i) providers of finance,
 - (ii) trade unions,
 - (iii) public utilities, and
- (iv) departments and agencies of a government that does not control, jointly control or significantly influence the reporting entity, simply by virtue of their normal dealings with an entity (even though they may affect the freedom of action of an entity or participate in its decision making process).
- (d) a customer, supplier, franchisor, distributor or general agent with whom an entity transacts a significant volume of business, simply by virtue of the resulting economic dependence.

r) Segment Reporting

The management is of the view that the as per Ind AS 108 "Operating Segments" specified under section 133 of the Companies Act, 2013, there are no reportable operating segments applicable to the Company.

s) Recent Accounting Pronouncement

Ministry of Corporate Affairs ("MCA") has notified following amendments to Ind AS on March 30, 2019 which is effective for the annual period beginning on or after April 01, 2019:



Ind AS 116 Leases:

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees.

The Company will recognize a lease liability measured at the present value of the minimum lease payments. The right-of-use asset is recognised at its carrying amount as if the Standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

The Company will adopt Ind AS 116 effectively for the annual reporting period beginning April 1, 2019.

Except for the disclosure requirement, the new standard will not impact the company's financial statements, as most of the Company's leases are short term leases and the underlying assets is of low value.

Ind AS 12 - Appendix C, Uncertainty over Income Tax Adjustments

The amendment requires an entity to determine probability of the relevant tax authority accepting the uncertain tax treatment that the Company have used in tax computation or plan to use in their income tax filings.

Amendment to Ind AS 12 – Income taxes

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Ind AS 23 - Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is in the process of evaluating the requirements of the new standards / amendments as well as the impact of the same.



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STATEMENT OF CHANGE IN EQUITY
Statement of Change in Equity for the year ended 31st March, 2019

(Amount in INR in 000, unless otherwise stated)

a) Equity Share Capital

Balance as at 1st April 2017	5,000.00
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at 31st March 2018	5,000.00
Add/(Less): Changes in Equity Share Capital during the year	-
Balance as at 31st March 2019	<u>5,000.00</u>

b) Other Equity

Particulars	Reserve & Surplus			Other Comprehensive Income	Total
	Other Reserves	General Reserve	Retained Earnings	Equity instrument through Other Comprehensive Income	
Balance as at 31st March, 2017	2,037.53	900.00	97,970.13	32.15	100,939.81
Profit for the year	-	-	11,676.97	-	11,676.97
Other Comprehensive Income	-	-	-	(217.94)	(217.94)
Any other change	(1,424.17)	-	-	-	-
Total Comprehensive Income for the year	(1,424.17)	-	11,676.97	(217.94)	10,034.86
Dividends Paid	-	-	-	-	-
Dividend Distribution Tax for earlier year	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
Balance as at 31st March, 2018	613.36	900.00	109,647.10	(185.79)	110,974.67
Profit for the year	-	-	86,162.44	-	86,162.44
Other Comprehensive Income	-	-	-	(14.56)	(14.56)
Any other change	-	-	-	-	-
Total Comprehensive Income for the year	-	-	86,162.44	(14.56)	86,147.88
Dividends Paid	-	-	-	-	-
Dividend Distribution Tax for earlier year	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
Balance as at 31st March, 2019	613.36	900.00	195,809.54	(200.35)	197,122.55



CIN: U27101WB1984PLC038271

Notes to Financial Statements as on and for the year ended 31st March, 2019

(Amount in INR in 000, unless otherwise stated)

Particulars	Year Ended 31st March 2019							
	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount	
	As at 31st March 2018	Additions	Disposals	As at 31st March 2019	Depreciation charged during the year	Deductions		As at 31st March 2019
Buildings	2,528.45	-	-	2,528.45	136.73	-	437.87	2,090.58
Plant and Machinery	7.74	-	-	7.74	-	-	-	7.74
Furniture and Fittings	0.60	-	-	0.60	-	-	-	0.60
Vehicles	57.97	-	-	57.97	4.46	-	19.47	38.50
Office Equipments	5.25	-	-	5.25	-	-	-	5.25
Computer & Computer Software	0.31	-	-	0.31	-	-	-	0.31
Total	2,600.32	-	-	2,600.32	141.19	-	457.34	2,142.98

