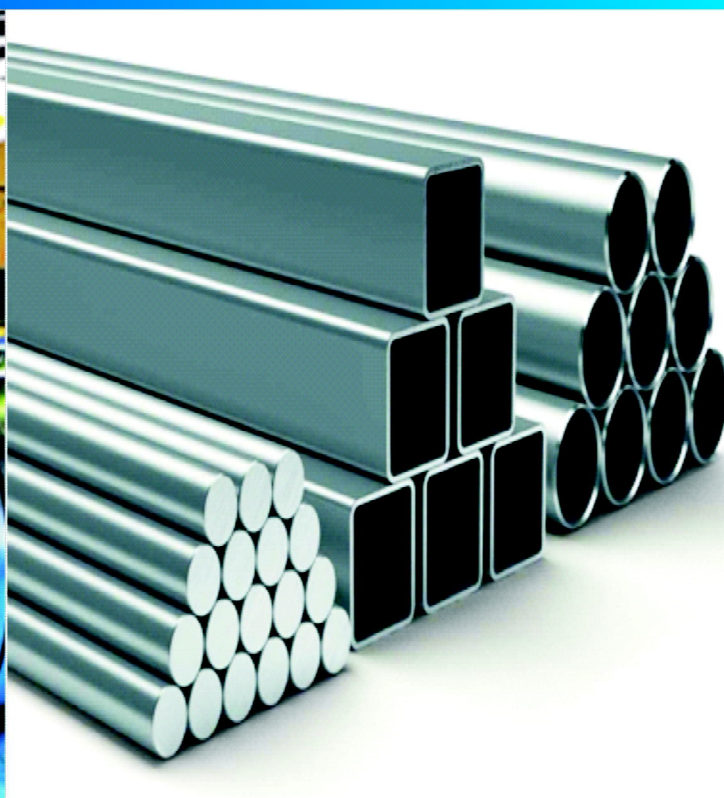


23RD

ANNUAL REPORT

2017-2018



SRU STEELS LIMITED

Setting Standards in Steel Profiles

CORPORATE INFORMATION**BOARD OF DIRECTORS**

Mr. Naresh Kumar Garg	Chairman
Mr. Ramesh Agarwal	Managing Director
Mr. Ashok Kumar Mahawar	Independent Director
Mr. Rajeev Mittal	Independent Director
Mr. Prem Prakash Agarwal	Independent Director
Mr. Pankaj Jain	Independent Director
Ms. Richa Agarwal	Non-Executive Director

KEY MANAGERIAL PERSONNEL

Mr. Hitesh Laxmikant Somani	Chief Financial officer
Ms. Diksha Gandhi	Company Secretary and Compliance officer

Registered & Corporate Office

A-48, 1st Floor, Wazirpur Industrial Area,
Delhi –110 052
Tel: 011- 27373622
Email: srusteels@yahoo.in
Website: www.srusteels.in

Internal Auditors

Ms. Diksha Gandhi
Company Secretary
2437, NHBC, Panipat -132103

Statutory Auditors

M/s MRKS & Associates
(Chartered Accountants)
1218, Tower-II, Pearls Omaxe,
Netaji Subahsh Place, Pitampura, New Delhi-110005

Bankers

CITI Financial Bank
Kotak Mahindra Bank
State Bank of India
Union Bank of India

Secretarial Auditors

M/s Anand Nimesh & Associates
(Company Secretaries)
183B, Second Floor, Gurudwara Road,
West Guru Angad Nagar, Laxmi Nagar, Delhi-110092
Tel: 011-42730004
Email ID: vdnext1711@gmail.com
Website : www.anandnimesh.com

Corporate Identification No.

CIN: L17300DL1995PLC107286

Registrar & Share Transfer Agents

Beetal Financial & Computer Services (P) Ltd
Beetal House, 3rd Floor, 99, Madangir,
Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi – 110 062
Tel: 011-29961281, 29961282
Fax: 011-29961284
E-mail: beetal@rediffmail.com
Website: www.beetalfinancial.com

CONTENTS

1	NOTICE	45	BALANCE SHEET
8	DIRECTORS' REPORT	46	PROFIT AND LOSS
27	CORPORATE GOVERNANCE REPORT	47	CASH FLOW STATEMENT
38	CFO CERTIFICATE	48	NOTES OF ACCOUNTS
39	MANAGEMENT DISCUSSION AND ANALYSIS REPORT	62	PROXY FORM ATTENDANCE SLIP BALLOT FORM AND NOMINATION FORM
42	AUDITORS' REPORT		

**SRU STEELS LIMITED**

CIN: L17300DL1995PLC107286

Registered & Corporate Office: A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052

E-mail: srusteels@yahoo.in, Website: www.srusteels.in

Tel: 011-27373622

NOTICE

Notice is hereby given that the Twenty Third (23rd) Annual General Meeting (AGM) of the members of **SRU STEELS LIMITED** will be held on Saturday, 29th Day of September, 2018 at 10:00 A.M. at the Registered & Corporate office of the Company at A-48, 1st Floor, Wazirpur Industrial Area, New Delhi-110052 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited financial statements of the Company for the financial year ended 31st March, 2018, including audited balance sheet as at 31st March, 2018 and the statement of profit and loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To reappoint Mr. Ramesh Agarwal (DIN: 00151223), who retires by rotation interms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To consider and approve the appointment of Statutory Auditors of the Company and to fix their remuneration and to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 140, 141, 142 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any re-enactment or modification thereto), and such other applicable provisions, if any, M/s. MRKS & Associates, Chartered Accountants, Delhi, with registration number 023711N be and are hereby appointed as the Statutory Auditors of the Company to fill the casual vacancy caused due to resignation of M/s. O.P. Tulsyan & Co. Chartered Accountants, Delhi vide their resignation letter dated August 01, 2018 at a remuneration as may be mutually agreed to, between the Board of Directors and M/s. MRKS & Associates, plus applicable taxes, out-of-pocket expenses, travelling and other expenses, in connection with the work of audit to be carried out by them, to hold office of Statutory Auditor till the conclusion of the Twenty Eight Annual General Meeting.

SPECIAL BUSINESS:

4. **To Increase the limits for Extending Loans/ Investments/ Corporate Guarantees by the Company**

To consider and if thought fit, to pass with or without modification, the following resolution a Special Resolution:

"RESOLVED THAT in supersession of the earlier resolution passed by the members of the Company at the 28th Annual General Meeting held on September 30, 2016 and pursuant to the provisions of Section 186 of the Companies Act, 2013

(the "Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary and provisions of other applicable laws, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) to:

- (a) give any loan to any person or other body corporate;
- (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and
- (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, subject to the limits set out below on such terms and conditions as the Board may deem fit and proper, not with standing the fact that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company as set out below exceed the limits specified under Section 186(2) of the Act:

Sl. No.	Particulars*	Upto a limit outstanding at any point of time
1.	Loans to any person(s) (including employees) or bodies corporate	Rs. 100 Crores
2.	Investments in bodies corporate	Rs. 75 Crores
3.	Guarantees / securities in connection with loan to any person(s) (including employees) or bodies corporate	Rs. 75 Crores
	Total	Rs. 250 Crores

* Excluding the loans/ guarantees/ securities given or provided to wholly owned subsidiaries or joint venture companies (as the case may be), whether situated in India or abroad and investments made in wholly owned subsidiaries, whether situated in India or abroad.

RESOLVED FURTHER THAT to give effect to this resolution, the Board be and is hereby authorized to execute the documents, deeds or writings required to be made and to do all acts, deeds and things as it may in its absolute

discretion deem necessary, proper or desirable, including to settle any question, difficulty or doubt that may arise in respect of such investments/ loans/ guarantees/ securities made or given or provided by the Company (as the case may be)."

By the order of the Board of Directors
For SRU Steels Limited

Sd/-
Ramesh Agarwal
Managing Director
DIN: 00151223

Place: New Delhi
Date: August 14, 2018

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT APROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights.

A member holding more than 10% of total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the **Form No. MGT.11** annexed herewith.

2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days' notice in writing is given to the Company.
3. Members/Proxies/authorised representative are requested to bring their duly filled Attendance Slip along with the copy of the Annual Report to the meeting.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified true copy of the board resolution/Power of attorney authorizing their representative(s) to attend and vote on their behalf at the meeting.
5. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company shall remain closed during the book closure period i.e. from Sunday, September 23, 2018 to Saturday, September 29, 2018 (both days inclusive).
7. (a) This Notice is being sent to all the members whose name appears as on Friday, August 17, 2018 in the register of members or beneficial owner as received from M/s Beetal Financial & Computer Services (P) Ltd, the Registrar and Transfer Agent of the Company.
(b) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of

the Company as on Saturday, September 22, 2018, being the cut-off date.

Members are eligible to cast vote electronically only if they are holding shares as on that date.

8. Brief resume of the Director proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold Directorships and Memberships/Chairmanships of the Board Committees, shareholding and relationships between Directors *inter-se* as stipulated under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015, is annexed hereto and forms part of this Notice.
9. Members holding shares in multiple folios in identical names or joint accounts in the same order of names are requested to consolidate their shareholdings into one folio.
10. Members seeking clarifications on the Annual Report are requested to send in written queries to the Company at least 10 days before the date of meeting to the Company Secretary of the Company at the registered office of the Company, so would enable the Company to compile the information and provide the replies at the Meeting.
11. In terms of notification issued by the Securities Exchange Board of India (SEBI), equity shares of the Company are under compulsory demat trading by all investors. Members are, therefore, advised to dematerialise their shareholding to avoid inconvenience in trading in shares of the Company.
12. Members are requested to notify immediately any change of address.
 - (i) to their Depository Participants (DPs) in respect of their electronic share accounts, and
 - (ii) to the Company's Registrar & Share Transfer Agents, Beetal Financial & Computer Services (P) Ltd at its office Beetal House, 3rd Floor, 99 Madangir, BH-Local Shopping Complex Near Dada Harsukhdas Mandir, New Delhi-110062 in respect of their physical share folios, if any, quoting their folio numbers.
13. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents, M/s. Beetal Financial & Computer Services (P) Ltd.
14. In terms of Section 72 of the Companies Act, 2013, a member of the Company may nominate a person on whom the shares held by him/her shall vest in the event of his/her

death. Members desirous of availing this facility may submit nomination in prescribed **Form SH-13** (enclosed with this Notice) to the Company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.

15. Pursuant to Section 101 and 136 of the Companies Act, 2013 read with relevant rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail addresses either with the Company or with the Depository. Members who have not registered their e-mail addresses with the Company can now register the same by submitting a request letter in this respect to the Company/Registrar & Share Transfer Agents, M/s. Beetal Financial & Computer Services (P) Ltd. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only.
16. Electronic copy of Annual Report for the financial year 2017-18 alongwith Notice of the 23rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting alongwith Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the Company or the Depository Participant(s) for communication purpose unless the member has requested for a hard copy of the same. For members who have not registered their address, physical copies of Annual Report alongwith the Notice of 23rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting alongwith Attendance Slip and Proxy Form is being sent in the permitted mode.
17. Beetal Financial & Computer Services Pvt. Ltd. is the Register and Share Transfer Agents (RTA's) of the Company. All investor relation communication may be sent to RTA's at the following address:

Beetal Financial & Computer Services Pvt. Ltd
Beetal House, 3rd Floor,
99, Madangir, Behind Local Shopping Centre,
Near Dada HarsukhDassMandir, New Delhi-110062
Ph. 011-29961281-283, Fax.011-29961284
Email id: beetalrta@gmail.com
18. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of 23rd Annual General Meeting and holding shares as of the cut-off date i.e. Saturday, September 22, 2018 may follow the same procedure as mentioned in the instructions below. However if you are already registered with CDSL for remote e-voting then you can use your existing password for casting your vote. If you have forgotten your login password then go to website www.evotingindia.com then click on shareholders, enter the User ID and the image verification code and click Forgot Password and enter the details as prompted by the system.
19. The route map showing directions to reach the venue of Twenty Third (23rd) Annual General Meeting is enclosed.

20. Voting through electronic means

- I. In compliance to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies

(Management & Administration) Rules, 2014 as substituted by the Companies (Management & Administration) Rules, 2015, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to members to exercise their right to vote at the Annual General Meeting by electronic means. The Company has engaged the services of Central Depository Services Limited (CDSL) in respect of all the business to be transacted at the aforesaid Annual General Meeting. However, it may be noted that E-voting is optional.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter:

The instructions for shareholders voting electronically are as under:

- (i) The remote e-voting facility will be available during the following period:
 - Commencement of remote e-voting-from 9:00 am on Wednesday, the 26th September, 2018.
 - End of remote e-voting- upto 5:00 pm on Friday, September 28, 2018

During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Saturday, 22nd September, 2018, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

PAN	<p>For Members holding shares in Demat Form and Physical Form</p> <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **SRU STEELS LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and window phones users can download the app from apple store and window phone store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- II. Members may note that the Notice of the 23rd Annual General Meeting and Annual Report for the financial year ended 2017-18 will also be available on the Company's website www.srusteels.in for their download.
- III. The remote e-voting period commences on Wednesday, September 26, 2018 (9:00 am) and ends on Friday, September 28, 2018 (5:00 pm). During this period members of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date of Saturday, 22nd September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- IV. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

- V. Since the Company is required to provide members the facility to exercise their right to vote by electronic means, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date Saturday, 22nd September, 2018, and not casting their vote electronically may only cast their vote at the Annual General Meeting through ballot paper.
- VI. The Board of Directors of the Company has appointed M/s Avinash Pandey & Associates, Practicing Company Secretaries as Scrutinizer to scrutinize the poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- VII. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- VIII. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at-least two persons not in the employment of the Company and make not later than 48 hours from the conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- IX. The results shall be declared on or after the Annual General Meeting. The results declared along with the Scrutinizer's Report shall also be placed on the Company's website www.srusteels.in and on the website of CDSL within 48 hours from the passing of the resolutions at the Annual General Meeting and the same shall also be simultaneously communicated to the Stock Exchange(s), where the equity shares of the Company are listed.
- X. In case you have any queries or issues regarding e-voting, you may refer to 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of CDSL's e-voting website www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- XI. If you are already registered with CDSL for e-voting then you can use your existing User ID and Password for casting vote.
- XII. Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
- XIII. Your Login ID and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are shareholder.
21. In terms of Section-149 of the Companies Act, 2013, the provisions of retirement by rotation are not applicable to independent directors. Therefore Mr. Ramesh Agarwal, Director, retire by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.
22. M/s. MRKS & Associates, Chartered Accountants have submitted their certificate expressing their eligibility for appointment as Statutory Auditor of the Company in term of Section 139(1) of the Companies Act, 2013 and Rules made thereunder.
23. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
24. Relevant documents referred to in the accompanying Notice, as well as Annual Reports and Annual Accounts of the Company are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 9.30 A.M. to 1.00 P.M. upto the date of Annual General Meeting.
25. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through electronic mode. Members are requested to support this green initiative by registering/ uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

By the order of the Board of Directors
For SRU Steels Limited

Sd/-
Ramesh Agarwal
(Managing Director)
DIN: 00151223

Place: New Delhi
Date: August 14 , 2018

EXPLANATORY STATEMENT IN PURSUANT OF SECTION 102 OF THE COMPANIES ACT, 2013**Item No.03:**

The Board of Directors at their Board Meeting held on August 02, 2018 appointed M/s MRKS & Associates, Chartered Accountants, Delhi, with registration number 023711N to fill the casual vacancy caused due to resignation of M/s. O.P. Tulsyan & Co. Chartered Accountants, Delhi. In Pursuant to Section 139 of the Companies Act, 2013 read with rules made thereunder a casual vacancy caused due to resignation of Statutory Auditor needs to be approved by the members in a general meeting within three months. Accordingly, the Board of Directors have recommended the appointment of M/s MRKS & Associates, Chartered Accountants, Delhi, to the members of the company for their approval at the Annual General Meeting by way of passing an ordinary resolution to hold office from the conclusion of this Annual General Meeting till the conclusion of the Twenty Eighth Annual General Meeting to be held in the F.Y 2022-2023. M/s MRKS & Associates, Chartered Accountants, Delhi, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with the confirmation that, their appointment, if approved by the shareholders, would be within the limits prescribed under the Act.

Your Directors recommend the resolution for approval of members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed item no. 03 except to the extent of their shareholding.

Item No.04:**To increase the limits u/s 186(2) of Companies Act, 2013 for extending loans, providing guarantees or giving securities**

The members of the Company had, vide a special resolution passed under Section 186 of the Companies Act, 2013 at 21st Annual General Meeting held on September 30, 2016, accorded their approval to the Board of Directors of the Company to making investments in, giving loans and guarantees to and providing securities in connection with loans to various persons upto a sum of Rs.200 Crore (Rupees Two Hundred Crores Only).

In terms of the provisions of Section 186(2) of the Companies Act, 2013, no Company shall grant any loan to any person or body corporate or give any guarantee or provide any security to any loan taken by any person or body corporate in excess of 60% of the total of the paid-up share capital and free reserves or 100% of the free reserves and securities premium, whichever is higher, without the prior approval of the share holders by means of a Special Resolution.

Your Company, during the course of the its business activities, and in order to achieve greater financial flexibility, would be required to invest its surplus funds for optimal utilization, by way of giving loans(s) and/or giving guarantee(s) and/or providing security (ies) to any other persons and/ or any other body corporate(s) and/or acquisition of securities of any other body corporate(s), the Board of Directors, hereby propose the increase in the limits under Section 186(2) of the Companies Act, 2013 from Rs.200/- Crores (Rupees Two Hundred Crores) to Rs. 250 Crores (Rupees Two Hundred Fifty Crores Only) over and above the limits as calculated within the provisions of Section 186 of the Companies Act, 2013.

The Board of Directors recommends passing of this Special Resolution for approval of the members of the Company.

None of the Directors or the Key Managerial Personnel of the Company, including their relatives, is in anyway, concerned or interested, financially or otherwise, in the said resolution.

Accordingly, the Board recommends the Special Resolution as set out at item no.04 of this notice for approval of the members of the Company.

**By the order of the Board of Directors
For SRU Steels Limited**

**Place: New Delhi
Date: August 14 , 2018**

**Sd/-
Ramesh Agarwal
(Managing Director)
DIN: 00151223**

ANNEXURE TO ITEM 02 OF THE NOTICE

Relevant details, in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standards-2 of General Meetings in respect of Director proposed for appointment/re-appointment at Twenty Third (23rd) Annual General Meeting are as follows:

Name of the Director	Mr. Ramesh Agarwal
DIN	00151223
Date of Birth	30.08.1952
Nationality	Indian
Date of appointment	01.04.2003
Qualifications	Graduate
Expertise in Specific Functional Area	<p>Having more than 38 years of experience in steel industry, economics and industrialization. Excellent relationship management skill coupled with extensive contract in the industry, regulatory and business circles. Effective leadership and motivation skill for setting higher goals and standards and driving the team to achieve the same. Providing direction and counsel to the executive management for exceeding business targets.</p> <p>Strongly pursues for adhering and installing Company's values in the workforce and promoting good governance Culture across the organization.</p>
Number of shares held in the Company (as at March 31, 2018)	Nil
Terms & Conditions of re-appointment	Executive Director of the Company, liable to retire by rotation.
Remuneration last drawn during F.Y 2017-18	Rs. 9,00,000/-
List of Directorships held in other companies as on March 31, 2018	Shakshi Estates Private Limited
No. of Board Meeting attended during the financial year 2017-18	6
Chairman/Member of the Committees of the Board of companies in which he is a Director	Stakeholder Relationship Committee Meeting (Member)
Relationship between Directors and KMP of the Company	He has no relationship with any director of the board and KMP of the Company.

DIRECTOR'S REPORT

To

The Members,
SRU Steels Limited

Yours Directors take pleasure in presenting the Twenty Third (23rd) Annual Report of your Company together with the Audited Accounts for the year ended March 31, 2018.

1. Financial Summary/ Performance of the Company:

(Amount in ₹)

PARTICULARS	CURRENT YEAR (2017-2018)	PREVIOUS YEAR (2016-2017)
Revenue from Operations	213,634,279	9,262,618
Other Income	3,907,482	3,945,487
Total Revenue	217,541,762	13,208,105
Profit Before Finance Cost And Depreciation	8,902,853	4,768,992
Finance Cost	25,532	12,699
Depreciation	281,777	479,819
Profit Before Exceptional Item & Tax	8,595,544	4,276,474
Exceptional item	NIL	NIL
Profit Before Tax	8,595,544	4,276,474
Less: Current Tax	2,186,826	1,357,168
Deferred Tax	32,383	(31,867)
Profit For The Year	6,376,335	2,951,173
Add : Balance in Profit and Loss Account	NIL	NIL
Sub: Total	6,376,335	2,951,173
Other Comprehensive Income	NIL	NIL
Total Comprehensive income for the year	6,376,335	2,951,173

a) Dividend

It is endeavor of your Company to make optimum use of its funds for ongoing setup, Expansion and Working Capital Requirements. Keeping in mind the aforesaid factors your Directors have decided not to recommend any Dividend for the year ended 31st March 2018.

b) Share Capital/ Capital Structure

Authorised Share Capital

The authorized share capital of the Company as at March 31, 2018 was ₹ 95,000,000/- divided into 9,500,000 equity shares of Rs. 10/- each

Paid-Up Share Capital

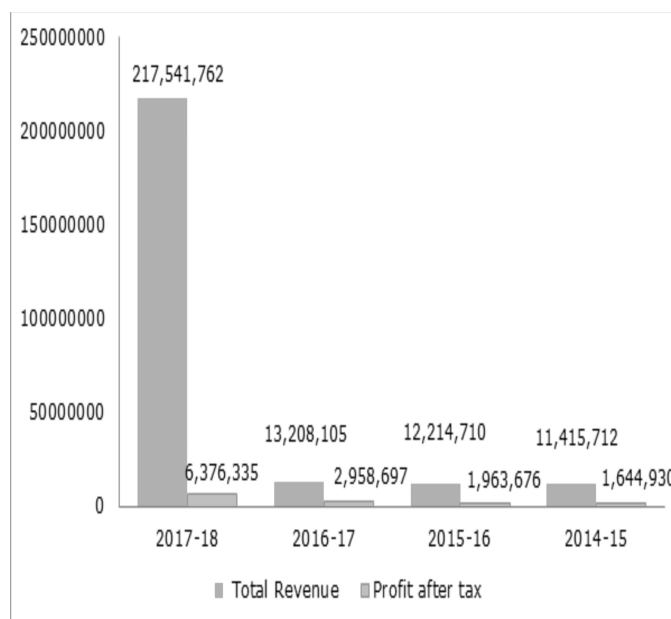
The paid up share capital of your Company as on March 31, 2018 was ₹ 79,919,000/- divided into 7,991,900 equity shares of Rs. 10/- each. During the year under review, your Company has neither issued shares with differential voting rights nor granted stock options nor sweat equity.

2. Operations Review and the state of affairs of the Company

As you are aware that your Company is engaged in the business of all kinds of varieties of steels, stainless steels, mild steels, carbon iron steel and acting as consignment agent etc

The Company, during the Current financial year, would focus on achieving milestone in the same area. This would strengthen the generation and sustainability of revenue in the years to come.

Your Company achieved total revenue of ₹ 217,541,762/- in 2017-18 as against ₹ 13,208,105/- in 2016-17.



3. Transfer to Reserves

Your Company has transferred a sum of ₹ 6,376,335 /- to the General Reserves. The total Reserves and Surplus as at March 31, 2018 was ₹ 37,522,142/-.

4. Listing of Shares

The paid up share capital of the Company as on 31st March, 2018 is Rs. 79,919,000/- divided into 7,991,900 equity shares of Re.10/- each. At present the Company's equity shares are listed on the Bombay Stock Exchange Limited.

The Company received an In-principal approval for listing of ₹ 7,919,900 equity shares from BSE Limited on 27th October, 2017 and after fulfilling the formalities as required by BSE Limited, Your Company has obtained Listing Approval for equity shares of the company.

The Annual listing fees for the financial year 2018-19, for the stock exchange, has been paid

5. Subsidiaries, Associate Companies and Joint Ventures

Your Company does not have any subsidiaries, joint ventures or associate companies.

6. Indian Accounting Standards (Ind AS) :-

The Ministry of Corporate Affairs (MCA), vide its notification in the Official Gazette dated February 16, 2015, notified the Indian Accounting Standards (Ind AS) and Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The Company has adopted Indian Accounting Standards ("Ind AS") from April 01, 2017 (transition date to Ind AS is April 01, 2016) and the financial Statements have been prepared in accordance with recognition and measurement principal of Indian Accounting Standards ("Ind AS") as prescribed under the Companies (Indian Accounting Standards) Rules, 2015, as specified in section 133 of the Companies Act, 2013.

The Annual Accounts for the year ended March 31, 2018 have been prepared in accordance with Indian Accounting Standard (Ind AS) and the figures for the year ended March 31, 2018 and April 01, 2016 have been restated in terms of IndAS

7. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Company being engaged in the business of Trading of Stainless Steel does not have any energy utilization or technology absorption. The Company during the year under review has not any inflow or outflow in foreign exchange.

The Information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is enclosed as **Annexure-I** and forms part to this report.

8. Details of Board Meeting

During the year 6 (Six) Board Meetings and 5 (Five) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report.

The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Board meeting dates are finalized in consultation with all directors and agenda papers backed up by comprehensive notes and detailed background information are circulated well in advance before the date of the meeting thereby enabling the Board to take informed decisions.

9. Extract of Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 ('the Act') read with rule 12(1) of Companies (Management and

Administration) Rules, 2014, extract of Annual Return is annexed as **Annexure-II** and the same may be accessed at the website of the Company i.e www.srusteels.in

10. Managing the Risks of Fraud, Corruption and Unethical Business Practices

Vigil Mechanism / Whistle Blower Policy

Your Company has established a "Vigil Mechanism" for its employees and Directors, enabling them to report any concerns of unethical behaviour, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal.

To this effect the Board has adopted a "Whistle Blower Policy" (WBP), which is overseen by the Audit Committee. The policy provides safeguards against victimization of the whistle blower. Employees and other shareholders have direct access to the chairman of the Audit Committee for lodging concern if any, for review.

The Board has formulated policy on Whistle Blower and the same may be accessed at the website of the Company i.e. <http://www.srusteels.in/pdfs/Vigil%20Mechanism.pdf>.

11. Directors' Responsibility Statement

Pursuant to the provisions under Section 134(5) of the Companies Act, 2013, the Board of Directors hereby confirms and accepts the responsibility for the following in respect of the Audited Annual Accounts for the financial year ended March 31, 2018:

- That in the preparation of the annual accounts for the financial year ending 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts/financial statements have been prepared on a going concern basis; and
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. Particulars of loans, guarantees or investments made under Section 186 of the Companies Act, 2013

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company at large and thus disclosure in the Form AOC-2 is not required.

13. Auditors

i) Statutory Auditor and their Report

In terms of the provisions of Section 139 of the Act, M/s. O.P. Tulsyan & Co., Chartered Accountant, were appointed as the Company's Statutory Auditors by the shareholders at their 22nd AGM held on September 29, 2017, for a period of five years i.e. till the conclusion of 27th AGM to be held in the calendar year 2022.

However, M/s. O.P. Tulsyan & Co., Chartered Accountants have tendered their Resignation before the Board of Directors vide their resignation letter dated 1st August, 2018 due to their pre occupation in other assignments.

After conducting a detailed evaluation and based on the recommendation of Audit Committee, the Board of Directors of the Company in its meeting held on August 02, 2018 appointed M/s. MRKS & Associate., Chartered Accountants, Delhi (Firm Registration No.023711N) as statutory auditors of the Company for a term of 5 years from the financial year 2018-19 onwards on such terms and conditions and remuneration as may be mutually decided by the Auditor and the Board of Directors. A resolution to that effect forms part of notice of the 23rd AGM sent along with this Annual Report.

A certificate pursuant to Section 141 of the Companies Act, 2013, has been received from M/s. MRKS & Associate., Chartered Accountants (Firm Registration No. 023711N), New Delhi, stating that their appointment, if made, are eligible for being appointed as Statutory Auditors of the Company, the appointment shall be within the limits as laid down under Section 141 of the Companies Act, 2013.

Pursuant to Section 139 and 141 of the Companies Act, 2013 and relevant Rules prescribed there under, the Company has received certificate from the Auditors to the effect, inter-alia, that their appointment would be within the limits laid down by the Act, shall be as per the term provided under the Act, that they are not disqualified for such appointment under the provisions of applicable laws and also that there are no pending proceedings against them or any of their partners with respect to professional matters of conduct.

Auditors' Report

There are no qualifications, reservations or adverse remarks made by M/s. O. P. Tulsyan & Co., Statutory Auditors, in their report for the financial year ended March 31, 2018. Pursuant to the provisions of section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud to the Audit Committee during the year under review.

ii) Cost Auditors

In Pursuant to Section 148(1) of the Companies Act, 2013 and rules and regulation made there under read with Companies (Accounts Rules) Amendment Rules, 2018, cost audit is not applicable on the company and therefore maintenance of cost records as specified under section 148(1) of the Act, is not required.

iii) Secretarial Auditors and Secretarial Audit Report

M/s. Anand Nimesh & Associates, Company Secretaries, were appointed as Secretarial Auditors of the Company

for the financial year 2017-18 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by them in the prescribed form MR- 3 is attached as **Annexure-III** to this report. There are no qualifications or observations or adverse remarks or disclaimer of the Secretarial Auditors in the Report issued by them for the financial year 2017-18 which call for any explanation from the Board of Directors.

M/s Anand Nimesh & Associates, Company Secretaries have been re-appointed to conduct the secretarial audit of the Company for the financial year 2018-19. They have confirmed that they are eligible for the said appointment.

iv) Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government

The Statutory Auditor or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

v) Internal Auditors

The Members are informed that M/s Sharvan & Associates, Chartered Accountants express their unwillingness for reappointment as an Internal Auditors of the Company for the financial year 2018-19

The Board of Directors on recommendation of Audit Committee appointed Ms Diksha Gandhi, Company Secretary as Internal Auditor of the company in place of M/s Sharvan & Associates, Chartered Accountants, pursuant to the provisions of the Section 138 of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) for the financial year 2018-19.

14. Related Party Transactions and Policy on Related Party Transactions

With reference to Section 134(3)(h) of the Companies Act, 2013, details of Related party transactions, if any covered under the provisions of Section 188 of the Act are given in the notes to the Financial Statements.

All the transactions, if entered were on an arm's length basis and were in the ordinary course of business and are in compliance of the provisions of the SEBI (LODR) Regulations, 2015. There are no materially significant related party transactions (i.e. transactions exceeding ten percent of the annual turnover as per the last audited financial statements entered into individually or taken together with previous transactions during the financial year) according to the policy of the Company on materiality of Related Party Transactions. made by the company which may have potential conflict with the interest of the Company at large and thus disclosure in Form AOC-2 is not required.

Omnibus approvals are obtained for related party transactions which are repetitive in nature. In respect of unforeseen transactions, specific approvals would be taken, if required.

All related party transactions are approved/reviewed by the Audit Committee on quarterly basis, with all the necessary details and are presented to the Board and taken on record.

The Board has formulated policy on Related Party Transactions and it may be accessed at the website of the company <http://www.srusteels.in/pdfs/related%20party%20Policy%20SRU.pdf>.

15. Internal Financial Control

According to Section 134(5)(e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the Company 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.

The Company has in place an established internal control system to ensure proper recording of financial & operational information, compliance of various internal control and other regulatory/statutory compliances. All internal Audit findings and control systems are periodically reviewed by the Audit Committee of the Board of Directors, which provides strategic guidance on internal control.

16. Risk Management Policy

In Compliance with the requirements of the Companies Act, 2013, the Company has put in place Risk Minimization and Assessment Procedure. In order to effectively and efficiently manage risk and address challenges, the Company has formulated Risk Management Policy.

The objective of any risk identification and assessment process is to evaluate the combination of likelihood and level of negative impacts from an event. The three main components of risk assessment are business risk, service/operational risk and external risk.

The Company manages the risk in line with current risk management best practices. This facilitates the achievement of our objectives, operational effectiveness and efficiency, protection of people and assets, informed decision-making and compliance with applicable law and regulations.

The Board has formulated policy on Risk Management Policy and it may be accessed at the website of the company <http://www.srusteels.in/pdfs/Risk%20Management%20Policy.pdf>.

17. Nature of business

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

18. Committees of Board

(i) CORPORATE SOCIAL RESPONSIBILITY (CSR)

In pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, every company having net worth of Rs. 500 Crores or more, or turnover of Rs.1000 Crores or a net profit of Rs. 5 Crores or more during any financial year shall constitute a Corporate Social responsibility Committee of the Board consisting of 3 or more directors, out of which at least one shall be an Independent Director.

During the year under review none of the condition as prescribed under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are applicable to the company; hence the provision is not applicable.

(ii) Audit Committee

Your Company has Audit Committee of Board of Directors, with Mr. Rajeev Mittal as Chairman, Mr. Prem Prakash Agarwal and Mr. Pankaj Jain as other members

The terms of reference are confined to Companies Act 2013 & Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of meetings with attendance thereof and terms of reference of Audit Committee have been provided in the Corporate Governance Report which forms part of this report.

(iii) Nomination and Remuneration Committee

In terms of Section 178 of the Companies Act, 2013 ('Act') read with Companies (Meeting of the Board and its Power) Rules, 2014 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has in place duly constituted Nomination and Remuneration Committee.

The details of the composition of the committee along with other details are available in the Corporate Governance which is forming part of this Annual Report.

The details of the Remuneration Policy are given as **Annexure-IV** forming part of this Report.

It is hereby affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.

(iv) Stakeholder Relationship Committee

The Company has also formed Stakeholder's Relationship Committee in compliance to the Companies Act, 2013 & Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details about the composition of the said committee of the Board of Directors alongwith attendance thereof has been provided in the Corporate Governance Report forming part of this report.

19. Declaration from Independent Directors on Annual Basis

As required under Section 149(7) of the Companies Act, 2013 all the Independent Directors on the Board of the Company have individually issued their annual declaration stating that they meet all the criteria of independence as required under the Act.

20. Directors & Key Managerial Personnel

i) Retirement by Rotation

In pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Mr. Ramesh Agarwal (DIN: 00151223), Managing Director will retire by rotation at the ensuing AGM, and being eligible, offers himself for re-appointment in accordance with provisions of the Companies Act, 2013

The details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Mr. Ramesh Agarwal, his brief resume, the nature of expertise in specific functional areas, names of Companies in which he hold Directorships, committee Memberships/Chairmanships, his shareholding in the Company etc., are furnished in the explanatory statement to the notice of the ensuing AGM.

ii) Key Managerial Personnel

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:-

Mr. Ramesh Agarwal, Managing Director
Mr. Hitesh Lakshmikanth Somani, Chief Financial Officer
Ms. Diksha Gandhi, Company Secretary

During the year, there was no change (appointment or cessation) in the office of KMP.

iii) Appointment & Cessation

During the financial year ended March 31, 2018 there was no change (appointment or cessation) in the office of Directors of the Company.

iv) Woman Director

In terms of Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has appointed Ms. Richa Agarwal (DIN: 00082722) who is serving on the Board of the Company, since the year 2014.

v) Independent Directors

In accordance with Section 149(11) of the Companies Act, 2013 all independent Directors hold office for a fixed period of five years and are not liable to retire by rotation. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of appointment of Independent Directors as available in the Company's web site <http://www.srusteels.in/pdfs/Term%20and%20conditions%20for%20Independent%20Director%20SRU.pdf>.

21. Evaluation of the Board's Performance

Pursuant to the Section-134(3)(p) of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder Grievance Committees.

A Separate meeting of the independent directors ('Annual Independent Directors meeting') was convened, which reviewed the performance of the Board (as a whole), the non-independent directors and the chairman. Post of Annual Independent Directors Meeting, the collective feedback of each of the independent directors was discussed by the Chairman of the Nomination and Remuneration Committee with the Board's Chairman covering performance of the Board as a whole, performance of the non-independent directors and performance of the Board Chairman.

22. Explanation or Comment or qualification, reservation or adverse remarks or disclaimers made by the Auditors in their report.

There were no qualifications, reservation or adverse remarks made by the Auditors in their respective reports.

23. Deposit

During the year under review, the Company has neither accepted nor renewed any deposits in terms of Chapter V of the Companies Act, 2013 and Rules framed thereunder.

24. Significant and material orders passed by the regulators

During the year under review, your company has obtained the listing approval from BSE Ltd., However, except this there were no significant or material orders passed by any regulatory authority, court or tribunal which shall impact the going concern status and Company's operations in future

25. Corporate Governance

As per the requirement of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 executed with the Stock Exchange(s), a report on Corporate Governance is annexed, which forms part of this Annual Report. A certificate from a Practising Company Secretary confirming compliance with the conditions of Corporate Governance is also annexed.

26. Management Discussion & Analysis Report

Management Discussion & Analysis Report is annexed and forms part of this Report.

27. Sexual Harassment of Woman at work place

The Company has zero tolerance for sexual harassment at workplace and has formulated a policy on Prevention, Prohibition and Redressal of Sexual harassment at the workplace, in line with the provisions of the Sexual Harassment of woman at workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules there under.

The Policy aim to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure

The Company has also constituted an internal Complaints Committee, to inquire into complaints of sexual harassment and recommend appropriate action.

There were no complaint received from any employee during the financial year 2017-2018 and hence no complaint is outstanding as on March 31, 2018.

The Board has formulated policy on Sexual Harassment Policy and it may be accessed at the website of the company <http://www.srusteels.in/pdfs/Vigil%20Mechanism.pdf>

28. Independent Director's familiarisation Programme

As per requirement under the provisions of Section 178 of the Companies Act, 2013 read with Companies (Meeting of the Board and its powers) Rules, 2014 and SEBI (LODR) Regulations, 2015, your Company had adopted a familiarisation programme for independent directors to familiarise them with the Company, their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, management structure, industry overview, internal control system and processes, risk management framework, functioning of various divisions, HR Management etc. They are given full opportunity to interact with Senior Management Personnel and are provided with all the documents required and/or sought by them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part.