Particulars	Year Ended 31st March 2018						
	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount
	As at 1st April 2017	Additions	Disposals	As at 31st March 2018	Depreciation charged during the year	Deductions	
Buildings	2,528.45	-	-	2,528.45	155.38	-	2,227.31
Plant and Machinery	7.74	-	-	7.74	-	-	7.74
Furniture and Fittings	0.60	-	-	0.60	-	-	0.60
Vehicles	57.97	-	-	57.97	8.76	-	42.96
Office Equipments	5.25	-	-	5.25	-	-	5.25
Computer & Computer Software	0.31	-	-	0.31	-	-	0.31
Total	2,600.32	-	-	2,600.32	154.14	152.01	2,284.17



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Notes to Financial Statements as on and for the year ended 31st March, 2019

5 NON - CURRENT INVESTMENTS

(Amount in INR in 000, unless otherwise stated)

**INVESTMENTS AT FAIR VALUE THROUGH OTHER
COMPREHENSIVE INCOME**

Investments in quoted Equity Instruments

	As at 31st March 2019	As at 31st March 2018
	Qty Amount	Qty Amount
Coal India Ltd - 374 Shares	88.71	105.96
Essar India Ltd - 21,900 Shares	1,134.42	1,134.42
Gee Ltd - 150 Shares	5.25	6.19
JBF Industries Ltd - 2,500 Shares	51.13	209.88
Karuturi Global Ltd - 10,000 Shares	15.50	20.50
Manapuram General Finance - 7,162 Shares	375.90	181.48
MOIL Ltd - 4,303 Shares	682.89	841.88
Mutuoot Finance Ltd - 1,057 Shares	650.69	430.67
Suzlon Energy Ltd - 6,000 Shares	36.90	64.20
The Ganges Rope Co. Ltd - 12,197 Shares	390.30	390.30

Investments in Unquoted Equity Instruments

- Anumegha Commotarde (P) Ltd. - 320,000 Shares	320.00	320.00
- Apollo Housing (P) Ltd. - 7,340 Shares	367.00	367.00
- Aryan Mining & Trading Corp (P) Ltd - 300,434 Shares	110,938.07	152,738.84
- Aryavansh Consultancies (P) Ltd. - 320,000 Shares	320.00	320.00
- Atultech Merchants (P) Ltd. - 320,000 Shares	320.00	320.00
- Baruni Commodities (P) Ltd. - 7,780 Shares	389.00	389.00
- Basuden Housing (P) Ltd - 1,000 Shares	19.00	19.00
- Choraria Enterprises (P) Ltd. - 320,000 Shares	320.00	320.00
- Dimple Vincom (P) Ltd. - 9,000 Shares	90.00	90.00
- Dover Properties (P) Ltd - 583,333 Shares	2,404.24	2,404.24
- Gananya Properties (P) Ltd - 7,340 Shares	367.00	367.00
- Ganhitya Housing (P) Ltd - 15,000 Shares	150.00	150.00
- Gembwell Distributors (P) Ltd - 6,200 Shares	310.00	310.00
- Hastings Tower (P) Ltd - 28,000 Shares	700.00	700.00
- Ishma Financial Services (P) Ltd - 19,970 Shares	199.70	199.70
- Jaidka Motors Limited - 9,900 Shares	-	-
- Jyestha Commotrade (P) Ltd. - 320,000 Shares	320.00	320.00
- Kalyani Alloy Castings Ltd. - 125,000 Shares	250.00	250.00
- Koira Minerals Limited - 20 Shares	41.66	41.66
- Lifestyle Furnishings (P) Ltd - 10,000 Shares	100.00	100.00
- Oscar Housing (P) Ltd - 145,000 Shares	-	-
- Palmgrove Estate (P) Ltd - 7,340 Shares	367.00	367.00
- Panchanan Trading (P) Ltd - 22,000 Shares	41.00	41.00
- Ramgopal Mahadeo Estates (P) Ltd - 14,000 Shares	630.00	630.00
- Rivergrove Dealers (P) Ltd - 9,700 Shares	35.00	35.00
- Rivergrove Tradelink (P) Ltd - 9,700 Shares	371.00	371.00
- Sukhi Dealers (P) Ltd - 6,500 Shares	65.00	65.00
- Suverna Properties (P) Ltd - 7,220 Shares	361.00	361.00
- Rajaram Estates (P) Ltd - 16,070 Shares	160.70	160.70
- SKA Property Nirman (P) Ltd - 450,000 Shares	4,500.00	4,500.00
- Suvira Properties (P) Ltd - 34,000 Shares	4,420.00	4,420.00
- Sumanti Projects Ltd - 121,000 Shares	1,072.33	1,072.33
- Yummy Commerce (P) Ltd - 9,600 Shares	30.00	30.00
	133,410.39	175,164.95