Your company aims to provide its independent Directors, insight into the Company enabling them to contribute effectively.

The details of familiarisation program may be accessed on the Company's website [http://www.srusteels.in/pdfs/FAMILIARISATIONPROGRAMME_FOR_INDEPENDENT_DIRECTORS\(1\).pdf](http://www.srusteels.in/pdfs/FAMILIARISATIONPROGRAMME_FOR_INDEPENDENT_DIRECTORS(1).pdf).

29. Particulars of Employees

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel), Amendment Rules, 2016, a statement showing the names and other particulars of the top ten employees and the employees drawing remuneration in excess of the limits set out in the said rules is enclosed as **Annexure-V** and forms part of this Report.

30. Managerial Remuneration

The information required under Section 197(12) of the Companies Act, 2013 read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in **Annexure-VI**, forming part of this report.

31. Material changes and commitments affecting the financial position of the Company

There has been no material Change and Commitment 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.

32. Buy Back of Securities

The Company has not bought back its securities during the year under review.

33. Sweat Equity

The Company has not issued any Sweat Equity shares during the year under review.

34. Bonus Shares

No Bonus shares were issued during the year under review.

35. Employee Stock Option Scheme

The Company has not provided any Stock Option Scheme during the year under review.

36. Change in the nature of Business, if any

There has been no material change in the nature of business during the period under review.

37. Secretarial Standards

As on March 31, 2018 the Secretarial Standard 1 & 2 on Board Meeting has been notified and the Company has complied with the requirements of the said Secretarial Standards.

A Certificate of compliances issued by the Secretarial Auditor M/s Anand Nimesh & Associates is enclosed as **Annexure-VII** and forms part of this Report.

38. Annual Listing Fee:-

The Company has paid the Annual Listing Fees for the Financial Year 2017-18 to BSE Limited

39. Investor Services

To improve investor services, your Company has taken the following initiatives:-

- An Investor Relation Section on the website of the Company (www.srusteels.in) has been created to help investors know the policies and rights of investors.
- There is a dedicated e-mail id diksha.gandhi@srusteels.in for sending communications to the Company Secretary. Members may lodge their requests, complaints and suggestions on this e-mail as well.

40. Following policies are also adopted by the board and are Linked with the website of company at www.srusteels.in

1. Archival Policy on Preservation of Documents of the Company. URL for the same is: http://www.srusteels.in/pdfs/Archive_Policy.pdf
2. Policy on determination of materiality of the events/ information for making disclosure by the Company. URL for the same is: http://www.srusteels.in/pdfs/Policy_on_Disclosures.pdf
3. Policy on Preservation of Records. The same may be accessed at http://www.srusteels.in/pdfs/Policyon_Preservation_of_Records.pdf
4. Policy on Code of Conduct for the Board of Director and Senior Management Personnel. <http://www.srusteels.in/pdfs/Code%20of%20Conduct%20for%20board%20members%20and%20senior%20personnel.pdf>
5. Policy on Related Party Transaction. The same may be accessed at: <http://www.srusteels.in/pdfs/related%20party%20Policy%20SRU.pdf>
6. Policy on performance Evaluation and URL for the same is: <http://www.srusteels.in/pdfs/PERFORMANCE%20EVALUATION%20POLICY.pdf>

Acknowledgements

The Directors place on record their appreciation for the assistance, help and guidance provided to the Company by the Bankers and Authorities of State Government and Central Government from time to time. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.

By order of the Board of Directors
For SRU Steels Limited

	Sd/-	Sd/-
	Ramesh Agarwal	Naresh Kumar Garg
Place: New Delhi	Managing Director	Director & Chairman
Date: August 14, 2018	DIN: 00151223	DIN: 00986846

Information as per Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2018

Amount In ₹

A. Conservation of Energy	
(i) the steps taken or impact on conservation of energy	N.A
(ii) the steps taken by the company for utilising alternate sources of energy:	N.A
(iii) the capital investment on energy conservation equipments:	N.A
B. Technology absorption	
(i) the efforts made towards technology absorption:	N.A
(ii) the benefit derived like product improvement, cost reduction, product development or import substitution:	N.A
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year	N.A
a) the details of technology imported;	N.A
b) the year of import;	N.A
c) whether the technology been fully absorbed	N.A
d) if not fully absorbed, area where absorption has not taken place, and the reasons thereof; and	N.A
e) the expenditure incurred on Research and Development	N.A

Note: Since your Company has not involved in manufacturing operations, the requirements pertaining to disclosure of particulars relating to conservation of energy, research & development and technology absorption, as prescribed under the Companies (Accounts) Rules, 2014 are not applicable.

C. Foreign Exchange Earning and outgo

The company does not have any export sale, hence the respective point is not applicable.

Amount In ₹

Particulars	Financial Year ended March 31, 2018	Financial Year ended March 31, 2017
Foreign Exchange Earned	Nil	Nil
Foreign Exchange used	Nil	Nil

For and on behalf of the Board
SRU Steels Limited

Sd/-
Ramesh Agarwal
Managing Director
DIN: 00151223

Place: New Delhi
Date: August 14, 2018

For and on behalf of the Board
SRU Steels Limited

Sd/-
Naresh Kumar Garg
Director & Chairman
DIN: 00986846

MGT-9

EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON 31.03.2018

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

I REGISTRATION & OTHER DETAILS:

1	CIN	L17300DL1995PLC107286
2	Registration Date	11/09/1995
3	Name of the Company	SRU STEELS LIMITED
4	Category/Sub-category of the Company	COMPANY HAVING SHARE CAPITAL
5	Address of the Registered office & Contact details	A-48, 1ST FLOOR, WAZIRPUR INDUSTRIAL AREA, DELHI-110052
6	Whether listed Company	Yes
7	Name, Address & contact details of the Register & Transfer Agent, if any	BEETAL FINANCIAL & COMPUTER SERVICES PVT. LTD. BEETAL HOUSE, 3RD FLOOR, 99 MADANGIR, BEHIND LOCAL SHOPPING CENTRE, NEAR DADA HARSUKHDAS MANDIR, NEW DELHI-110062

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

S.No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Ferrous and Non- Ferrous Alloys	46109- The Company is primarily engaged in the business of "Trading of Stainless Steels"	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

S.No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associates	% of shares held	Applicable Section
1	N.A.	N.A.	N.A.	N.A.	N.A.
2	N.A.	N.A.	N.A.	N.A.	N.A.

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

(A) Category-wise Share Holding

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2017)				No. of Shares held at the end of the year (as on 31.03.2018)				% of Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoter and Promoter Group ²									
1	Indian									
(a)	Individuals/ Hindu Undivided Family	0	0	0	0	0	0	0	0	0
(b)	Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	1547000	0	1547000	19.36	1547000	0	1547000	19.36	0.00%
(d)	Financial Institutions/ Banks	0	0	0	0	0	0	0	0	0
(e)	Any Others (Specify)	0	0	0	0	0	0	0	0	0
	Sub Total(A)(1)	1547000	0	1547000	19.36	1547000	0	1547000	19.36	0.00%
2	Foreign									
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
b	Bodies Corporate	0	0	0	0	0	0	0	0	0
c	Institutions	0	0	0	0	0	0	0	0	0
d	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
e	Any Others (Specify)	0	0	0	0	0	0	0	0	0
	Sub Total(A)(2)	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	1547000	0	1547000	19.36	1547000	0	1547000	19.36	0
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds/ UTI	0	0	0	0	0	0	0	0	0
(b)	Financial Institutions/ Banks	0	0	0	0	0	0	0	0	0
(c)	Central Government/ State Govt(s)	0	0	0	0	0	0	0	0	0
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0	0	0	0	0
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0	0	0

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year (as on 31.03.2018)				
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% of Change during the year
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(h)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
B 2	Sub-Total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
	Non-institutions									
(a)	Bodies Corporate	976500	20000	996500	12.47	976500	20000	996500	12.47	0.00
(b)	Individuals									
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh	10000	850800	860800	10.77	13775	848200	861975	10.79	0.01
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	2093000	1534100	3627100	45.38	2094600	1536700	3631300	45.43	0.05
(c)	Others (Specify)	831000	129500	960500	12.02	825625	129500	955125	11.95	-0.07
	Sub-Total (B)(2)	3910500	2534400	6444900	80.64	3910500	2534400	6444900	80.64	0.00
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	3910500	2534400	6444900	80.64	3910500	2534400	6444900	80.64	0.00
	TOTAL (A)+(B)	5457500	2534400	7991900	100.00	5457500	2534400	7991900	100.00	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued									
1	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
2	Public	0	0	0	0	0	0	0	0	0
	Sub-Total (C)	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	5457500	2534400	7991900	100.00	5457500	2534400	7991900	100.00	0.00

(B) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	% change in share holding during the year
1	MM Fiscal Services Pvt Ltd.	1547000	19.36	0	1547000	19.36	0	0

(C) Change in Promoters' Shareholding (Please specify, if there is no change)

S. No.		Shareholding at the beginning of the year		Commulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year				
	Date wise increase/decrease in promoters share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	NO CHANGE			
	At the end of the year				

(D) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date of increase/decrease in share holding	Increase/ (Decrease) in share holding (as per weekly benpos)	% change	Reason	Cumulative Shareholding during the year	
		Number of shares	% of total Shares of the Company					No. of shares	% of total Shares of the Company
1	R.L.Agarwal & Sons Securities Pvt.Ltd.	976500	12.2186	01-Apr-17	NIL MOVEMENT DURING THE YEAR			976500	12.2186
				31-Mar-18				976500	12.2186
2	Satish Agarwal	872000	10.9110	01-Apr-17	NIL MOVEMENT DURING THE YEAR			872000	10.9110
				31-Mar-18				872000	10.9110
3	Satish Agarwal HUF	822500	10.2917	01-Apr-17	NIL MOVEMENT DURING THE YEAR			822500	10.2917
				31-Mar-18				822500	10.2917
4	Uma Agarwal	518600	6.4891	01-Apr-17	NIL MOVEMENT DURING THE YEAR			518600	6.4891
				31-Mar-18				518600	6.4891
5	Apoorv Agarwal	392700	4.9137	01-Apr-17	NIL MOVEMENT DURING THE YEAR			392700	4.9137
				31-Mar-18				392700	4.9137

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date of increase/ decrease in share holding	Increase/ (Decrease) in share holding (as per weekly benpos)	% change	Reason	Cumulative Shareholding during the year	
		Number of shares	% of total Shares of the Company					No. of shares	% of total Shares of the Company
6	Arpit Agarwal	311900	3.9027	01-Apr-17	NIL MOVEMENT DURING THE YEAR			311900	3.9027
				31-Mar-18				311900	3.9027
7	Rajiv Ranjan Gupta	100000	1.2512	01-Apr-17	NIL MOVEMENT DURING THE YEAR			100000	1.2512
				31-Mar-18				100000	1.2512
8	Ganesh Yadav	71000	0.8884	01-Apr-17	NIL MOVEMENT DURING THE YEAR			71000	0.8884
				23-Feb-18	1000	0.01%	Sell		
				31-Mar-18				70000	0.8759
9	Bajrang Lal Chauhan	70100	0.8771	01-Apr-17	NIL MOVEMENT DURING THE YEAR			70100	0.8771
				31-Mar-18				70100	0.8771
10	Sushil Goel	70000	0.8759	01-Apr-17	NIL MOVEMENT DURING THE YEAR			70000	0.8759
				31-Mar-18				70000	0.8759

(E) Shareholding of Directors and Key Managerial Personnel

S. No.	Shareholding of each Directors and each key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		Number of shares	% of total Shares of the Company	Number of shares	% of total Shares of the Company
1	Mr. PREM PRAKASH AGARWAL	38500	0.48%	35600	0.45%
2	Mr. ASHOK KUMAR MAHAWAR	29000	0.36%	29000	0.36%
3	Mr. RAMESH AGARWAL	NIL	0.00%	NIL	0.00%
4	Mr. RAJEEV MITTAL	NIL	0.00%	NIL	0.00%
5	Mr. NARESH KUMAR GARG	NIL	0.00%	NIL	0.00%
6	Mr. PANKAJ JAIN	NIL	0.00%	NIL	0.00%
7	Ms. RICHA AGARWAL	NIL	0.00%	NIL	0.00%
8	Mr. HITESH LAKSHMIKANT SOMANI	NIL	0.00%	NIL	0.00%
9	Ms. DIKSHA GANDHI	NIL	0.00%	NIL	0.00%

(v) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(Amount in ₹)

Particulars	Secured Loans	Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL				
i) Principal Amount					
ii) Interest due but not paid					
iii) Interest accrued but not due					
Total (i+ii+iii)					
Change in Indebtedness during the financial year					
Addition					
Reduction					
Net Charge					
Indebtedness at the end of the financial year					
i) Principal Amount					
ii) Interest due but not paid					
iii) Interest accrued but not due					
Total (i+ii+iii)					

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Director and/or Manager**

(Amount in ₹)

S.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
		Mr. Ramesh Agarwal	
1	Gross Salary	900,000	900,000
	(a) Salary as per provisions contained in section 17(1) of the income tax Act, 1961	0	0
	(b) Value of perquisites u/s 17(2) income tax Act, 1961	0	0
	(c) Profit in lieu of salary under Section 17(3) Income-Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission as % profit	0	0
	other, specify	0	0
5	others, please specify	0	0
	TOTAL (A)	900,000	900,000

B. Remuneration to other Directors

(Amount in ₹)

S.No	Particulars of Remuneration	Name of the Directors				Total Amount
		Mr. Rajiv Mittal	Mr. Pankaj Jain	Mr. Prem Prakash Agarwal	Mr. Ashok Kumar Mahawar	
	Independent Directors					
1	Fee for attending board & Committee meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL
2	Other Non-Executive Directors					
	Fee for attending board & Committee	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	other, please specify	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL
	Total (B)= (1+2)	NIL	NIL	NIL	NIL	NIL
	TOTAL MANAGERIAL REMUNERATION	NIL	NIL	NIL	NIL	NIL

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

(Amount in ₹)

S.No	Particular of Remuneration	CS	CFO	Total
1	Gross Salary			
	(a) Salary as per provision contained in section 17(1) of the income tax Act, 1961	221,500	120,000	341,500
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	0	0	0
	(c) Profit in lieu of salary under section 17(3) income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission as % of profit	0	0	0
	others specify	0	0	0
5	Others, Specify	0	0	0
	Total	221,500	120,000	341,500

VIII Penalties / Punishment/Compounding of Offences

Type	Section of the Companies Act	Brief Description	Detail of penalty/punishment/Compounding fees Imposed	Authority[RD/NCLT/COURT]
A. COMPANY				
Penalty				
Punishment				
Compounding				
B. DIRECTOR				
Penalty				
Punishment				
Compounding				
C. OTHER OFFICER IN DEFAULT				
Penalty				
Punishment				
Compounding				

Anand Nimesh & Associates
(Company Secretaries)

Annexure III

183B, Second Floor, Gurudwara Road, West Guru Angad Nagar, Laxmi Nagar, Delhi-110092
Tel: 011-42730004, M: 9868782243
E-mail: vdnext1711@gmail.com
Website: www.anandnimesh.com

FORM MR-3
SECRETARIAL AUDIT REPORT

(For the financial year ended 31st March 2018)

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

To,
The Member
SRU Steels Limited
A-48, 1st Floor, Wazirpur Industrial Area,
Delhi-110052

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SRU Steels Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and as produced before us, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st Day of March, 2018, (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **SRU Steels Limited** ("**The Company**") and as produced before us for the period ended on 31st Day of March 2018, according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**Not applicable during audit period**)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (**Not applicable during audit period**)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable during audit period**)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009; (**Not applicable during audit period**)
 - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulation, 1998; (**Not applicable during audit period**)

VI. Other laws applicable to the Company

1. The Sexual Harassment of Women at workplace (Prevention Prohibition and Redressal) Act, 2013
2. The Income Tax Act, 1961
3. Goods and Services Tax Act, 2017

“Other laws applicable to the Company as per the representations made by the Company”

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

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

- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the BSE Limited.

Shares of the Company have been listed on BSE Limited w. e. f 2nd February, 2018.

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreement/ SEBI (LODR), Regulations 2015 etc. mentioned above.

We further report that:

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

Adequate notice to schedule the Board Meetings, agenda and detailed notes on agenda were sent to all directors at least seven days in advance or within prescribed time as the case may be, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting

Decisions at the Board Meetings, as represented by the management and explanations given to us, and as per entries in minute books, were taken unanimously/requisite majority. As per the minutes of the meetings, duly recorded and signed by the Chairman, the decisions of the Board were unanimous/requisite majority and no dissenting views have been recorded.

We further report that, as representation made by the Management of the company and based on the information received and records maintained by the Company, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period:-

1. Registered office of the Company was Change within local limits of city, town or village
2. 3627400 equity shares was listed with Bombay Stock Exchange Limited.
3. According to the report of Statutory Auditor of the company, the company has prepared its financial statements with comply with Ind-AS.
4. Ms. Diksha Gandhi was appointed as a Company Secretary of the Company.

**For Anand Nimesh & Associates
(Company Secretaries)**

**Date: August 14, 2018
Place: Delhi**

**Sd/-
Anand Kumar Singh
(Partner)
M. No- 24881
CP No- 9404**

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

'ANNEXURE A'

To,
The Member
SRU Steels Limited
A-48, 1st Floor, Wazirpur Industrial Area,
Delhi-110052
(CIN: L17300DL1995PLC107286)

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit to the extent there are shown to us during the Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records, the verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. Further we follow the norms of The Institute of the Company Secretaries of India in this regard and we rely on the Reports given by Statutory Auditors or other designated professionals in all financial Laws including financial data's.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Anand Nimesh & Associates
(Company Secretaries)

Date: August 14, 2018
Place: Delhi

Sd/-
Anand Kumar Singh
(Partner)
M. No- 24881
CP No- 9404

NOMINATION AND REMUNERATION & BOARD DIVERSITY POLICY

LEGAL FRAMEWORK

This Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the rules made there under and Regulation 19 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. This policy has been approved by the Board of Directors on the recommendation of Nomination and Remuneration Committee of the Company.

DEFINITIONS

For the purpose of this Policy:

- **'Act'** shall mean the Companies Act, 2013;
- **'Board'** shall mean the Board of Directors of **SRU Steels Limited**;
- **'Committee'** shall mean the Nomination and Remuneration committee of the Company, constituted and reconstituted by the Board from time to time;
- **'Company'** shall mean SRU Steels Limited;
- **'Directors'** shall mean the directors of the Company;
- **'Independent Director'** shall mean a director referred to in Section 149 (6) of the Companies Act, 2013;
- **'Key Managerial Personnel (KMP)'** shall mean the following:
 - (i) Executive Chairman and / or Managing Director (MD) and/or Manager
 - (ii) Whole-time Director (WTD);
 - (iii) Chief Financial Officer (CFO);
 - (iv) Company Secretary (CS);
 - (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - (vi) Such other officer as may be prescribed.
- **'Senior Management'** shall mean personnel of the company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

Unless the context otherwise requires, words and expression used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

OBJECTIVE & PURPOSE

The objective and purpose of this Policy are as follows:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine remuneration of Directors, Key Managerial personnel and Other employees.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in market.
- To provide them reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

SCOPE OF THE POLICY

The policy shall be applicable to the following in the Company:

- Directors
- Key Managerial Personnel (KMP)
- Senior Management
- Other employees of the Company

CONSTITUTION

The Board shall determine the membership of the Committee. The Committee will comprise of at least three members of non-executive directors, a majority of whom shall be independent directors. One of the independent non-executive directors shall be designated by the Board to serve as the Committee's Chairman. The present composition of the Committee is:

- | | |
|-----------------------------|----------|
| 1. Mr. Prem Prakash Agarwal | Chairman |
| 2. Mr. Pankaj Jain | Member |
| 3. Mr. Ashok Kumar Mahawar | Member |

GUIDELINES FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT**1. Appointment criteria and qualifications:**

- 1.1 Letter of appointment shall be issued based on the recommendations of the Committee on the basis of the guidelines for the same under the Companies Act, 2013 or the Company Internal policy.
- 1.2 The Committee shall identify and ascertain the integrity, qualification, expertise and experience for appointment to the position of Directors, KMPs & Senior Management.
- 1.3 A potential candidate should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee shall review qualifications, expertise and experience, as well as the ethical and moral qualities possessed by such person, commensurate to the requirement for the position.
- 1.4 The Company shall not appoint or continue the employment of any person as whole time director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- 1.5 The Committee shall ensure that there is an appropriate induction & training programme in place for new directors, members of senior management and KMP;
- 1.6 The Committee shall make recommendations to the Board concerning any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to the provision of the law and their service contract.
- 1.7 The Committee shall recommend any necessary changes to the Board.

2. Term / Tenure:**I. Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Managing Director, Executive Director/Whole time Director for a term not exceeding five years at a time.

No re-appointment shall be made earlier than one year before the expiry of term of the Director appointed.

II. Independent Director

An Independent Director shall hold office for a term up to five years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for re- appointment in the Company as Independent Director after the expiry of three years from the date of cessation as such in the Company.

The Committee shall take into consideration all the applicable provisions of the Companies Act, 2013 and the relevant rules, as existing or as may be amended from time to time.

3. Evaluation

The Committee shall carry out the evaluation of performance of the every Director, KMP and Senior Management Personnel at regular interval; but at least once a year.

4. Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013 and rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a director, KMP or senior management personnel or functional heads, subject to the provisions and compliance of the Act, rules and regulations.

5. Retirement

The director, KMP, senior management & functional heads shall retire as per the applicable provisions of the Companies Act, 2013 along with the rules made there under and the prevailing policy of the Company. The Board will have the discretion to retain the Directors, KMPs & Senior Management even after attaining the retirement age, for the benefit of the Company.

6. Diversity on the Board of the Company

The Company aims to enhance the effectiveness of the Board by diversifying it and obtain the benefit out of it by better and improved decision making. In order to ensure that the Company's boardroom has appropriate balance of skills, experience and diversity of perspectives that are imperative for the execution of its business strategy, the Company shall consider a number of factors, including but not limited to skills, industry experience, background, race and gender.

The Policy shall confirm with the following two principles for achieving diversity on its Board:

- Decisions pertaining to recruitment, promotion and remuneration of the directors will be based on their performance and competence; and
- For embracing diversity and being inclusive, best practices to ensure fairness and equality shall be adopted and there shall be zero tolerance for unlawful discrimination and harassment of any sort whatsoever.

In order to ensure a balanced composition of executive, non-executive and independent directors on the Board, the Company shall consider candidates from a wide variety of backgrounds, without discrimination based on the following factors:

- Gender - The Company shall not discriminate on the basis of gender in the matter of appointment of director on the Board. The Company encourages the appointment of women at senior executive levels to achieve a balanced representation on the Board.
- Age - Subject to the applicable provisions of Companies Act, 2013, age shall be no bar for appointment of an individual as director on the Board of the Company.
- Nationality and ethnicity - The Company shall promote having a boardroom comprising of people from different ethnic backgrounds so that the directors may efficiently contribute their thorough knowledge, sources and understanding for the benefit of Company's business;
- Physical disability - The Company shall not discriminate on the basis of any immaterial physical disability of a candidate for appointment on Company's Board, if he/she is able to efficiently discharge the assigned duties.
- Educational qualification- The proposed candidate shall possess desired team building traits that effectively contribute to his/ her position in the Company. The Directors of the Company shall have a mix of finance, legal and management background, that taken together, provided the Company with considerable experience in a range of activities including varied industries, education, government, banking, and investment.

7. Remuneration

- I. The remuneration/ compensation/ commission etc. to the whole-time director, KMP and senior management & other employees will be determined by the Committee and recommended to the Board for approval.
- II. The remuneration to be paid to the MD and/or whole-time director shall be in accordance with the percentage/ slabs/ conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013 and the rules made there under.
- III. Increments to the existing remuneration/compensation structure of the Senior Management excluding the Board of Directors comprising of members of Management one level below the Executive Director, including the Functional Heads will be decided by the Chairman & Managing Director & CFO of the Company.

Remuneration to Whole-time/Executive/Managing Director, KMP and Senior Management Personnel:

I. Fixed pay:

The MD and/or whole-time director / KMP and senior management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee and the shareholders wherever applicable. The breakup of the pay scale and quantum of perquisites including, employer's contribution towards provident fund, pension scheme, medical expenses and other perquisites shall be decided and approved by the Board on the recommendation of the Committee.

II. Minimum Remuneration:

If in any financial year, the Company has no profits or its profits are inadequate, it shall pay remuneration to its MD and/or Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if the Company is not able to comply with such provisions, previous approval of the Central Government shall be required to be obtained.

8. Remuneration to Non- Executive / Independent Director:

- i. **Remuneration** : The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and with the provisions of Companies Act, 2013 along with the rules made there under.
- ii. **Sitting Fees:** The Non- Executive/ Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the limits prescribed under Companies Act 2013.

MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be recorded as minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

DIRECTOR'S AND OFFICER'S INSURANCE

Where any insurance is taken by the Company on behalf of its Directors, KMPs/ Senior Management Personnel etc. for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

REVIEW

The Committee as and when required shall assess the adequacy of this Policy and make any necessary or desirable amendments to ensure it remains consistent with the Board's objectives, current law and best practice.

DISCLOSURE OF THIS POLICY

The policy shall be disclosed in the Annual report of the Company, as required under Section-178 of the Companies Act, 2013, read with rules made there under and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and as may be required under any other law for the time being in force.

Statement pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014 forming part of the Directors' Report for the year ended March 31, 2018

(A) Personnel who are in receipt of remuneration at Top 10 personnel of the company, during the financial year:

S. No	Name of Employees	Designation	Salary(p.a) Employment	Nature of	Experience	Date of Commencement of employment	Age	Previous Employment	% share held in the company	Whether related to any director
1	Mr. Ramesh Agarwal	Managing Director	900,000	Permanent	39	04/01/2003	66	Nil	Nil	Yes*
2	Mr. Naveen Kumar	Employee	300,000	Permanent	6	02/02/2016	26	Nil	Nil	No
3	Ms. Diksha Gandhi**	Employee	221,500	Permanent	2	20/04/2017	24	Nil	Nil	No
4	Mr. Hitesh Somani	Employee	180,000	Permanent	24	23/06/2014	40	Nil	Nil	No
5	Mr. Vishwanath Mahawar	Employee	130,000	Permanent	2.5	15/07/2016	26	Nil	Nil	No
6	Mr. Gatulal Prajapat	Employee	120,000	Permanent	2	01/01/2017	26	Nil	Nil	No
7	Mr. Satish Gowali	Employee	128,000	Permanent	3	01/10/2016	25	Nil	Nil	No
8	Mr. Mohan	Employee	56,500	Permanent	1	01/10/2017	24	Nil	Nil	No
9	Mr. Raju	Employee	50,500	Permanent	8	15/05/2012	34	Nil	Nil	No
10	Mr. Vikas	Employee	39,240	Permanent	3	01/11/2017	22	Nil	Nil	No

(B) Personnel who are in receipt of remuneration aggregating not less than ₹ 1.02 crores per annum and employed throughout the financial year:

NIL

(C) Personnel who are in receipt of remuneration aggregating not less than ₹ 8,50,000 per month and employed for part of the financial year:

NIL

* Ms. Richa Agarwal, Director is a relative of Mr. Ramesh Agarwal, Managing Director of the Company.

** Appointed w.e.f. 20th April, 2017.

**For and on behalf of the Board
SRU Steels Limited**

**Sd/-
Ramesh Agarwal
Managing Director
DIN: 00151223**

**Place: New Delhi
Date: August 14, 2018**

**For and on behalf of the Board
SRU Steels Limited**

**Sd/-
Naresh Kumar Garg
Chairman
DIN: 00986846**

PARTICULARS OF REMUNERATION

The information required under section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is follows:-

- (a) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Non - Executive Directors	Ratio of Median Remuneration
Mr. Naresh Kumar Garg, Chairman	-
Mr. Ashok Kumar Mahawar, Independent Director	-
Mr. Rajeev Mittal, Independent Director	-
Mr. Prem Prakash agarwal, Independent Director	-
Mr. Pankaj Jain, Independent Director	-
Ms. Richa Agarwal	-
Executive Directors	
Mr. Ramesh Agarwal, Managing Director	17.82

Note: Mr. Naresh Kumar Garg, Chairman does not receive any remuneration or sitting fee from the Company.

- (b) the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;

Name of Person	% Increase in remuneration
Mr. Naresh Kumar Garg, Chairman	-
Mr. Ashok Kumar Mahawar, Independent Director	-
Mr. Rajeev Mittal, Independent Director	-
Mr. Prem Prakash agarwal, Independent Director	-
Mr. Pankaj Jain, Independent Director	-
Ms. Richa Agarwal	-
Mr. Ramesh Agarwal, Managing Director	-
Mr. Hitesh Laxmikant Somani, CFO	-
Ms. Diksha Gandhi, Company Secretary*	-

* Appointed w.e.f. 20th April 2017

- (c) the percentage decrease in the median remuneration of employees in the financial year: 41.72%

- (d) the number of permanent employees on the rolls of company: 17

- (e) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

The average increase in salaries of employees other than managerial personnel in 2017-18 was (14.16%) There was no change in Managerial Remuneration.

- (f) The Company hereby affirm that the remuneration is as per the remuneration policy of the Company

For and on behalf of the Board
SRU Steels Limited

Sd/-
Ramesh Agarwal
Managing Director
DIN: 00151223

Place: New Delhi
Date: August 14, 2018

For and on behalf of the Board
SRU Steels Limited

Sd/-
Naresh Kumar Garg
Director & Chairman
DIN: 00986846

Corporate Governance Report

(In compliance with Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

I. MANDATORY REQUIREMENTS

1. Corporate Governance: Philosophy

Corporate Governance is about commitment to values and conducting the affairs of the business in an ethical manner. The basic philosophy of Corporate Governance is to achieve business excellence and dedicate itself for increasing long-term shareholder value.

Corporate Governance is based on the principles such as conducting the business with all integrity and fairness, being transparent with regard to all transactions, making all the necessary disclosures and decisions, complying with all the laws of the land, accountability and responsibility towards the stakeholders.

Your Company adheres to high levels of corporate governance standards and best practices and commits itself to accountability and fiduciary duty in the effective implementation of mechanisms that would ensure Corporate Responsibility to the members and other stakeholders.

The Company's philosophy on Corporate Governance is to ensure the best possible management team with experienced professional people. The Company firmly believes that sound practices adopted in the governance of its affairs based on openness, transparency, capability and accountability are essential elements for long term success, building the confidence of its stakeholders, its functioning and conduct of business.

The Company has endeavoured to benchmark itself against global standards in all areas, including Corporate Governance. Good Corporate Governance implies optimum utilisation of the resources and ethical behaviour of the enterprise to enhance the stakeholders' value with strong emphasis on transparency, accountability and integrity, which are the primary objectives of SRU Steels Limited.

The Company has always maintained a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its Board Members, the Code of Conduct for regulating & Monitoring Trading by the Insiders and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, as are available on the Company's website.

The Company has been complying with the Corporate Governance requirements, as stipulated under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchange.

2. Board of Directors

A. Composition of Board:

The Board composition of your Company as on 31st March, 2018 comprises of (7) seven directors out of which Six (6) Non-Executive Directors including the Chairman of the Board and One (1) is Executive Director designated as Managing Director. Out of the above Six

Non-Executive Directors, (4) Four are Independent Directors who have been appointed for their professional expertise and experience that they possess. The composition of the Board of the Company is in conformity with the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, entered into by the Company with the Stock Exchange(s)

The Board's role, functions, responsibilities and accountability are clearly defined. In addition to its primary role of monitoring corporate performance, the functions of the Board, inter-alia, include:

- Articulating the corporate philosophy and mission;
- The Board provides strategic guidance to the company ensures effective monitoring of the management and is accountable to the shareholders.
- Formulating strategic plans;
- The Board members act on a fully informed basis, in good faith, with due diligence and care, and in the best interests of the Company and the shareholders.
- The Board and senior management facilitates the Independent Directors to perform their role effectively as a Board member and also at a member of a committee.
- Ensuring fair and transparent conduct of business.
- Reviewing and approving borrowing/lending, investment limits and exposure limits, etc.;
- Reviewing statutory matters;
- Strategic acquisition of companies and critical assets;
- Review and adoption of Financial Statements, quarterly and annual financial results;
- Keeping shareholders informed about the plans, strategies and performance; and
- Ensuring 100% investor satisfaction.

None of the Directors on the Board is a member of more than ten Committees or holds office as a Chairman of more than five Committees across all the public companies in which he is a Director. Further necessary disclosures regarding Committee positions in other public companies as on March 31, 2018 have been made by the Directors.

The detailed composition and category of the Directors as on 31.03.2018 is as follows:

Name of the Director	DIN	Designation	Category
Mr. Naresh Kumar Garg	00986846	Chairman	Non-Executive
Mr. Ramesh Agarwal	00151223	Managing Director	Executive
Mr. Rajeev Mittal	00082115	Director	Independent, Non-Executive
Mr. Prem Prakash Agarwal	00081871	Director	Independent, Non-Executive
Mr. Pankaj Jain	01234804	Director	Independent, Non-Executive
Mr. Ashok Kumar Mahawar	02600539	Director	Independent, Non-Executive
Ms. Richa Agarwal	00082722	Director	Non-Executive

None of the Directors of the Company has any pecuniary relationship with the Company.

All the Independent Directors on the Company's Board are Non-Executive and:

- The Independence of the Directors is determined by the criteria stipulated under Section 149 of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- They do not have any material pecuniary relationship or transactions with the Company, its promoters, its Directors, its Senior Management, its Subsidiaries and Associates, which may affect independence of the Directors.
- Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- Have not been an Executive of the Company in the immediately preceding three financial years of the Company.
- Are not partners or executives or were not partners or executives of the Statutory Audit Firms or the Internal Audit Firms and Legal Firms, Consulting Firms, which have association with the Company.
- Are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect independence of the Directors
- Are not substantial shareholders of the Company, i.e. do not own two percent or more of the block of voting shares.
- Have furnished a declaration before the Board of Directors that they satisfy the conditions of their being independent as laid down under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under Section 149(6) of the Companies Act, 2013. All such declarations are placed before the Board.

Familiarization programmes for the Board Members

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the roles, functions, duties and responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the compliances required from him/her under the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

The Board members are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Information supplied to the Board

The Board has complete access to all information with the Company; inter alia, the information as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is regularly provided to the Board as a part of the Board Meeting agenda. All information stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is regularly provided to the Board as part of the agenda papers well in advance of the Board meetings. During

the meeting, the senior management is invited to present the plans and achievements relating to their respective areas of responsibility.

Compliance reports of all applicable laws to the Company

The periodical reports submitted by the Internal Auditors and by the concerned executives of the Company with regard to compliance of all laws applicable to the Company including steps taken by the Company to rectify instances of non-compliances, if any, are reviewed by the Board at regular intervals.

Other Directorships, Chairmanships/ Memberships of Committees of each Director in various Public Companies and number of shares of the Company held as at March 31, 2018.

Name of the Director	Number of other Directorship in Indian Public Companies	Committee* Membership in other companies	Committee* Chairmanship in other companies	No. of shares held (as at March 31, 2018)
Mr. Naresh Kumar Garg	0	Nil	Nil	Nil
Mr. Ramesh Aggarwal	0	Nil	Nil	Nil
Mr. Rajeev Mittal	0	Nil	Nil	Nil
Mr. Prem Prakash Agarwal	0	Nil	Nil	35600
Mr. Pankaj Jain	0	Nil	Nil	Nil
Mr. Ashok Kumar Mahawar	0	Nil	Nil	29000
Ms. Richa Agarwal	0	Nil	Nil	Nil

*(Membership and Chairmanship of Audit Committee and Stakeholder's Relationship Committee in other companies has been considered).

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. The Managing Director does not serve as an Independent Director in any Listed Company. Further as mandated by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the directors on the Board is a member of more than ten committee or hold office as a Chairman of more than five Committees across all the public companies in which he/she is a Director.

None of the Directors of the Company has any pecuniary relationship with the Company.

B. (i) (a) Information of the Board Meetings held during the year

The Board meets at-least once in a quarter to review the quarterly financial results and operations of the Company. It also meets as and when necessary to address specific issues relating to the business of the Company.

During the financial year 2017-2018, the members of the Board met 6 (Six) times to review, discuss and decide about the business of the Company.

The dates on which the said meetings were held are as follows:

Quarter	Date of Board Meeting
April, 2017- June, 2017	April 20, 2017 May 25, 2017
July, 2017 – September, 2017	August 14, 2017
October, 2017- December, 2017	November 1, 2017 November 13, 2017
January 2018- March, 2018	February 14, 2018

The necessary quorum was present at all the meetings. The maximum gap between any two Board meetings held during the year was not more than one hundred and twenty days. During the year under review, no meeting was held via video conferencing.

B. (i) (b) Attendance of Directors at the Board Meeting & Last AGM

Name of the Director	Category of Directorship	No. of Board Meeting Attended	Attendance at last AGM
Mr. Naresh Kumar Garg	Chairman - Non-Executive Director	06	Yes
Mr. Ramesh Aggarwal	Managing Director- Executive Director	06	Yes
Mr. Rajeev Mittal	Non-Executive & Independent Director	06	Yes
Mr. Prem Prakash Agarwal	Non-Executive & Independent Director	06	Yes
Mr. Pankaj Jain	Non-Executive & Independent Director	06	Yes
Mr. Ashok Kumar Mahawar	Non-Executive & Independent Director	06	Yes
Ms. Richa Agarwal	Non-Executive Director	06	Yes

Particulars and brief profile of Director retiring by rotation and also seeking re-appointment have been given in the notice for convening the Annual General Meeting.

Committees of the Board

SRU Steels Limited has three Board Level Committees:

- Audit Committee,
- Nomination and Remuneration Committee and,
- Stakeholder's' Relationship Committee.

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas of concern for the Company and need a closer review. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of various Committees. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below.

3. Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, entered into with the Stock Exchange(s) read with Section 177 of the Companies Act, 2013 ("Act").

A. Brief description of terms of reference of Audit Committee

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling their responsibilities, the Audit Committee was constituted. Majority of the members of the Audit Committee are Independent Directors and have rich experience in the financial/legal sector.