Aggregate amount of quoted investments

3,431.69

3,385.48

Aggregate market value of quoted investments

3,431.69

3,385.48

Aggregate amount of unquoted investments

129,978.70

171,779.47

**Aggregate amount of impairment in value of
investments**



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Notes to Financial Statements as on and for the year ended 31st March, 2019

	Refer Note No.	Long Term		Short Term	
		As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
6 LOANS					
Security Deposit					
Unsecured, considered good		-	-	-	-
Loans to related parties					
Unsecured, considered good	6.1	-	-	4,416.25	3,821.00
Other Loans and Advances, unsecured, considered good unless otherwise mentioned					
Loan to Employees		-	-	-	-
Loans to Companies/ Firm	6.1	-	-	144,606.58	42,403.42
Total Loans		-	-	149,022.83	46,224.42

6.1 Loans to Related parties/ Companies/ Firm are given for general business purpose and payable on demand.

	Long-term		Short-term	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
7 OTHER FINANCIAL ASSETS				
Others Receivable	-	-	65,510.03	9,855.55
	-	-	65,510.03	9,855.55

8 TAX ASSETS (NET)

Advance Income Tax & TDS
Income Tax Refundable

As at 31st March 2019	As at 31st March 2018
--------------------------	--------------------------

-	-
-	-
-	-

9 INVENTORIES

(As valued and certified by the Management)

Stock of Land

As at 31st March 2019	As at 31st March 2018
--------------------------	--------------------------

1,628.54	1,628.54
1,628.54	1,628.54

10 TRADE RECEIVABLES

Trade Receivables

Less: Provision for Doubtful Receivables

Total Trade Receivables

As at 31st March 2019	As at 31st March 2018
--------------------------	--------------------------

1,109.18	1,109.18
1,109.18	1,109.18
16.64	11.09
1,092.54	1,098.09



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Notes to Financial Statements as on and for the year ended 31st March, 2019

Break Up of Security Details

Secured, considered good		
Unsecured, considered good	1,109.18	1,109.18
Doubtful	-	-
	<u>1,109.18</u>	<u>1,109.18</u>
Less: Provision for Doubtful Receivables	16.64	11.09
Total Trade Receivables	<u>1,092.54</u>	<u>1,098.09</u>

As at 31st March 2019 **As at 31st March 2018**

11 CASH AND CASH EQUIVALENTS

Balances With Banks :		
In Current Account	21,483.72	1,573.34
In Cash Credit Account	-	-
Cash in Hand	87.38	109.27
	<u>21,571.10</u>	<u>1,682.61</u>

As at 31st March 2019		As at 31st March 2018	
No. of Shares	Amount	No. of Shares	Amount

12 EQUITY SHARE CAPITAL

12.1 Authorised Share Capital

Equity Shares:

Ordinary Shares of ₹ 10/- each

500,000	5,000.00	500,000	5,000.00
<u>500,000</u>	<u>5,000.00</u>	<u>500,000</u>	<u>5,000.00</u>

12.2 Issued Share Capital

Ordinary Shares of ₹10/- each

500,000	5,000.00	500,000	5,000.00
<u>500,000</u>	<u>5,000.00</u>	<u>500,000</u>	<u>5,000.00</u>

12.3 Subscribed and Paid-up Share Capital

Ordinary Shares of ₹10/- each fully paid-up

500,000	5,000.00	500,000	5,000.00
<u>500,000</u>	<u>5,000.00</u>	<u>500,000</u>	<u>5,000.00</u>

12.4 Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

12.5 Terms/ Rights attached to Equity Shares :

The Company has only one class of issued shares i.e. Ordinary Shares having par value of ₹ 10/- per share. Each holder of Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

12.6 Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

12.7 Details of Equity Shareholders holding more than 5% shares in the Company

As at 31st March 2019		As at 31st March 2018	
No. of Shares	% Holding	No. of Shares	% Holding

Ordinary Shares of ₹ 10/- each fully paid

NIL

NIL

No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment

12.8 as at the Balance Sheet date.