The terms of reference of Audit Committee are as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 executed with the Stock Exchange(s), read with Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time. The composition of the Audit Committee also adheres to the provisions of Section 177 of the Companies Act, 2013.

The main functions of the Audit Committee, inter-alia, include:

Role(s)/Terms of reference of Audit Committee are:

- Overseeing the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditor and Internal Auditors and fixation of audit fees and approval of payment for any other services.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Cost Auditor.
- Reviewing, with the Management, the Annual Financial Statements before submission to the Board for approval, with particular reference to:
 - Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(5) of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Disclosure of any related party transactions.
 - Compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other legal requirements relating to financial statements.
- Reviewing, with the Management, the quarterly and annual Financial Statements before submission to the Board for approval.
- Reviewing, with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this matter.
- Review the appointment, removal and terms of remuneration of Internal Auditors.
- Reviewing, with the Management, performance of the Statutory and Internal auditors, adequacy of the Internal Control Systems.
- Reviewing the adequacy of Internal Audit Functions, if any, including the structure of the Internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit.
- Discussion with the Internal Auditors any significant findings and follow up thereon.
- Review the Management Discussion and Analysis of Financial condition and results of operations.
- Discussion with the Statutory Auditors, before the Audit commences, about the nature and scope of Audit as well as post audit discussions to ascertain any area(s) of concern.
- Reviewing the Internal Audit Reports relating to internal control weaknesses.

- Carrying out any other function as mentioned in terms of reference of the Audit Committee.
- Reviewing the compliances regarding the Company's Whistle Blower Policy/Vigil Mechanism System.
- Approval of appointment of Chief Financial Officer (CFO) after assessing the qualifications, experience and background of the candidate.
- To investigate any activity within terms of reference and seek information from any employee.
- To obtain outside legal professional advice and
- Reviewing compliance of legal and regulatory requirements.

B. Composition & Qualification of Audit Committee

Name	Category of Directorship	Designation in Audit Committee	Qualification & Experience	No. of Meetings Attended
Mr. Rajeev Mittal	Non-Executive & Independent Director	Chairman	Rajeev Mittal, the Independent Director of SRU Steels Limited brings with him a tremendous amount of knowledge, experience, foresight and vision. He is graduate and having 28 years of experience in varied fields, he combines a strong comprehension of domestic business with innovative fundamental vision that aligns SRU Steels Limited towards a new dawn in integrated management systems.	05
Mr. Prem Prakash Agarwal	Non-Executive & Independent Director	Member	He is an Independent Director of the Company. He has been an integral part of the industry and having rich knowledge of Steel trading business. Over more than 28 years of experience in finance and Accounts.	05
Mr. Pankaj Jain	Non-Executive & Independent Director	Member	He is an Independent Director of the Company. He is Graduate & having 18 years of experience in the field of Real Estate development and construction. He is having a wide knowledge of Stainless Steel.	05

C. Meetings of Audit Committee

During the financial year 2017-18, five (5) meetings of Audit Committee were held:

Quarter	Date of Meeting	Number of Members Present	Number of Independent Directors Present
April 2017 - June 2017	April 20, 2017	03	03
	May 25, 2017	03	03
July 2017 - September 2017	August 14, 2017	03	03
October 2017 - December 2017	November 13, 2017	03	03
January 2018 - March 2018	February 14, 2018	03	03

The Internal Auditors and Statutory Auditors are invitees to the Audit Committee Meetings.

Ms. Diksha Gandhi, Company Secretary acts as the Secretary to the Audit Committee.

The previous Annual General Meeting (AGM) of the Company was held on September 29, 2017.

4. Stakeholders' Relationship Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted the Investors' Grievance Committee as Stakeholders' Relationship Committee. During the year 2017-18, the Committee met on 08/03/2018 and oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in quality of investor

service. The Committee also looks into redressal of shareholder's/investors complaints.

A. Composition of Stakeholders' Relationship Committee:

Name	Category of Directorship	Designation
Mr. Pankaj Jain	Non-Executive & Independent Director	Chairman
Mr. Ramesh Agarwal	Executive Director	Member
Mr. Prem Prakash Agarwal	Non-Executive & Independent Director	Member

1 (One) meeting of the Committee was held during the year under review and the same were attended by all the members of Committee.

B. Name, Designation and Address of Compliance Officer

Ms. Diksha Gandhi
Company Secretary & Compliance Officer,
SRU Steels Limited
A-48, 1st Floor, Wazirpur Industrial Area
Delhi-110052

C. Complaint Status

During the year, the Company has not received any investor complaints. As on date, there is no pending complaint of any shareholder.

5. Nomination & Remuneration Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013, read with rules framed thereunder and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted the Nomination & Remuneration Committee.

The Nomination & Remuneration Committee comprises of three (3) Directors (all Independent Directors).

Ms. Diksha Gandhi, Company Secretary, acts as the Secretary to the Committee.

The broad terms of reference of the Committee includes:

Identifying candidates for Directorships, evaluation of the performance of the Directors, determination of remuneration to be paid to the Directors, Key Managerial Personnel and other employees of the Company. The Committee also oversees the Company's nomination process for key leadership positions, specifically at the Board level.

The committee shall approve the remuneration payable to the executives of the Company for each financial year. The Committee shall also review, appraise and approve such other matter(s) as the board may recommend to it.

A. Composition of Nomination & Remuneration Committee:

Name of Director	Category of Directorship	Designation in Committee
Mr. Prem Prakash Aggarwal	Non-Executive & Independent Director	Chairman
Mr. Pankaj Jain	Non-Executive & Independent Director	Member
Mr. Ashok Kumar Mahawar	Non-Executive & Independent Director	Member

3 (Three) meeting of the Committee were held during the year under review and the same were attended by all the members of Committee.

B. Policy on Board Diversity

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015, the remuneration policy is framed and adopted.

The Broad objectives of the Policy are:

The Policy shall confirm with the following two principles for achieving diversity on its Board:

- Decisions pertaining to recruitment, promotion and remuneration of the directors will be based on their performance and competence; and
- For embracing diversity and being inclusive, best practices to ensure fairness and equality shall be adopted and there shall be zero tolerance for unlawful discrimination and harassment of any sort whatsoever.

In order to ensure a balanced composition of executive, non-executive and independent directors on the Board, the Company shall consider candidates from a wide variety of backgrounds.

C. Remuneration Policy:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the remuneration policy is framed and adopted. The remuneration paid to Executive Directors of the Company is approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee. The Company's remuneration strategy is market-driven and aims at attracting and retaining high calibre talent.

The Broad objectives of the Policy are:

- To lay down criteria for identifying persons who are qualified to become Directors and who may be appointed in Senior Management of the Company in accordance with the criteria laid down;
- To lay down criteria for determining qualification, positive attributes and Independence of a Director;
- To lay down criteria relating to remuneration of directors, key managerial personnel and other employees;
- To retain, motivate and promote exceptional talent and to ensure long term sustainability of the talented managerial persons and create competitive advantage;
- To promote and welcome diversity, equal opportunities and gender mix in the Board composition with due recognition and weightage to the skills, experience and business acumen of the directorship candidatures.

D. Particulars of Directors' Remuneration during the financial year 2017-2018:

The details of remuneration paid to the Directors during the year ended March 31, 2018, are given below:

Name of the Directors	Salary (Rs.)	Perquisites (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Mr. Ramesh Agarwal (MD)	900,000	-	-	900,000
Mr. Prem Prakash Agarwal	-	-	-	-
Mr. Pankaj Jain	-	-	-	-
Mr. Naresh Kumar Garg	-	-	-	-
Mr. Rajiv Mittal	-	-	-	-
Mr. Ashok Kumar Mahawar	-	-	-	-
Ms. Richa Agarwal	-	-	-	-
Total	900,000	-	-	900,000

6. Evaluation of performance of the Board, its committees and Individual Directors

Pursuant to the provision of the Companies Act, 2013 and SEBI Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance and that of its Committees and individual Directors.

Evaluation of the Board and its Committees is based on various aspects of their functioning, such as, adequacy of the constitution and composition of the Board and its Committees, matters addressed in the meetings, processes followed at the meeting, Board's focus, regulatory compliances and Corporate Governance, etc., are in place. Similarly, for evaluation of individual Director's performance, various parameters like Director's profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc., are considered.

The performance of the Board and individual Directors was evaluated by the Board after seeking inputs from all Directors. The performance of the committees was evaluated by the Board after seeking inputs from the committee members. The Nomination and Remuneration Committee reviewed the performance of the Individual Directors.

7. Meeting of Independent Directors

In terms of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall meet once in a year to review the performance of Non-Independent Directors, the Board as a whole, review the performance of the Chairman of the Company and assessed the quality, quantity and timelines of flow of information between the Company Management and the Board.

The Independent Directors of the Company had met during the year on 12th February, 2018 without the presence of Non-Independent Directors and the Members of Management and discussed, inter-alia, the performance of Non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of Executive and Non- Executive Directors and has assessed the quality, quantity and timelines of flow of information between the Company Management and the Board.

The Board of Directors had reviewed the individual performance of all the Independent Directors as per the standard criteria laid down. The Independent Directors whose performance was reviewed by the Board excused themselves from attending that part of the meeting as required under the statute.

Separate Meeting of Independent Directors

A separate meeting of Independent Directors for the year 2017-2018 was held on 12th February, 2018 All Independent Directors actively participated and provided guidance to the Company in all its spheres. In accordance with the Listing Regulations, following matters were, inter alia, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company taking into consideration the views of Executive and Non-Executive Directors.

- Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

8. Reconciliation of Share Capital Audit:

A qualified practising Company Secretary carries out an audit on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital and the reports are placed before the Board of Directors for its perusal. The said report confirms that the total issued and listed capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

As required under Regulation 7(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has submitted a compliance certificate to the exchange duly signed by the Compliance Officer and the authorised representative of Share Transfer Agent viz. M/s Beetal Financial & Computer Services Private Limited to the Stock Exchange on 13th of April, 2018 for the half year ended 31st March, 2018 certifying compliance that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent registered with SEBI.

9. General Body Meetings:

The concise details of Annual General Meetings held during the previous three years are as under:

A. Annual General Meetings:

Financial Year	Location and Time	Special Resolutions passed
2016 – 2017	29th September, 2017 at 10.00 A.M. at 416-417-432, Rajendra Jaina Tower-1, Plot No. 18, Wazirpur Shopping Complex, Delhi-110052	No Special Resolutions were passed in this meeting.
2015 – 2016	30th September, 2016 at 10.00 A.M. at 416-417-432, Rajendra Jaina Tower-1, Plot No. 18, Wazirpur Shopping Complex, Delhi-110052	1 (One) Special Resolutions were passed in this meeting.
2014-2015	September 30, 2015 at 10.00 A.M. at 416-417-432, Rajendra Jaina Tower-1, Plot No. 18, Wazirpur Shopping Complex, Delhi-110052	1 (One) Special Resolutions were passed in this meeting.

B. Postal Ballot:

During the preceding financial year, no resolution was passed through postal ballot and presently no resolution has been proposed through postal ballot.

C. Extra-Ordinary General Meetings:

No EGM was held during the Financial Year 2017-18.

10. Disclosures

A. Disclosures of Related Party Transactions

There are no related party transactions of the company of material nature, with promoters, the Directors or Management or relatives etc. that may have potential conflict with the interest of the Company at large.

B. Disclosure regarding appointment/re-appointment of directors

Pursuant to the requirements of the Listing Agreement, the information required to be given in case of appointment/re-appointment of director(s) is given in the annexure to the Notice of the Annual General Meeting.

C. Vigil Mechanism/Whistle Blower Mechanism

The model Vigil Mechanism policy as recommended

by the Audit Committee has been adopted by the Board of Directors of the Company in terms of Section 177(9) of the Companies Act, 2013. The policy provides adequate safeguards against victimization of employees and also provides for access to the Audit Committee. It is affirmed that no personnel has been denied access to the Audit Committee. The policy has also been displayed on the Company's website.

D. Management & Discussion Analysis Report:

The comprehensive Management & Discussion Analysis Report has been enclosed with this report.

E. Details of Compliances/ Non compliances by the Company with applicable Laws

The Board of Directors periodically reviews compliance reports of the laws applicable to the Company and the Company initiates requisite action for strengthening of its statutory compliance procedures, as may be suggested by the members of the Board from time to time.

The Company has complied with the requirements of the Stock Exchange/SEBI/any Statutory Authority on all matters related to capital Markets.

F. Subsidiary Companies

The Company does not have any Subsidiary for the financial year ended 31st March, 2018.

G. Related Party Transaction

The Company has formulated a policy on related party transactions in terms of Regulation 23(1) of SEBI (LODR) Regulations, 2015. The said policy has been upload on the website of the Company <http://www.srusteels.in/pdfs/related%20party%20Policy%20SRU.pdf>.

During the Financial Year 2017-18, there were no such Related Party Transactions, either as per Companies Act, 2013 or Listing Regulations which were required to be approved by the Board of Directors or the shareholders of the Company. Further, there were no materially significant related party transactions that may have potential conflict with the interests of Company at large.

A confirmation as to compliance of Related Party Transactions as per Listing Regulations is also sent to the Stock Exchanges along with the quarterly compliance report on Corporate Governance.

H. Code for Prevention of Insider Trading Practices

In compliance with SEBI's regulations on Prevention of Insider Trading, the Company has instituted a comprehensive Code of Conduct for its Directors and Designated Employees. The code lays down guidelines which advise them on procedure to be followed and disclosures to be made while dealing with shares of the Company and cautioning them of consequences of violations.

The Company has now adopted the new amended SEBI's (Prevention of Insider Trading) Regulations, 2015 duly approved by the Board of Directors at its meeting held on May 14, 2015, in term of which the Code of Practices Procedure for fair disclosure unpublished price sensitive information and the Code of Internal procedure and conduct for regulation, monitor and report of trading

in the Securities for the designated employees and the connected persons have been adopted and have been posted on the Company's website <http://www.srusteels.in/codeofconduct.html>.

I. Risk Management

The Company has adopted a Risk Management Policy. It has laid down the procedures to inform the Board members about potential risks, their assessment and control. These procedures are periodically reviewed to ensure that the executive management control risk by means of properly defined framework of policies and strategies.

The Company also has a system of Internal Audit and the Internal Auditors report directly to the Audit Committee of the Company.

J. Compliance With Mandatory Requirements and Non-Mandatory Requirements

The Company has complied with all the mandatory requirements stipulated under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Company has also adopted non-mandatory requirements to the extent and in the manner as stated under the appropriate headings detailed elsewhere in this report.

The Company has complied with the requirements of Part C (Corporate Governance Report) of Sub-Paras (2) to (10) of Schedule V of the Listing Regulations.

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

K. Disclosure of Accounting Treatment

The Ministry of Corporate Affairs (MCA), vide its notification in the official gazette dated February 16, 2015, notified the Indian Accounting Standards (IND AS) applicable to certain classes of Companies. IND AS has replaced the existing Indian GAAP prescribed under section 133 of the Companies (Accounts) Rules, 2014.

The Company has adopted Indian Accounting Standards ("Ind AS") from April 01, 2017 (transition date to IND AS is April 01, 2016) and the financial Statements have been prepared in accordance with recognition and measurement principles of Indian Accounting Standards ("IND AS") as prescribed under the Companies (Indian Accounting Standards) Rules, 2015, as specified in section 133 of the Companies Act, 2013. The Annual Accounts for the year ended March 31, 2018 have been prepared in accordance to Indian Accounting Standard

(IND AS) and the figures for the year ended March 31, 2017 and April 01, 2016 have been restated in terms of IND AS.

The reconciliations and description of the effect of the transition from IGAAP to Ind AS have been provided in Note 49 and 46 in the notes to accounts in the standalone financial statements respectively.

L. Proceeds from the public issue/rights issue/preferential issues etc.

There was no public issue/ right issue/preferential issue etc. made by your Company during the financial year 2017-18.

M. Code of Conduct

The Company has a well-defined policy framework which lays down procedures to be followed by the employees for ethical professional conduct. The code of conduct has been laid down for all the board members and senior management of the Company. The Board members and senior management personnel have affirmed compliance with the Company's Code of Conduct for the year 2017-18. The code has also been displayed on the Company's website <http://www.srusteels.in/codeofconduct.html>

11. Discretionary Requirements

As required under Regulation 27(1) read with Part E of Schedule II the details of discretionary requirements are given below:

A. The Board

The Company has not set up any office for the Non-executive Chairman and no reimbursements of expenses are incurred in the performance of his duties.

B. Shareholders Rights

The quarterly/half yearly un-audited results of the Company after being subjected to a Limited Review by the Statutory Auditors are published in newspapers and on the Company's website http://www.srusteels.in/quarterly_results.html.

These results are not sent to shareholders individually.

C. Modified Opinion(s) in Audit Report

The Auditor has issued an unqualified opinion on the statutory financial statement of the Company.

D. Separate posts of Chairman and CEO

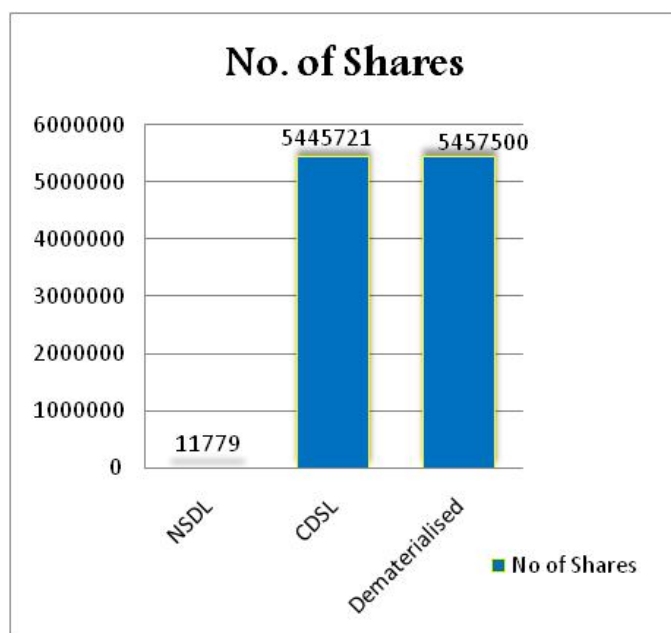
The Company has appointed separate persons to the post of Chairman and Managing Director.

E. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

12. General Shareholder Information:

Annual General Meeting(Date, Time & Venue)	Saturday, 29 th September, 2018 at 10:00 AM at the Registered& Corporate Office of the Company at A-48, 1 st Floor, Wazirpur Industrial Area, Delhi-110052																							
Financial Year	1 st April 2017 - 31 st March 2018																							
Date of Book Closure	Sunday, September 23, 2018 to Friday, September 29, 2017 (both days inclusive).																							
Dividend Record (Last three years)	Financial Year 2014-15 NIL Financial Year 2015-16 NIL Financial Year 2016-17 NIL																							
Dividend for Financial Year 2017-2018	The Company has not recommended any dividend.																							
Listing on Stock Exchanges	Shares of the Company are listed on BSE Limited w. e f 2 nd February, 2018																							
Scrip Code	540914																							
ISIN NO.	INE425C01017																							
Financial Calendar 2018-19 (Tentative & Subject to Change)	1. First Quarter results – 14 th August, 2018 2. Second Quarter results – 2 nd week of November, 2018 3. Third Quarter results – 2 nd week of February 2019 4. Audited yearly & forth quarterly results for the year and quarter ended March 31, 2019 - Last week of May, 2019																							
Registrar & Transfer Agents (both for Electronic & Physical Segment)	Beetal Financial & Computer Services (P) Ltd 3 rd Floor, 99 Madangir, BH-Local Shopping Complex, Near Dada Harsukhdas Mandir, New Delhi-110062Contact Person: Sh. Bhawendra Jha																							
Share Transfer Systems	Transfer of shares in dematerialized Form is done through Depository Participant, but as regards transfer of shares in Physical Form, the transfer document can be lodged with Beetal Financial & Computer Services (P) Ltd., Registrar and Share Transfer Agent or with the Company.The Physical Shares along with valid and duly executed transfer instrument as and when received are duly processed and shares in respect of valid transfer instruments are transferred in the name of transferee complying with the rules in force. The shares are transferred after obtaining the approval from the Board. Duly transfer share certificates are returned within a period of 30 days from the date of receipt subject to the documents being valid and complete in all respects.																							
Permanent Account Number (PAN) for transfer of shares in physical form	SEBI vide its Circular dated May 20, 2009 has stated that for securities market transactions and off-market transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company's RTA for registration of such transfer of shares. Accordingly, shareholders are requested to please furnish copy of PAN Card to the Company's RTA for registration of transfer of shares in their name.																							
Reconciliation of Share Capital Audit	Reconciliation of Share Capital Audit is conducted on quarterly basis by a Qualified Practicing Company Secretary to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Service Ltd. (CDSL) with the total issued and listed Capital. The Report is submitted to the Board of Directors and to the concerned Stock Exchanges where the shares of the Company are listed for trading.																							
Dematerialization of Shares	<div>The Company's shares are available for dematerialisation on both the depositories viz. National Securties Depository Ltd. (NSDL) and Central Depository Service Ltd. (CDSL).</div> <div>(i) Dematerialization of Shares as on 31st March, 2018</div> <table><tr><th>Particular</th><th>Number of Shares</th><th>Percentage (%)</th></tr><tr><td>Dematerialization:</td><td></td><td></td></tr><tr><td>NSDL</td><td>11779</td><td>0.15</td></tr><tr><td>CDSL</td><td>5445721</td><td>68.14</td></tr><tr><td>Sub-Total:</td><td>5457500</td><td>68.29</td></tr><tr><td>Physical:</td><td>2534400</td><td>31.71</td></tr><tr><td>Total:</td><td>7991900</td><td>100</td></tr></table>			Particular	Number of Shares	Percentage (%)	Dematerialization:			NSDL	11779	0.15	CDSL	5445721	68.14	Sub-Total:	5457500	68.29	Physical:	2534400	31.71	Total:	7991900	100
Particular	Number of Shares	Percentage (%)																						
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NSDL	11779	0.15																						
CDSL	5445721	68.14																						
Sub-Total:	5457500	68.29																						
Physical:	2534400	31.71																						
Total:	7991900	100																						
Secretarial Audit	Pursuant to Section 204 of the Companies Act, 2013, the Company has appointed M/s Anand Nimesh & Associates, Companies Secretaries as Secretarial Auditor of the Company to conduct the Secretarial Audit of the Company for the financial year 2017-18.																							
Outstanding GDRs	There are no outstanding GDRs/ ADRs/ Warrants or any other convertible instruments.																							
Regd. & Corporate Office :	A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052																							
Compliance Officer	<div>Ms. Diksha Gandhi (Company Secretary) Tel: 011-27373622 E-mail: srusteels@yahoo.in Website: www.srusteels.in</div> <div>The Company has designated an e-mail id viz. srusteels@yahoo.in to enable the investors to register their complaints/ suggestions/queries, if any.</div>																							



Means of Communication

The financial results of the Company are published in widely circulated national dailies such as The Financial Express, English newspaper and The Jansatta, Hindi newspaper. Information at the time of declaration of results is also sent to all stock exchanges where the shares of the Company are listed for trading. The Company's annual report containing, inter alia, audited annual accounts, directors' report, auditors' report, management discussion analysis and other important information is circulated to all the members. All the above results and documents are also displayed on Company's official website www.srusteels.in.

Green Initiative in the Corporate Governance by the Ministry of Corporate Affairs

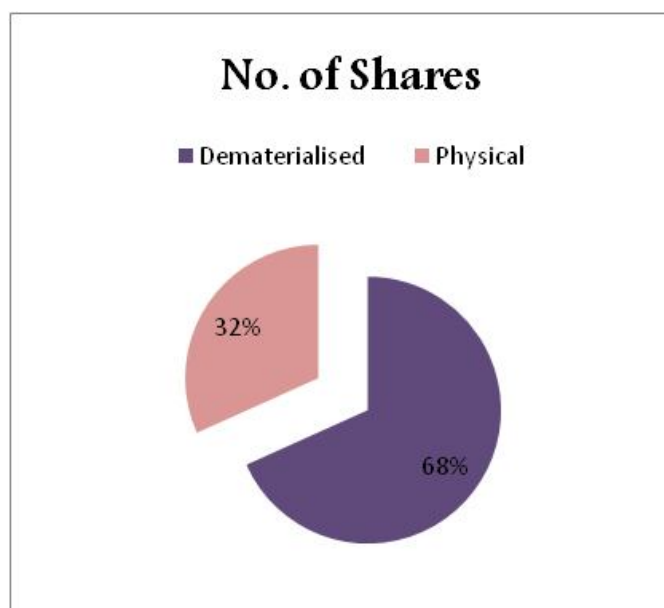
The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circulars stating that the service of official documents by a company to its members can be made through electronic mode.

To support this green initiative of the Government in full measure, all the members are requested to register/update their email IDs with their depository participants, in case shares are held in electronic mode, to ensure that Annual Report and other documents reach them at their preferred email IDs and where the shares are held in physical mode, members are requested to get their email IDs updated in the records of the company.

All the official documents including Annual Report of the Company, circulated to the Members of the Company through electronic mode, will be made available on the Company's website www.srusteels.in.

Distribution of Shareholdings as on March 31, 2018:

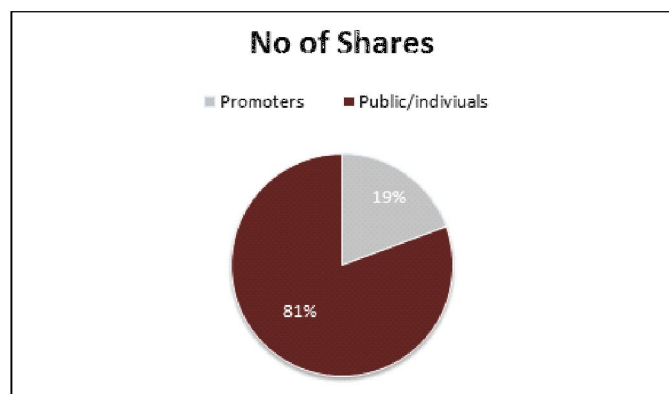
Range (in Shares) From To	No. of Shares holders	No. of Shares	% of Total
1 5000	76	26800	18.53
5001 10000	71	67600	17.31
10001 20000	73	127300	17.80
20001 30000	57	153700	13.90
30001 40000	39	139600	9.51
40001 50000	5	24500	1.21
50001 100000	27	242600	6.58
100001 And above	62	7209800	15.12
Total	410	7991900	100.00



Shareholding Pattern of the Company as on March 31, 2018:

Category	No. of Shares	%
Promoters	1547000	19.36
Banks, Financial Institutions & FIIs	NIL	-
Bodies Corporate	NIL	-
Non Resident Indians	NIL	-
GDR	NIL	-
Public/ individuals	6444900	80.64
Total	7991900	100.00

* No pledge has been created on the shares held by promoters or promoter group as on March 31, 2018.



List of Top 10 Shareholders (other than Promoters) as on March 31, 2018

S.No.	Name of the Shareholder	Number of shares
1	R.L Agarwal & Sons Securities Pvt Ltd.	976500
2	Satish Agarwal	872000
3	Satish Agarwal HUF	822500
4	Uma Agarwal	518600
5	Apoorv Agarwal	392700
6	Arpit Agarwal	311900
7	Rajiv Ranjan Gupta	100000
8	Ganesh Yadav	70000
9	Bajrang Lal Chauhan	70100
10	Sushil Goel	70000
	TOTAL	4205300

13. Compliance Certificate from Statutory Auditors' on Corporate Governance

As required under Schedule V sub-clause (E) Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditor's Certificate is annexed and forms part of this Annual Report.

14. Code of Conduct for Board of Directors and Senior Management Personnel

The Board of Directors has adopted Code of Conduct, applicable to Directors and to Senior Management Personnel of the Company. The said Code of Conduct have

been posted on the Company's website <http://www.srusteels.in/pdfsCode%20of%20Conduct%20for%20board%20members%20and%20senior%20personnel.pdf>. The Company has obtained declarations from all its Directors and Senior Management Personnel affirming their compliances with the applicable Code of Conduct. The declaration by the Managing Director under Schedule V sub-clause (D) Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 affirming compliance of the Code of Conduct by all members of the Board and the Senior Management Personnel for the year ended 31 March, 2018 is attached to this Corporate Report.

15. SEBI Complaints Redress System (SCORES)

The Company processes the investors' complaints received by it through a computerized complaints redressal system. The salient features of this system are computerized database of all the inward receipts and action taken on them, online submission of Action Taken Reports (ATRs) along with supporting documents electronically in SCORES. The investors' can view online the current status of their complaints submitted through SEBI Complaints Redress System (SCORES).

The above report has been placed before the Board at its meeting held on August 14, 2018 and the same was approved.

By the order of the Board
For SRU STEELS LIMITED

Sd/-
Naresh Kumar Garg
(Director & Chairman)
DIN:00986846

By the order of the Board
For SRU STEELS LIMITED

SD/-
Ramesh Agarwal
(Managing Director)
DIN: 00151223

Place: New Delhi
Date: August 14, 2018

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of
SRU Steels Limited
A-48, 1st Floor,
Wazirpur Industrial Area
New Delhi-110052

We have examined the compliance of conditions of Corporate Governance by **SRU Steels Limited** ("the Company") for the year ended March 31, 2018 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

In our opinion and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in chapter IV Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015

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

For Anand Nimesh & Associates
(Company Secretaries)

Date: August 14, 2018
Place: Delhi

Sd/-
Anand Kumar Singh
(Partner)
M. No- 24881
CP No- 9404

COMPLIANCE CERTIFICATE TO THE BOARD PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
Board of Directors
SRU STEELS LIMITED

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of **SRU Steels Limited** (the company), to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2018
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) That no instances of significant fraud have come to our notice.

By the order of the Board
For SRU Steels Limited

Date : August 14, 2018
Place : New Delhi

Sd/-
Ramesh Agarwal
Managing Director

By the order of the Board
For SRU Steels Limited

Sd/-
Hitesh Laxmikant Somani
Chief Financial Officer

Declaration by Managing Director under Para D Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding the compliance with code of conduct

To
The Members of
SRU Steels Limited

I, Ramesh Agarwal, Managing Director of the Company, hereby certify that the members of the Board of Directors and the Management Personnel have affirmed compliance with code of conduct adopted by the Company for the financial year ending 31 March, 2018 in terms of Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

By the order of the Board
For SRU STEELS LIMITED

Place: New Delhi
Date: August 14, 2018

Sd/-
Ramesh Agarwal
(Managing Director)
DIN: 00151223

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This Management Discussion & Analysis report presents the key performance highlights of the year 2017-18 pertaining to the Company's business. To avoid duplication between the Directors' Report and the Management Discussion and Analysis, we present below a composite summary of performance of the business and functions of the Company. The Company's financial statements have been prepared in accordance with Indian Accounting Standards (IndAS), complying with the requirements of the Company's Act 2013 and the guidelines issued by Securities and Exchange Board of India (SEBI).

CAUTIONARY STATEMENT

Statements made in this report describing the Company's objectives, projections, estimates and expectations are "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates; changes in the Government regulations; tax laws and other statutes and incidental factors.

STEEL INDUSTRY IN INDIA

The iron and steel industry is one of the most important industries in India. During 2014 through 2015, India was the third largest producer of raw steel and the largest producer of sponge iron in the world. The industry produced 91.46 million tons of total finished steel and 9.7 million tons of pig iron. Most iron and steel in India is produced from iron ore. The Indian Ministry of Steel is concerned with the coordination and planning of the growth and development of the iron and steel industry in the country, both in the public and private sectors; formulation of policies with respect to production, pricing, distribution, import and export of iron and steel, ferro alloys and refractories; and the development of input industries relating to iron ore, manganese ore, chrome ore and refractories etc., required mainly by the steel industry.

The Indian steel industry is very modern with state-of-the-art steel mills. It has always strived for continuous modernisation and up-gradation of older plants and higher energy efficiency levels.

India's crude steel output grew 5.87 per cent year-on-year to 101.227 million tonnes (MT) in CY 2017. Crude steel production reached 93.183 MT during April-February 2017-18.

India's finished steel exports rose 102.1 per cent to 8.24 MT, while imports fell by 36.6 per cent to 7.42 MT in 2016-17. Exports

and Imports of iron and steel stood at 14.6 MT and 13.1 MT during April-February 2017-18, respectively.

Total consumption of finished steel stood at 81.943 MT during April-February 2017-18.

Total finished steel production (alloy+ non-alloy) stood at 69.604 million tonnes during April - November 2017.

India is expected to overtake Japan to become the world's second largest steel producer by 2019-20, as it aims to achieve 300 million tonnes of annual steel production by 2025-30.

In FY17, offshore region accounted for 20.20 per cent share in India's share of states in value of mineral production.

SRU STEELS OPERATIONS

The Company operates in the single business segment of trading in various types of Iron & Steel. At present, the Company is trading in various types of steel products as well as sale of products on Commission basis. This sector of steel is witnessing intense competition from numerous players in the country.

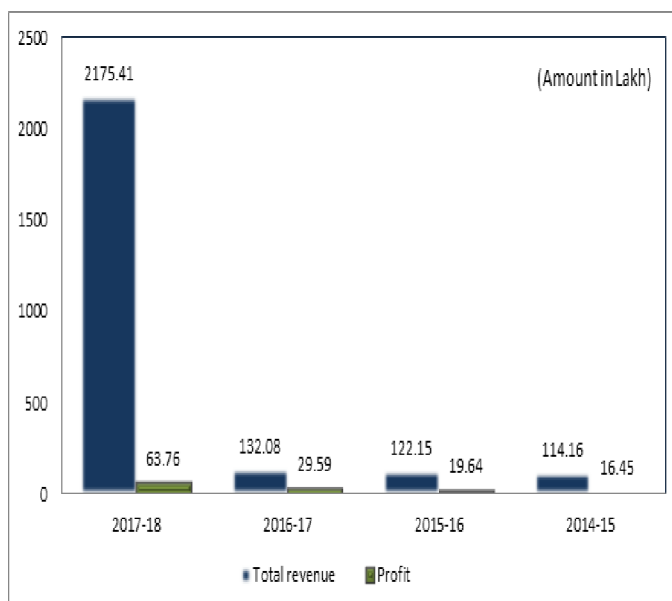
During the financial year 2017-18, the SRU Steels Ltd reported Rs. 85.96 Lakh profit before tax as against a profit Rs. 42.84 Lakh in financial year 2016-17.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Abridged Statement of Profit and Loss

(Amount in Lakhs)

Particulars	2017-18	2016-17	Growth %
Revenue from Operations	2136.34	92.63	2206.32
Other Income	39.07	39.45	(.96)
Total Revenue	2175.41	132.08	1547.04
Expenses			
Employees benefits expenses	24.44	29.39	(16.84)
Finance Cost	0.26	0.05	420
Depreciation and Amortisation	2.82	4.80	(41.25)
Other Expenses	79.98	55.00	45.42
Total Expenses	2089.46	89.24	2241.40
PBT	85.96	42.84	100.65
Tax Expenses	22.19	13.25	67.47
Profit after tax	63.76	29.59	115.48
Earning per Equity Share			
Basic	0.80	0.37	-
Diluted	0.80	0.37	-



OPPORTUNITIES AND THREATS

The Government of India is focusing strongly on the development of steel industry which shall provide scope for the growth in India.

It is a matter of great satisfaction that National Steel Policy 2017 prepared by steel ministry has been approved by the government for implementation. The capacity targets envisaged in the document has clearly set out the availability of principal raw materials required for production by 2030-31.

The emergence of new technology in the field of non-conventional energy like solar power, more availability of natural gas for energy as well as for steel making, more beneficiation and use of pellets in the BF's may result in a paradigm shift in the current norm of consumption and change the pattern of coking coal and iron ore demand in the next 5-7 years.

Your Company is exposed to the several threats emerging from the market.

These threats are: -

- The Competitive pricing by the rivalries;
- Environmental changes;
- Political instability; and
- The challenges faced on account of rising prices i.e. for Company's growth, and at the same time satisfy its dealers.

GOVERNMENT INITIATIVES

Some of the other recent government initiatives in this sector are as follows:

- Government of India's focus on infrastructure and restarting

road projects is aiding the boost in demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel.

- The Union Cabinet, Government of India has approved the National Steel Policy (NSP) 2017, as it seeks to create a globally competitive steel industry in India. NSP 2017 targets 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030.
- Metal Scrap Trade Corporation (MSTC) Limited and the Ministry of Steel have jointly launched an e-platform called 'MSTC Metal Mandi' under the 'Digital India' initiative, which will facilitate sale of finished and semi-finished steel products.
- The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs 200 crore (US\$ 30 million).
- The National Steel Policy (NSP) 2017, released by the Government, aims to increase steel production. Its objective is to make India self-sufficient in steel production and projects crude steel capacity of 300 million tonnes (mt) and per capita consumption of 160 kg of finished steel by 2030-31. As a part of its focus area, the policy aims to address adequate local manufacturing to meet the demand for high-grade automotive steel, electrical steel, special steels and alloys for strategic applications by the same year.
- The Ministry of Steel aims to increase the steel production capacity to 142.3 million tonnes by the end of 2017 from 128.28 million tonnes in March 2017 in indicating new opportunities in the sector

Goods and Services Tax (GST)

The announcement of a Goods and Service Tax (GST) also had a positive impact on the Indian economy. The policy has been rolled out on 1st July, 2017 with a view to reinforce the indirect taxation system, increase transparency and consolidation of disintegrated Indian market.

SEGMENT WISE PERFORMANCE

The Company being engaged in the sale of steel coils, Sheets and other type of steels, there is only one business segment and single segment of activity. Further, the Company is mainly operative in the cities of Haryana and Ahmedabad and does not operate at any other place and therefore all the revenue and income has been generated from these geographic area only.

OUTLOOK

India has become the 3rd largest steel producer in FY17 with the production of finished steel at 83.01 million tonnes. India stood as the 3rd largest crude steel producer in 2016, while its production increased to 97.385 million tonnes in FY17 as compared to 90 million tonnes in FY16. Crude steel production from April to November 2017 stood at 66.70 million tonnes.