12.9 No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

12.10 No calls are unpaid by any Director or Officer of the Company during the year.



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Notes to Financial Statements as on and for the year ended 31st March, 2019

	Refer Note No.	As at 31st March 2019	As at 31st March 2018
13 OTHER EQUITY			
General Reserve	13.1	900.00	900.00
Retained Earnings	13.2	196,422.90	110,260.45
Other Reserves	13.3	(200.35)	(185.79)
		197,122.55	110,974.66

a) General Reserve: The reserve arises on transfer portion of the net profit pursuant to the earlier provisions of Companies Act 1956.

b) Retained Earnings: Retained earnings represent accumulated profits earned by the Company and remaining undistributed as on date.

	As at 31st March 2019	As at 31st March 2018
13.1 General Reserve		
Balance at the beginning and at the end of the year	900.00	900.00
13.2 Retained Earnings		
Balance at the beginning of the year	110,260.45	100,007.65
Add: Other Comprehensive Income arising from remeasurement of defined benefit obligation (net of tax)	-	-
Add: Profit for the year	86,162.45	11,676.97
Add: Reclassification of financial instruments from OCI to Retained Earnings	-	-
Add: Transaction with owner	-	(1,424.17)
	196,422.90	110,260.45
Less: Appropriation		
Final Dividend	-	-
Dividend Distribution Tax for earlier years	-	-
Dividend Distribution Tax on Final Dividend	-	-
General Reserve	-	-
	196,422.90	110,260.45
Balance at the end of the year	196,422.90	110,260.45
13.3 Other Reserves		
Equity Instrument through Other Comprehensive Income		
Balance at the beginning of the year	(185.79)	32.15
Add/(Less): Change in Fair Value	46.22	(293.52)
Add/(Less): Deferred Tax	(60.77)	75.58
Balance at the end of the year	(200.34)	(185.79)
Total Other Reserve	(200.34)	(185.79)
Total Reserve & Surplus	197,122.55	110,974.66



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Notes to Financial Statements as on and for the year ended 31st March, 2019

14 DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liabilities

Arising on account of :

Reclassification of Items to OCI

Others

Less: Deferred Tax Assets

Arising on account of :

MAT Credit Entitlement

Reclassification of Items to OCI

Property, Plant & Equipments & Intangible Assets

Section 43B of Income-tax Act

Unabsorbed Depreciation/ Carried Forward Business Losses 14.1

As at
31st March 2017

As at
31st March 2018

-	-
-	-
-	-
-	-
-	-
12.02	72.79
111.94	79.07
4.33	2.86
-	-
-	-
128.29	154.72

Deferred Tax Liabilities (Net)

(128.29) (154.72)

14.1 In assessing the realizability of the deferred tax assets, the management considers whether some portion or all of the deferred tax

14.2 Movement in deferred tax asset and deferred tax liabilities during the year ended 31st March, 2018 and 31st March, 2019

Particulars	As at 1st April, 2017	Recognized in Statement of Profit & Loss	Recognized in Other Comprehensiv e Income	As at 31st March, 2018
Deferred Income Tax Liabilities				
Reclassification of Items to OCI	-	-	-	-
Others	-	-	-	-
Deferred Income Tax Assets				
MAT Credit Entitlement	-	72.79	-	72.79
Reclassification of Items to OCI	-	-	-	79.07
Property, Plant & Equipments & Intangible Assets	-	(2.86)	-	2.86
Provision for Doubtful Debts (ECL Model)	-	-	-	-
Items u/s 43B of the Income Tax Act, 1961	-	-	-	-
Unabsorbed Depreciation/ Carried Forward Business Losses	-	154.71	-	154.71
	-	224.64	-	309.43

Particulars	As at 31st March, 2018	Recognized in Statement of Profit & Loss	Recognized in Other Comprehensiv e Income	As at 31st March, 2019
Deferred Income Tax Liabilities				
Property, Plant & Equipments & Intangible Assets	-	-	-	-
Reclassification of Items to OCI	-	-	-	-
Others	-	-	-	-
Deferred Income Tax Assets				
MAT Credit Entitlement	72.79	(72.79)	-	-
Reclassification of Items to OCI	-	-	(72.79)	72.79
Property, Plant & Equipments & Intangible Assets	2.86	(76.21)	-	79.07
Provision for Doubtful Debts (ECL Model)	-	(2.86)	-	2.86
Items u/s 43B of the Income Tax Act, 1961	-	-	-	-
Unabsorbed Depreciation/ Carried Forward Business Losses	154.71	(154.71)	-	-
	230.36	(306.57)	(72.79)	154.72



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Notes to Financial Statements as on and for the year ended 31st March, 2019

- 14.3** Deferred Tax Assets and Deferred Tax Liabilities have been offset wherever the Company has a legally enforceable right to sell off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.

		Short-term	
		As at	As at
		31st March 2019	31st March 2018
15 CURRENT TAX LIABILITIES (NET)			
Provision for tax (Net of Advance Tax)		33,363.35	1,797.00
		33,363.35	1,797.00
16 SHORT TERM BORROWINGS			
Secured			
Loan from Others			
Repayable on demand (Secured)		136,498.48	103,952.68
Unsecured			
Loan from Banks			
Short Term Loan		136,498.48	103,952.68
17 TRADE PAYABLES			
Trade Payables for goods and services			
Total outstanding dues of creditors to micro enterprises and small enterprises		-	-
Total outstanding dues of creditor to other than micro enterprises and small enterprises		-	-
		-	-
18 OTHER CURRENT FINANCIAL LIABILITIES			
Liabilities towards miscellaneous purchases / services		1,980.35	629.88
Security Deposits		-	1,000.00
Others		-	14,400.00
		1,980.35	16,029.88
19 OTHER CURRENT LIABILITIES			
Statutory Dues Payable		391.98	188.83
Advances Received from Customers		150.00	150.00
		541.98	338.83



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Notes to Financial Statements as on and for the year ended 31st March, 2019

20 REVENUE FROM OPERATIONS

Sale of Finished Goods

Other Operating Revenues

For the year ended 31st March 2019	For the year ended 31st March 2018
--	--

-	-
-	-
-	-
-	-

21 OTHER INCOME

Interest Income at amortised cost

On Income Tax Refund

On Inter Corporate Deposits and Others

For the year ended 31st March 2019	For the year ended 31st March 2018
--	--

-	11.48
4,171.82	2,089.92

Dividend Income

On equity investment

56.54	82.40
-------	-------

Other Non Operating Income

Rent

Profit on Sale of Shares(LT without STT)

Profit on Sale of Shares(LT with STT)

72.00	288.00
2,087.49	15,257.50
125,538.15	-
131,925.80	17,722.70

22 (INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS,WORK-IN-PROGRESS AND TRADED GOODS

Inventories at the end of the year

Land

For the year ended 31st March 2019	For the year ended 31st March 2018
--	--

1,628.54	1,628.54
1,628.54	1,628.54

Inventories at the beginning of the year

Land

1,628.54	1,628.54
1,628.54	1,628.54

Total changes in inventories of work-in-progress, stock-in-trade and finished goods

-	-
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Notes to Financial Statements as on and for the year ended 31st March, 2019