India Ratings and Research (Ind-Ra) has revised the outlook on the steel sector to stable for FY19 from negative in FY18, led by demand growth in domestic and global markets. While it expects stressed steel assets to meet incremental demand over next 18-24 months, the ratings firm felt steel players would gain from improved sales realisations driven by improvement in operational and financial performance in FY19.

In its latest sector outlook, the agency, which is part of the Fitch group which specializes in financial information services, said it believes FY19 will be a year of consolidation for the steel industry. "However, some of the stressed assets may take 12-18 months to ramp-up utilisation to optimum levels.

The domestic steel sector which has earlier been facing threat of cheap imports that eased due to a slew of protective measures taken by the government is also expected to benefit from with ongoing capacity rationalisations in China.

RISKS AND CONCERNS

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal endeavour is to maximize returns. The Company continues to take all steps necessary to minimise its expenses through detailed studies and interaction with experts.

INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The Company has an adequate system of internal control relating to efficiency of operations, financial reporting and controls, compliance with applicable laws and regulations, etc. The Internal Audit Department monitors and evaluates the efficacy and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all the Company's locations, and its Subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Clearly defined roles and responsibilities for all managerial positions have also been institutionalized. All operating parameters are monitored and controlled and regular internal audits and checks ensure that responsibilities are executed effectively.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING THE NUMBER OF PEOPLE EMPLOYED.

The Company has employees and the cordial relations were maintained with all of them throughout the year. The Board of the Company wishes to place on record its appreciation to all the employees for their sustained efforts in improving the capacity utilization and operational efficiency. The Company has initiated many steps in career and personality development of the employees belonging to different departments. The employees attended seminars and other training programs to enhance their skills and knowledge.

For and on behalf of the Board
SRU Steels Limited

Place: New Delhi
Date: August 14, 2018

Sd/-
Ramesh Agarwal
Managing Director
DIN: 00151223

For and on behalf of the Board
SRU Steels Limited

Sd/-
Naresh Kumar Garg
Chairman
DIN: 00986846

INDEPENDENT AUDITOR'S REPORT

To the members of SRU STEELS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of SRU Steels Limited ("the Company") which comprise the Balance Sheet as at 31st March 2018, the statement of Profit and Loss Statement (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the Accounting principles generally accepted in India including the Indian Accounting Standards (IND AS) specified under section 133 if the Act, read with the companies (Indian Accounting Standards) Rules, 2015, as amended.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the Standalone Financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the Standalone financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the company as at March 31, 2018, and the financial performance including other comprehensive income, its cash flow and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2016("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the Annexure 'A' statement on the matters Specified in paragraphs 3 and 4 of the Order.
- As required by section 143 (3) of the Act, we report that:
 - we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - The balance Sheet, Statement of Profit and Loss and Cash Flow statement and statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - In our opinion, the aforesaid standalone Financials statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with companies (Indian Accounting Standards) Rules, 2015, as amended.
 - On the basis of written representations received from the directors, as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - With respect to the adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such control. Refer to our separate report in Annexure 'B'.
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company does not have any pending litigation litigations which would impact on its financial statements.
 - The Company did not have any long-term contracts including derivatives contracts as at 31st March, 2017 for which there were any material foreseeable losses.
 - There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

For O.P. Tulsyan & Co.
Chartered Accountants
(Registration No. 500028N)

Sd/-
(Dinesh Kumar Gupta)
Partner
Membership No. 086824

Place: New Delhi
Date: 30.05.2018

“ANNEXURE A” TO INDEPENDENT AUDITOR’S REPORT

(Annexure to in paragraph on report on other Legal and Regulatory Requirements)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, all the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such Physical verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The inventory has been physically verified by the management at reasonable interval during the year. No material discrepancies were noticed on such verification.

(iii) The company has not granted any loan, Secured or unsecured to companies, firm, Limited Liabilities partnership or other parties covered in the register maintained U/s 189 of the act.

(iv) The company has not given any loans, provided any guarantee or security in connection with any loan and or acquiring securities of any other body corporate.

(v) The company has not accepted any deposits within the meaning of section 73 to 76 or any other relevant provisions of the Act and rule made there under.

(vi) According to the information and explanations given to us, the provision of sub-section (1) of section 148 of the Act are not applicable to the Company

(vii) a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and protection fund, Employee state Insurance, Income-tax, Sales tax, Service tax, Custom duty and Cess and other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at March 31, 2018, for a period of more than six months from the date they became payable.

b) The disputed statutory dues aggregating to Rs. 4.22 lacs that have not been deposited on account of disputed matters pending before appropriate authorities as under:-

S.N.	Name of the Statute	Nature of dues	(₹) in lakhs	Period which amount relates	Forum where dispute is pending
1.	Income Tax Act, 1961	Income tax penalty	4.22	1998-99	Punjab & Haryana High Court

(viii) The Company has not defaulted in repayment of dues to financial institution. The Company does not have outstanding dues to a bank, Government or debenture holders.

(ix) The company did not raise any money by way of initial public offer or further public offer and term loans during the year.

(x) To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals maintained by the provision of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi company.

(xiii) According to the information and explanation given to us and based on our examination of the records of the Company, transaction with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares during the year.

(xv) The Company has not entered into non-cash transactions with directors or persons connected with him

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For O.P. Tulsyan & Co.
Chartered Accountants
(Registration No. 500028N)

Sd/-
(Dinesh Kumar Gupta)
Partner

Place: New Delhi
Date: 30.05.2018

Membership No. 086824

“ANNEXURE B” TO INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS

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

We have audited the internal financial controls over financial reporting of SRU Steels Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone 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 laying down 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 (Guidance Note) issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with Standards of Auditing, to the extent applicable to an audit of internal financial controls and the Guidance Note, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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 explanation 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 31 March 2018, 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 issued by the ICAI.

For O.P. Tulsyan & Co.
Chartered Accountants
(Registration No. 500028N)

Sd/-
(Dinesh Kumar Gupta)
Partner

Place: New Delhi
Date: 30.05.2018

Membership No. 086824

BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in ₹)

PARTICULARS	NOTE No.	March 31, 2018	March 31, 2017	April 1, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	4	756,908	1,083,089	1,448,035
Financial assets				
Loans	5	20,000	20,000	20,000
Other financial assets	6	4,469,729	4,496,976	2,004,500
Deferred tax assets	7	242,166	274,549	242,682
Other non-current assets	8	1,000,000	1,500,000	2,000,000
		6,488,803	7,374,614	5,715,217
Current assets				
Inventory	9	10,429,234	-	-
Financial assets				
Loans	5	35,000	45,495,946	45,495,946
Trade receivables	10	123,230,391	23,844,882	12,281,631
Cash and cash equivalents	11	6,493,592	948,267	739,797
Other bank balances	12	-	3,000	3,000
Other financial assets	13	999,000	5,339,862	4,250,077
Current tax assets	14	982,577	1,161,298	1,142,603
Other current assets	15	21,184,619	79,722,365	67,096,273
		163,354,413	156,515,620	131,009,327
TOTAL ASSETS		169,843,216	163,890,234	136,724,544
Equity				
Share capital	16	79,919,000	79,919,000	79,919,000
Other equity		37,522,142.32	31,377,840	28,296,409
Total equity		117,441,142	111,296,840	108,215,409
Current liabilities				
Financial liabilities				
Trade payables	17	49,300,138	35,977,835	21,049,013
Other financial liabilities	18	705,354	8,545,083	4,657,649
Other current liability	19	209,756	6,713,308	1,888,613
Current tax liability (net)	20	2,186,826	1,357,168	913,860
Total liabilities		52,402,074	52,593,394	28,509,135
TOTAL EQUITY AND LIABILITIES		169,843,216	163,890,234	136,724,544
Significant Accounting Policies & Notes on Accounts	1 - 3			
The accompanying Notes referred to above form an integral part of the Financial Statements.				

AS PER OUR REPORT OF EVEN DATE

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

FOR O. P. TULSYAN & CO.
Chartered Accountants
Firm Reg. No.: 50028N

Sd/-
Naresh Kumar Garg
(Chairman)
DIN: 00986846

Sd/-
Ramesh Agarwal
(Managing Director)
DIN: 00151223

Sd/-
Dinesh Kumar Gupta
(Partner)
Membership No. 086824

Sd/-
Hitesh Laxmikant Somani
Chief Financial Officer
PAN: AOWPS2590B

Sd/-
Diksha Gandhi
Company Secretary
Membership No.: 50673

PLACE : NEW DELHI
DATED : 30/05/2018

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2018

(Amount in ₹)

PARTICULARS	NOTES	Year ended March 31, 2018	Year ended March, 31, 2017
Income			
Revenue from operations	21	213,634,279	9,262,618
Other Income	22	3,907,482	3,945,487
Total Revenue		217,541,762	13,208,105
Expenses:			
Purchase	23	200,007,522	-
Change in inventory	24	(1,809,911)	-
Employee benefits expenses	25	2,443,510	2,938,730
Finance Cost	26	25,532	12,699
Depreciation and amortisation	27	281,777	479,819
Other Expenses	28	7,997,787	5,500,383
Total Expenses		208,946,218	8,931,631
Profit before tax (VII - VIII)		8,595,544	4,276,474
Less: Tax expenses			
Current tax		2,186,826	1,357,168
Deferred tax		32,383	(31,867)
Profit for the year		6,376,335	2,951,173
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Income tax benefits		-	-
	(a)	-	-
Items that will be reclassified to profit or loss		-	-
Income tax benefit		-	-
	(b)	-	-
Total Comprehensive income for the year, net of tax (a+b)		6,376,335	2,951,173
Earning per equity shares	31		
Basic		0.80	0.37
Diluted		0.80	0.37
Significant Accounting Policies & Notes on Accounts	1 - 3 4 - 41		

The accompanying Notes referred to above form an integral part of the Financial Statements.

AS PER OUR REPORT OF EVEN DATE

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

FOR O. P. TULSYAN & CO.
Chartered Accountants
Firm Reg. No.: 50028N

Sd/-
Naresh Kumar Garg
(Chairman)
DIN: 00986846

Sd/-
Ramesh Agarwal
(Managing Director)
DIN: 00151223

Sd/-
Dinesh Kumar Gupta
(Partner)
Membership No. 086824

Sd/-
Hitesh Laxmikant Somani
Chief Financial Officer
PAN: AOWPS2590B

Sd/-
Diksha Gandhi
Company Secretary
Membership No.: 50673

PLACE : NEW DELHI
DATED : 30/05/2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in ₹)

	Particulars	For the Year Ended 31st March, 2018		For the Year Ended 31st March, 2017	
A.	<u>Cash Flow from Operating Activities</u>				
	a) Net Profit before tax	8,595,544		4,276,474	
	Depreciation	281,777		479,819	
	Preliminary expenses amortised	500,000		500,000	
	Previous Year Tax Adjustment	17,967		130,258	
	Amount written off	250,000		-	
	Interest Income	(3,739,536)		(3,929,537)	
	Profit on sale of vehicle	(142,068)		-	
	b) Operating profit before working capital Changes	5,763,684		1,457,014	
	Adjustment for:				
	(Increase)/Decrease in Trade Receivable	(99,385,509)		(11,563,251)	
	(Increase)/Decrease in Loan	45,460,946		-	
	(Increase)/Decrease in other financial assets	4,340,862		(1,089,785)	
	(Increase)/Decrease in Other Current Assets	58,037,746		(12,626,092)	
	(Increase)/Decrease in inventories	(10,429,234)		-	
	Increase/(Decrease) in Trade Payable	13,322,303		14,928,822	
	Increase/(Decrease) in Other Current Liabilities	(6,503,552)		4,824,695	
	Increase/(Decrease) in Other Financial liability	183,357		287,152	
	(Increase)/Decrease in Non-Current Assets	27,248		(2,492,476)	
	(Increase)/Decrease in Current tax asset	178,721		(18,695)	
	(Increase)/Decrease in Provision	829,658		443,308	
	c) Cash generated from operations	11,826,230		(5,849,308)	
	Less-Income tax paid	2,186,826		1,357,168	
	Net cash from operating activities		9,639,404		(7,206,476)
B	<u>Cash Flow from Investing Activities</u>				
	Purchase of fixed assets (Net)	(139,954)		(114,873)	
	Sale of fixed assets(Net)	326,426		-	
	Interest Income	3,739,536		3,929,537	
	Net cash from Investing Activities		3,926,008		3,814,664
C	<u>Net Increase/(decrease) in Cash and Cash equivalent</u>		13,565,412		(3,391,812)
	Cash & Cash equivalent at beginning of the year		(7,071,819)		(3,680,007)
	Cash & Cash equivalent at end of the year		6,493,592		(7,071,819)
	(Cash and cash equivalent represents cash and bank balance)				

The accompanying notes form an integral part of the audited financial statements.

As per our report of even date.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

FOR O. P. TULSYAN & CO.
Chartered Accountants
Firm Reg. No.: 50028N

Sd/-
Naresh Kumar Garg
(Chairman)
DIN: 00986846

Sd/-
Ramesh Agarwal
(Managing Director)
DIN: 00151223

Sd/-
Dinesh Kumar Gupta
(Partner)
Membership No. 086824

Sd/-
Hitesh Laxmikant Somani
Chief Financial Officer
PAN: AOWPS2590B

Sd/-
Diksha Gandhi
Company Secretary
Membership No.: 50673

PLACE : NEW DELHI
DATED : 30/05/2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

A. Equity Share Capital

	Number of shares	Amount in `
Balance as at April 1, 2016	79,91,900	7,99,19,000
Changes in equity share capital during the year	-	-
Balance as at March 31, 2017	79,91,900	7,99,19,000
Changes in equity share capital during the year	-	-
Balance as at March 31, 2018	79,91,900	7,99,19,000

B. Other Equity

	Reserve and surplus			
	Capital reserve	Security premium	General reserve	Total (Amount in `)
Balance as at April 1, 2016	61,55,500	1,24,05,000	97,35,909	2,82,96,409
Adjustment for provision for tax last year	-	-	1,30,258	1,30,258
Profit for the year	-	-	29,51,173	29,51,173
Balance as at March 31, 2017	61,55,500	1,24,05,000	1,28,17,340	3,13,77,840
Adjustment for provision for tax last year	-	-	17,967	17,967
Amount Writtern off	-	-	2,50,000	2,50,000
Profit for the year	-	-	63,76,335	63,76,335
Balance as at March 31, 2018	61,55,500	1,24,05,000	1,89,61,642	3,75,22,142

AS PER OUR REPORT OF EVEN DATE

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

FOR O. P. TULSYAN & CO.
Chartered Accountants
Firm Reg. No.: 50028N

Sd/-
Naresh Kumar Garg
(Chairman)
DIN: 00986846

Sd/-
Ramesh Agarwal
(Managing Director)
DIN: 00151223

Sd/-
Dinesh Kumar Gupta
(Partner)
Membership No. 086824

Sd/-
Hitesh Laxmikant Somani
Chief Financial Officer
PAN: AOWPS2590B

Sd/-
Diksha Gandhi
Company Secretary
Membership No.: 50673

PLACE : NEW DELHI
DATED : May 30, 2018

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**1 CORPORATE INFORMATION**

SRU Steels Limited was incorporated on 11th, Sep, 1995 as Limited Company under the provisions of Companies Act, 1956, vide Company Identification Number L17300DL1995PLC107286. The equity shares of the Company are listed on Bombay Stock Exchange. The Registered Office of the Company is situated at Delhi. The main objective of the Company's trading of stainless steels.

The financial statements for the year ended March 31, 2018 were approved by the Board of Directors and authorized for issue on May 30, 2018.

2 BASIS OF PREPARATION AND PRESENTATION**2.1 STATEMENT OF COMPLIANCE**

The financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are Company's first Ind AS financial statements. The date of transition to IND AS is April 1, 2016. Refer Note 3.17 for the details of first-time adoption exemptions availed by the Company.

2.2 ACCOUNTING CONVENTIONS

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.3 OPERATING CYCLE

Based on the nature of products/ activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3 Significant Accounting Policies:**3.1 USE OF ESTIMATES**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3.2 PROPERTY PLANT & EQUIPMENT

- a) Property, plant and equipment are stated at cost net of taxes less accumulated depreciation and/or impairment loss; if any. All costs such as freight, non-recoverable duties & taxes and other incidental expenses until the property, plant and equipment are ready for use, as intended by the management and borrowing cost attributable to the qualifying property, plant and equipments are capitalized. Assets costing less than Rs.5,000/- are fully depreciated in the year of purchase in merging unit.
- b) Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.
- c) Capital work in progress represents expenditure incurred in respect of capital projects which are carried at cost. Cost includes land, related acquisition expenses, development and construction costs, borrowing costs and other direct expenditure.
- d) The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.
- e) Depreciation on property, plant and equipment is charged in accordance with estimate of useful life of the assets on written down value method, at rates specified in Schedule II to the Companies Act, 2013.
- f) In respect of assets added/disposed off during the year, depreciation is charged on pro-rata basis with reference to the month of addition/disposal.
- g) Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

3.3 FINANCIAL INSTRUMENTS**Initial recognition**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables

which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with Ind AS 109 "Financial Instruments" issued by the Ministry of Corporate Affairs, Government of India. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

3.4 IMPAIRMENT

Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non-financial assets

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss, if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

3.5 PROVISIONS

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

"Contingent liabilities are not recognized but are disclosed by way of notes to the financial statements, after careful evaluation by the management of the facts and legal aspects of each matter involved. Contingent assets are neither recognized nor disclosed in the financial statements.

Contingent liabilities are assessed continually to determine whether an outflow of resources embodying the economic benefit has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as contingent liability, a provision is recognized in the financial statements of the period in which the change in probability occurs."

3.6 BORROWING COST

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent they relate to the period till such assets are ready to be put to use, while other borrowing costs are recognized as expenses in the year in which they are incurred. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

3.7 INVENTORIES

Inventories other than scrap and goods in transit have been valued at lower of cost and net realisable value. The cost is ascertained as below:-

- i) Finished goods are valued at lower of cost or net realizable value on first in first out (FIFO) basis.
- ii) Scrap is valued at the net realisable value.

Where, net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3.8 EMPLOYEE BENEFITS

(i) *Short-term employee benefits*

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by employees is recognised during the period when the employee renders the services. These benefits include salaries, bonus and performance incentives.

3.9 FOREIGN CURRENCY TRANSACTIONS

"In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency i.e. foreign currencies are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in the statement of profit or loss in the period in which they arise.

Foreign currency derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item."

3.10 TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

3.11 REVENUE RECOGNITION

- a) Sales are recognized on dispatch of goods except in the case of exports which are accounted for on the date of custom clearance; however, in some cases export is accounted on the terms of contract executed with respective customers.
- b) Interest income is recognized using effective interest method.
- c) Export benefits are recognized on accrual basis at the anticipated realisable value.

3.12 OPERATING SEGMENT

"Operating segments are reported in the manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Managing Director of SRU Steel Limited has been identified as CODM and he is responsible for allocating the resources, assess the financial performance and position of the Company and makes strategic decisions.

The Company has identified one reportable segment "Trading of stainless steels" based on the information reviewed by the CODM. Refer note 34 for the Segment information presented."