	For the year ended 31st March 2019	For the year ended 31st March 2018
23 EMPLOYEE BENEFITS EXPENSE		
Salaries & Wages	90.00	90.00
Contribution to Provident Funds and Others	-	-
Contribution to Gratuity Fund	-	-
Contribution to Superannuation Fund	-	-
Staff Welfare Expenses	-	-
	90.00	90.00
Less: Transferred to Bearer Plant	-	-
	90.00	90.00
	For the year ended 31st March 2019	For the year ended 31st March 2018
24 FINANCE COSTS		
Interest Expense		
Other Financial Charges	11,391.02	1,803.62
	11,391.02	1,803.62
Less: Amount Capitalised	-	-
	11,391.02	1,803.62
	For the year ended 31st March 2019	For the year ended 31st March 2018
25 DEPRECIATION AND AMORTIZATION EXPENSES		
On Tangible Assets	141.19	152.01
	141.19	152.01
	For the year ended 31st March 2019	For the year ended 31st March 2018
26 OTHER EXPENSES		
Rent	247.96	249.24
Rates & Taxes	325.82	69.80
Repair & Maintenance Expense	29.89	43.51
Printing & Stationery	9.43	8.25
Auditors' Remuneration -		
<u>Statutory Auditors -</u>		
Audit Fees	47.20	40.00
Issue of Certificates	-	-
Reimbursement of Expenses	-	-
Legal & Professional Fees	249.10	173.55
Advertisement	49.62	45.10
Listing Fees	29.50	11.80
Provision for doubtful advances	5.55	1.42
Travelling Expenses	6.02	4.27
Telephone Charges	122.88	124.87
Bank Charges	1.95	1.26
Other Miscellaneous Expenses	50.57	16.45
	1,175.49	789.52



NATHMALL GIRDHARILALL STEELS LTD
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Notes to Financial Statements as on and for the year ended 31st March, 2019

27 EXCEPTIONAL ITEMS

For the year ended 31st March 2019	For the year ended 31st March 2018
-	-
-	-

28 TAX EXPENSE

Current Tax
Deferred Tax

For the year ended 31st March 2019	For the year ended 31st March 2018
33,000.00	3,230.00
(34.35)	(19.42)
32,965.65	3,210.58

29 OTHER COMPREHENSIVE INCOME

Items that will not be reclassified to profit or loss

Remeasurement of the defined benefit plans
Tax expense on the above

Equity Instruments through Other Comprehensive
Income
Tax expense on the above

For the year ended 31st March 2019	For the year ended 31st March 2018
-	-
-	-
46.22	(293.52)
(60.77)	75.58
(14.55)	(217.94)

30 Earnings per Share

Nominal Value of Equity Shares (Rs.)
Profit attributed to the Equity shareholders of the Company
Weighted average number of equity shares
Basis and diluted earning per shares (Rs.)

10.00	10.00
86,162.45	11,676.97
500.00	500.00
172.32	23.35

There are no dilutive equity shares in the Company.



NATHMALL GIRDHARILALL STEELS LTD

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Notes to Financial Statements as on and for the year ended 31st March, 2019

(Amount in INR in 000, unless otherwise stated)

31 Contingent Liabilities, Contingent Assets & Commitment to the extent not provided for:

31.1 Contingent Liabilities

Sl. No.	Particulars	As at 31 st March 2019	As at 31 st March 2018
A	Claims/Disputes/Demands not acknowledged as debts -		
i.	Income Tax under appeal	-	-
ii.	Sales Tax under appeal (Total amount paid under protest)	-	-
iii.	Claims of Creditors & workers	-	-
iv.	Provident Fund Damages	-	-
v.	Lease Rent	-	-

31.2 Commitments

Sl. No.	Particulars	As at 31 st March 2019	As at 31 st March 2018
i.	Estimated amount of contracts remaining to be executed on Capital Account (net of advances)	-	-

32 Assets pledged as security

The carrying amounts of assets pledged as security for current are:

Particulars	Refer Note No.	As at 31 st March 2019	As at 31 st March 2018
Current			
Financial assets			
First charge			
Trade Receivables		-	-
Floating charge			
Cash and cash equivalents		-	-
Other Current Assets		-	-
Non-financial assets			
First charge			
Inventories		-	-
Total current assets pledged as security		-	-
Non-current			
First charge			
Freehold land & Plantation		-	-
Freehold buildings		-	-
Furniture, fittings and equipment acquired under finance lease		-	-
Total non-currents assets pledged as security		-	-
Total assets pledged as security		-	-



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Notes to Financial Statements as on and for the year ended 31st March, 2019

- 33 Disclosure as required under the micro, small and medium enterprises development act, 2006, to the extent ascertained, and as per notification number GSR 679 (E) dated 4th September, 2015

Sl. No.	Particulars	As at 31 st March 2019	As at 31 st March 2018
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year.	-	-
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

34 Related Party Disclosures**34.1 Name of the related parties and description of relationship****A Key Management Personnel**

- Sri Naman Saraf
- Sri Sajjan Mondal
- Smt. Manju Saraf

34.2 Key Management Personnel compensation

Particulars	ended 31 st March	ended 31 st March
Short-term employee benefits	-	-
Post-employment benefits	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
Total compensation	-	-

35 Segment Reporting

The management is of the view that the as per Ind AS 108 "Operating Segments" specified under section 133 of the Companies Act, 2013, there are no reportable operating segments applicable to the Company.



NATHMALL GIRDHARILALI STEELS LTD

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Notes to Financial Statements as on and for the year ended 31st March, 2019

36 Fair Value Measurement

Categories of Financial Assets & Financial Liabilities as at 31st March 2019 and 31st March 2018

Particulars	31st March 2019			31st March 2018		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investment						
- Equity Instruments	-	133,410.39	-	-	175,164.94	-
Trade Receivables	-	-	1,092.54	-	-	1,098.09
Cash and Cash Equivalents	-	-	21,571.10	-	-	1,682.61
Loans to Employees	-	-	-	-	-	-
Loans to Related Parties	-	-	4,416.25	-	-	3,821.00
Loans to Companies/ Firm	-	-	144,606.58	-	-	42,403.42
Security Deposits	-	-	-	-	-	-
Other Financial Assets	-	-	65,510.03	-	-	9,855.55
Total Financial Assets	-	133,410.39	237,196.50	-	175,164.94	58,860.67
Financial Liabilities						
Borrowings	-	-	136,498.48	-	-	103,952.68
Trade Payables	-	-	-	-	-	-
Other Financial Liabilities	-	-	1,980.35	-	-	16,029.88
Total Financial Liabilities	-	-	138,478.83	-	-	119,982.56

37 Fair Values of Financial Assets and Financial Liabilities measured at Amortised Cost

37.1 The following is the comparison by class of the carrying amounts and fair value of the Company's financial instruments that are measured at amortized cost:

Particulars	31st March 2019		31st March 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Trade Receivables	1,092.54	1,092.54	1,098.09	1,098.09
Cash and Cash Equivalents	21,571.10	21,571.10	1,682.61	1,682.61
Loans to Employees	-	-	-	-
Loans to Related Parties	4,416.25	4,416.25	3,821.00	3,821.00
Loans to Companies/ Firm	144,606.58	144,606.58	42,403.42	42,403.42
Security Deposits	-	-	-	-
Other Financial Assets	65,510.03	65,510.03	9,855.55	9,855.55
Total Financial Assets	65,510.03	65,510.03	58,860.67	58,860.67
Financial Liabilities				
Borrowings	136,498.48	136,498.48	103,952.68	103,952.68
Trade Payables	-	-	-	-
Other Financial Liabilities	1,980.35	1,980.35	16,029.88	16,029.88
Total Financial Liabilities	138,478.83	138,478.83	119,982.56	119,982.56

37.2 The management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

37.3 For Financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair values.

37.4 The fair value of the financial assets and financial liabilities is included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

38 Fair Value Hierarchy

38.1 Financial Instrument

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the tables.



NATHMALL GIRDHARILALL STEELS LTD

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Notes to Financial Statements as on and for the year ended 31st March, 2019

Assets and Liabilities measured at Fair Value - recurring fair value measurements

As at 31st March 2019 and 31st March 2018

Particulars	31st March 2019			31st March 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investment						
- Equity Instruments	3,431.69	-	129,978.70	3,385.47	-	171,779.47
Total Financial Assets	3,431.69	-	129,978.70	3,385.47	-	171,779.47

38.2 During the year ended March 31, 2019 and March 31, 2018 there are no transfers between level 1, level 2 and level 3.

38.3 Explanation to the fair value hierarchy

The Company measures financial instruments, such as, quoted investments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 38.3.1 **Level 1** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.
- 38.3.2 **Level 2** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- 38.3.3 **Level 3** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration included in level 3.

39 Financial Risk Management Objective (Ind AS 107)

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The Company's financial assets comprises of trade and other receivables, loans, investments and cash cash equivalents that derive directly from its operations.

Financial management of the Company has been receiving attention of the top management of the Company. The management considers finance as the lifeline of the business and therefore, financial management is carried out meticulously on the basis of detailed management information systems and reports at periodical intervals extending from daily reports to long-term plans. Importance is laid on liquidity and working capital management with a view to reduce over-dependence on borrowings and reduction in interest cost. Various kinds of financial risks and their mitigation plans are as follows:

39.1 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations leading to financial loss. The Company has an established credit policy and a credit review mechanism. Credit exposure is undertaken only with large reputed business houses and with no history of default against payments. Based on the business model, macro economic environment of the business and past trends, the management has determined nil percentage for any class of financial asset under expected credit loss.

39.2 Liquidity Risk

The Company determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.

The Company manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position.



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Notes to Financial Statements as on and for the year ended 31st March, 2019

39.2.1 Maturity Analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities as at 31st March 2019

a	Particulars	On Demand	Less than 6 months	6 months to 1 year	More than 1 year	Total
	Borrowings					
	Term loan from Others	-	-	-	-	-
	Loans repayable on demand	136,498.48	-	-	-	136,498.48
	Short term loan	-	-	-	-	-
	Trade payables	-	-	-	-	-
	Other financial liabilities	1,980.35	-	-	-	1,980.35
	Total	138,478.83	-	-	-	138,478.83

b The following are the remaining contractual maturities of financial liabilities as at 31st March 2018

	Particulars	On Demand	Less than 6 months	6 months to 1 year	More than 1 year	Total
	Borrowings					
	Term loan from Others	-	-	-	-	-
	Loans repayable on demand	103,952.68	-	-	-	103,952.68
	Short term loan	-	-	-	-	-
	Trade payables	-	-	-	-	-
	Other financial liabilities	1,629.88	-	-	-	1,629.88
	Total	105,582.56	-	-	-	105,582.56

39.3 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three type of risks: Foreign Exchange Risk, Interest Rate Risk and Other Price Risk.

39.3.1 Foreign Exchange Risk

Foreign Exchange Risk is the exposure of the Company to the potential impact of movements in foreign exchange rates. The management has assessed that exposure of the Company in foreign currency at the end of the year is Rs. Nil (2018: Rs. Nil)

39.3.2 Interest Rate Risk

The Company is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating Interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate.

The Company is also exposed to interest rate risk on surplus funds parked in fixed deposits and loans. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

a Exposure to interest rate risk

Particulars	31st March 2019	31st March 2018
Fixed Rate Instruments		
Financial Assets	144,606.58	42,403.42
Financial Liabilities	-	-
	144,606.58	42,403.42
Variable Rate Instruments		
Financial Assets	-	-
Financial Liabilities	136,498.48	103,952.68
	136,498.48	103,952.68



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Notes to Financial Statements as on and for the year ended 31st March, 2019

40 Capital Management

The Company objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic Investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings less investments and cash and cash equivalents) to equity ratio is used to monitor capital.

Particulars	31st March 2019	31st March 2018
Net Debt	(18,483.01)	(72,894.88)
Total Equity	202,122.55	115,974.66
Net Debt to Equity Ratio	(0.09)	(0.63)

41 Trade Receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined.

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

As at 31st March 2019

Ageing Schedule	6 months	6 months to 1 year	1 year to 2 year	2 years to 3 years	Above 3 years	Total
Gross Carrying Amount	-	1,109	-	-	-	1,109
Expected Loss rate	1.00%	1.50%	2.00%	2.50%	3.00%	
Expected Credit Loss	-	17	-	-	-	17

As at 31st March 2018

Ageing Schedule	6 months	6 months to 1 year	1 year to 2 year	2 years to 3 years	Above 3 years	Total
Gross Carrying Amount	1,109	-	-	-	-	1,109
Expected Loss rate	1.00%	1.50%	2.00%	2.50%	3.00%	
Expected Credit Loss	11	-	-	-	-	11

- 42 Loans, Other Financial Assets and Other Assets include certain overdue and unconfirmed balances. However, in the opinion of the management, these current assets would, in the ordinary course of business, realize the value stated in the accounts.
- 43 Previous GAAP figures have been reclassified/regrouped to confirm the presentation requirements under IND AS and the requirements laid down in Division-II of the Schedule-III of the Companies Act, 2013.