3.13 CASH FLOW STATEMENT

The Cash Flow Statement is prepared by the indirect method set out in Indian Accounting Standard-7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company. The Company considers all highly liquid financial instruments, which are readily convertible into cash, to be cash equivalents.

3.14 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3.15 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measure that fair value. Transaction costs that are directly 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 the fair value of the financial assets or financial liabilities, as appropriate, 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.

3.16 FINANCIAL ASSETS

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.17 FIRST-TIME ADOPTION - MANDATORY EXCEPTIONS, OPTIONAL EXEMPTION

Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognized assets and liabilities.

3.18 RECENT ACCOUNTING PRONOUNCEMENTS

Standards issued but not yet effective

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company has not entered in any foreign currency transaction and this will not impact the Company.

Ind AS 115- Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach). The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

Note 4 Property, plant and equipment

	Buildings	Furniture & fixtures	Vehicles	Computers	Office equipments	Total
	-	-	-	-	-	-
Cost						
As at April 1, 2016	102,236	264,750	3,078,952	209,109	120,198	3,775,245
- Additions	-	-	57,872	25,100	31,901	114,873
- Disposals	-	-	-	-	-	-
As at March 31, 2017	102,236	264,750	3,136,824	234,209	152,099	3,890,118
- Additions	-	-	131,954	-	8,000	139,954
- Disposals	-	-	1,611,790	-	-	1,611,790
As at March 31, 2018	102,236	264,750	1,656,988	234,209	160,099	2,418,282
Depreciation						
As at April 1, 2016	54,709	221,982	1,755,715	183,178	111,626	2,327,210
Depreciation charge during the year	2,297	12,785	429,877	24,599	10,261	479,819
Discard/ adjustment	-	-	-	-	-	-
As at March 31, 2017	57,006	234,767	2,185,592	207,777	121,887	2,807,029
Depreciation charge during the year	2,188	7,366	246,723	11,188	14,312	281,777
Written back	-	-	1,427,432	-	-	-
As at March 31, 2018	59,194	242,133	1,004,883	218,965	136,199	3,088,806
Net Book Value						
As at March 31, 2018	43,042	22,617	6,52,105	15,244	23,900	7,56,908
As at March 31, 2017	45,230	29,983	9,51,232	26,432	30,212	10,83,089
As at April 1, 2016	47,527	42,768	13,23,237	25,931	8,572	14,48,035

Note 5 Loans

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
	-	-	-
Non-current			
Unsecured, considered good Loans			
Others	20,000	20,000	20,000
(a)	20,000	20,000	20,000
Current			
Unsecured, considered good Loans			
Others	35,000	45,495,946	45,495,946
(b)	35,000	45,495,946	45,495,946
(a+b)	55,000	45,515,946	45,515,946

Note 6 Other financial asset

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
	-	-	-
Non-current			
Unsecured, considered good Security deposit*	3,616,725	3,416,505	2,004,500
Deferred security	853,004	1,080,471	-
	4,469,729	4,496,976	2,004,500

*Security deposits are carried at amortised cost in Ind-AS compared to being carried at cost under IGAAP.

Note 7 Deferred tax assets

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
	-	-	-
Deferred tax assets on			
Property, plant and equipments & intangible assets	210,299	242,682	193,064
Accrued expenses deductible on payment	31,867	31,867	49,618
Deferred tax assets(net)	242,166	274,549	242,682

Movement of Deferred tax (assets)/ liabilities

		For the year ended March 31, 2018		
	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in OCI	Closing Balance
Deferred tax assets on				
Property, plant and equipments & intangible assets	242,682	32,383	-	210,299
Accrued expenses deductible on payment	31,867	-	-	31,867
Deferred tax assets(net)	274,549	32,383	-	242,166

	Opening Balance	For the year ended March 31, 2018		
		Recognised in the Statement of Profit and Loss	Recognised in OCI	Closing Balance
Deferred tax assets on				
Property, plant and equipments & intangible assets	193,064	49,618	-	242,682
Accrued expenses deductible on payment	49,618	(17,751)	-	31,867
Deferred tax assets(net)	242,682	31,867	-	274,549

Note 8 Other non-current assets

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Miscellaneous expenditure (to the extent not written off or adjusted)			
Opening balance	1,500,000	2,000,000	34,060
Add:- Addition during the year	-	-	2,500,000
	1,500,000	2,000,000	2,534,060
Less: Written off during the year	500,000	500,000	534,060
	1,000,000	1,500,000	2,000,000

Note 9 Inventories

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Raw materials			
Traded goods	1,809,911	-	-
Stock In Transit	8,619,323	-	-
	10,429,234	-	-

Note 10 Trade receivables

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Unsecured, considered good	123,230,391	23,844,882	12,281,631
	123,230,391	23,844,882	12,281,631
Age of receivables			
Within the credit period	126,106,171	18,344,882	6,781,631
More than 6 months past due	5,500,000	5,500,000	5,500,000
	131,606,171	23,844,882	12,281,631

In the opinion of the Board, trade receivables, if realised, have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated

Note 11 Cash and cash equivalents

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Cash in hand	1,464,876	737,317	319,263
Balance with Banks			
On current accounts	5,028,716	210,950	420,534
	6,493,592	948,267	739,797

Note 12 Other bank balances

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
National savings certificates^	-	3,000	3,000
	-	3,000	3,000

^ National saving certificates which was pledged with VAT Authorities against registration, has been written off as unrecoverable due to surrender of Vat registration.

Note 13 Other financial assets

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Unsecured, considered good			
Interst receivable	999,000	3,485,862	4,250,077
Commission receivable	-	1,854,000	-
	999,000	5,339,862	4,250,077

Note 14 Current tax asset

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
TDS	982,577	1,161,298	1,142,603
	982,577	1,161,298	1,142,603

Note 15 Other Current Assets

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Unsecured, considered good			
Advances to suppliers	14,312,798	47,545,000	47,500,000
Input receivable from Government authorities	6,848,550	32,132,917	19,548,123
Prepaid expenses	5,100	30,777	34,479
Others	18,171	13,671	13,671
	21,184,619	79,722,365	67,096,273

Note 16 Share capital

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Authorised			
95,00,000 (95,00,000) equity shares of Rs. 10 (Rs. 10) each	95,000,000	95,000,000	95,000,000
Issued, subscribed and paid up capital			
79,91,900 (79,91,900) equity shares of Rs. 10 (Rs. 10) each fully paid up	79,919,000	79,919,000	79,919,000

Notes:

a) Right, preference and restrictions attached to shares;

The Company has equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2018		As at March 31, 2017	
	Nos.	Amount in `	Nos.	Amount in `
Number of shares at the beginning	7,991,900	79,919,000	7,991,900	79,919,000
Issued during the year	-	-	-	-
Number of shares at the end	7,991,900	79,919,000	7,991,900	79,919,000

Particulars	As at April 1, 2016	
	Nos.	Amount in `
Number of shares at the beginning	7,991,900	79,919,000
Issued during the year	-	-
Number of shares at the end	7,991,900	79,919,000

c) Particulars of shareholders holding more than 5% of equity shares as on March 31, 2018 and March 31, 2017 is as follows:

Name of shareholder	As at March 31, 2018		As at March 31, 2017	
	% Holding	Share	% Holding	Shares
M.M. Fiscal Services Pvt Ltd	19.36	1,547,000	19.36	1,547,000
Uma Agarwal	6.49	518,600	6.49	518,600
Satish Agarwal	10.91	872,000	10.91	872,000
Satish Agarwal HUF	10.29	822,500	10.29	822,500
R.L Agarwal & Sons Securities Pvt Ltd.	12.22	976,500	12.22	976,500

Particulars of shareholders holding more than 5% of equity shares as on April 1, 2016 is as follows-

Particulars	As at April 1, 2016	
	% Holding	Shares
M.M. Fiscal Services Pvt Ltd	19.36	1,547,000
Uma Agarwal	6.49	518,600
Satish Agarwal	10.91	872,000
Satish Agarwal HUF	10.29	822,500
R.L Agarwal & Sons Securities Pvt Ltd.	12.22	976,500

Note 17 Trade Payables

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Dues of micro, small and medium enterprises	-	-	-
Dues to other than micro, small and medium enterprises	49,300,138	35,977,835	21,049,013
	49,300,138	35,977,835	21,049,013

Note: The Company has not received any information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure if any relating to the amount unpaid at the end of the year together with interest paid/payable as required under the Act have not been furnished.

Note 18 Other financial liabilities

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Expenses payable	705,354	521,997	234,845
Bank overdraft	-	8,023,086	4,422,804
	705,354	8,545,083	4,657,649

Note 19 Other current liabilities

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Statutory dues	209,756	6,702,020	1,882,368
Advances from customers	-	11,288	6,245
	209,756	6,713,308	1,888,613

Note 20 Current tax liability

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Income tax	2,186,826	1,357,168	913,860
	2,186,826	1,357,168	913,860

Note 21 Revenue from operations

Particulars	March 31, 2018	March 31, 2017
Sale of products		
Steel	201,152,394	-
Other operating revenue		
Commission on consignment sales	258,146	1,917,853
Commission on direct sales	12,223,739	4,750,219
Other commission	-	2,594,546
	213,634,279	9,262,618

Note 22 Other Income

Particulars	March 31, 2018	March 31, 2017
Interest receipts on		
Loan and Advances	3,739,536	3,929,537
Profit on sale of vehicle	142,068	-
Amounts written back	25,878	-
Other income	-	15,950
	3,907,482	3,945,487

Note 23 Purchase of material

Particulars	March 31, 2018	March 31, 2017
Purchase of raw material	199,889,379	-
Add:		
Freight input	6,500	
Unloading expenses	111,643	
	200,007,522	-

Note 24 Change in inventory

Particulars	March 31, 2018	March 31, 2017
Opening stock of raw materials traded	-	-
Closing stock of raw materials traded	1,809,911	
	(1,809,911)	-

Note 25 Employees benefit expenses

Particulars	March 31, 2018	March 31, 2017
Salary and wages	2,303,640	2,839,500
Bonus	20,000	30,000
Staff welfare	119,870	69,230
	2,443,510	2,938,730

Note 26 Financial cost

Particulars	March 31, 2018	March 31, 2017
Bank charges	2,785	5,175
Unwinding of discount on security deposit	22,747	7,524
	25,532	12,699

Note 27 Depreciation and amortisation

Particulars	March 31, 2018	March 31, 2017
Depreciation and amortisation expenses	281,777	479,819

Note 28 Other expenses

Particulars	March 31, 2018	March 31, 2017
Freight output	1,801,490	-
Rent	1,800,000	450,000
Travelling		
Domestic	312,570	650,165
Foreign	235,200	473,074
Conveyance	167,642	103,080
General expenses	325,409	261,252
Legal and professional	496,897	903,732
Office expenses	281,807	-
Listing fees	270,000	-
Vehicle running	354,848	585,990
Electricity charges	137,123	66,741
Printing & Stationery	125,262	87,398
Postage & Stamps	55,033	34,915
Telephone	109,130	102,592
Auditor's Remuneration		
- As audit fees	135,000	110,000
- Taxation and certification	15,000	15,000
- Out of pocket expenses		
Municipal taxes	110,466	76,921
Insurance charges	63,433	97,928
Misc expenses	318,524	885,835
Misc exp Amortised	500,000	500,000
Meeting expense	21,750	21,000
Repair & maintainance		
Building	44,545	74,760
Others	316,658	-
	7,997,787	5,500,383

Note 29 Contingent Liabilities

Particulars	March 31, 2018	March 31, 2017
(to the extent not provided for)		
a) Claims against the Company not acknowledged as debts	-	-
b) Income tax demands disputed in appellate proceedings	422,000	422,000

In the opinion of the Management, no provision is required in respect of disputes mentioned above on the ground that there are reasonable chances of successful outcome of appeal.

Note 30 Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net off advances)

- -

Note 31 Earnings Per Share (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average of the number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

Particulars	March 31, 2018	March 31, 2017
i) Net profit available for equity shareholders	6,376,335	2,951,173
ii) Weighted average number of equity shares outstanding for calculation of		
- Basic EPS	7,991,900	7,991,900
- Diluted EPS	7,991,900	7,991,900
iii) Nominal value of per equity share (Rs.)	10	10
iv) Earning per share (i)/(ii)		
- Basic EPS (Rs.)	0.80	0.39
- Diluted EPS (Rs.)	0.80	0.39

Note 32 In the opinion of the Board, all assets other than fixed assets and non current investments, have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

Note 33 Balances grouped under trade receivables, trade payables and loans and advances recoverable in cash or in kind are subject to confirmation from subjective parties.

Note 34 Managerial Remuneration

	March 31, 2018	March 31, 2017
For Remuneration	900,000	900,000
	900,000	900,000

Note 35 Operating Segment

An operating segment is one whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. The Company has identified the chief operating decision maker as its Managing Director. The Chief Operating Decision Maker reviews performance of trading of steel business on an overall business.

As the Company has a single reportable segment, the segment wise disclosure requirements of Ind AS 108 on 'Operating Segment' is not applicable. In compliance to the said standard, entity-wise disclosures are as under:

a) Revenues from external customers attributed to the country of domicile and attributed to all foreign countries from which the company derives revenues

Particulars	March 31, 2018	March 31, 2017
Revenue from the Country of domicile; India	217,541,762	13,208,105
Revenue from foreign countries	-	-
Total		

b) Details of non current asset

Particulars	March 31, 2018	March 31, 2017
Non-current asset from the Country of Domicile; India	6,488,803	7,374,614
Non-current asset from foreign countries	-	-
Total		

c) Information about major customers

The Company have external revenue from a particular customer which exceeded 10% of total revenue.

Note 36 Related Party Disclosures:

Pursuant to Ind AS-24 "Related Party Disclosures", following parties are to be treated as related parties:

(a) Name of related parties and description of relationship

Key management personnel

Mr. Naresh Kumar Garg	Chairman
Mr. Ramesh Garg	Managing Director
Mr. Hitesh Laxmikant Somani	Chief Financial Officer
Ms. Diksha Gandhi	Company Secretary
Ms. Sushila Agarwal	Relative of key management
Mr. Ashok Kumar Mahawar	Independent Director
Mr. Rajeev Mittal	Independent Director
Mr. Prem Prakash Agarwal	Independent Director
Mr. Pankaj Jain	Independent Director

Enterprises over which Key Management Personnel exercise significant influence

Note: Related parties relationship is as identified by the Company and relied upon by the Auditors.

b) Transactions with related parties during the year (excluding reimbursements)

Nature of transaction	Related Party	March 31, 2018	March 31, 2017
Rent Paid	Director's Wife	1,800,000	450,000
Director Remuneration	Director	900,000	900,000
Salary	Diksha Gandhi	221,500	-
Salary	Hitesh Laxmikant Somani	120,000	200,000

c) Amount outstanding as at the end of the year

Account head	Related Party	March 31, 2018	March 31, 2017
Director Remuneration	Director	400,000.00	197,962
Other financial liability	Diksha Gandhi	25,000.00	-
Other financial liability	Hitesh Laxmikant Somani	-	-

Note 37 Financial Instruments**Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	March 31, 2018	March 31, 2017
Trade payables (Note 16)	49,300,138	35,977,835
Other payables (current and non-current)	915,110	15,258,391
Less: Cash and cash equivalents (Note 10)	(6,493,592)	(948,267)
Net debt	43,721,656	50,287,959
Equity share capital	79,919,000	79,919,000
Other equity	37,522,142	31,377,840
Total capital	117,441,142	111,296,840
Capital and net debts	161,162,798	161,584,799
Gearing ratio (Net debt/Capital and Net debt)	27.13%	31.12%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

Categories of financial instruments	March 31, 2018	March 31, 2017
Financial Assets		
Financial assets at amortised cost		
Non-current		
Loans	20,000	20,000
Other financial assets	4,469,729	4,496,976
	4,489,729	4,516,976
Current		
Loans	35,000	45,495,946
Trade receivables	123,230,391	23,844,882
Cash and cash equivalents	6,493,592	948,267
Other bank balance	-	3,000
Other financial assets	999,000	5,339,862
	130,757,983	75,631,957
Financial liability		
Financial liability at amortised cost		
Trade payables	49,300,138	35,977,835
Other financial liabilities	705,354	8,545,083
	50,005,492	44,522,918

Fair value measurements

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3: Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Trade receivables, cash & cash equivalents, other bank balances, loans, other current financial assets, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to short-term maturities of these instruments.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

Note 38 Financial risk management objectives

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings.

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

i) Trade receivables

Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.

Receivables resulting from other than sale of properties: Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively.

ii) Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2017 and 2016 is the carrying amounts.

c) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

Note 39 The Company's equity shares were listed on Delhi Exchange Ltd. (primary stock exchange), Ahmedabad Stock Exchange Ltd. and Ludhiana Stock Exchange Ltd. The Securities Exchange Board of India (SEBI) had withdrawn recognition of Delhi Stock Exchange Ltd., Ahmedabad Stock Exchange Ltd. and Ludhiana Stock Exchange Ltd. The Company has made an application with Bombay Stock Exchange Ltd. and the shares were admitted for trading on Bombay Stock Exchange on 2nd of Feb 2018.

Note 40 Figures have been rounded off to the nearest rupees.

Note 41 Figures in brackets pertain to previous year, unless otherwise indicated.

The accompanying notes form an integral part of the audited financial statements.

AS PER OUR REPORT OF EVEN DATE

FOR O. P. TULSYAN & CO.
Chartered Accountants
Firm Reg. No.: 50028N

Sd/-
Dinesh Kumar Gupta
(Partner)
Membership No. 086824

Sd/-
Naresh Kumar Garg
(Chairman)
DIN: 00986846

Sd/-
Hitesh Laxmikant Somani
Chief Financial Officer
PAN: AOWPS2590B

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
Ramesh Agarwal
(Managing Director)
DIN: 00151223

Sd/-
Diksha Gandhi
Company Secretary
Membership No.: 50673

PLACE : NEW DELHI
DATED : May 30, 2018

**SRU STEELS LIMITED**

CIN: L17300DL1995PLC107286

Registered & Corporate Office: A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052

E-mail: srusteels@yahoo.in, Website: www.srusteels.in

Tel: 011-27373622

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

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:	L17300DL1995PLC107286
Name of the company	SRU Steels Limited
Registered Office:	A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052

Names of the Members(s):	
Registered Address:	
Email Id:	
Folio No. / Client Id:	
DP ID:	

I/We, being the holder(s) of _____ shares of the above named company, hereby appoint:

1. Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him

2. Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him

3. Name: _____ Address: _____

E-mail Id: _____ Signature: _____

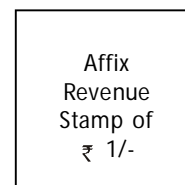
to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Third (23rd) Annual General Meeting of the Company, to be held on Saturday, September 29, 2018 at 10.00 a.m. at the Registered & Corporate Office of the Company at A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Resolutions	Vote (optional, see the note)		
		For	Against	Abstain
Ordinary Business				
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018, including audited Balance Sheet as at March 31, 2018 and Statement of Profit and Loss for the year ended on that date together with reports of the Board of Directors and Auditors thereon.			
2.	To appoint a Director in place of Shri. Ramesh Agarwal(DIN: 00151223), who retires by rotation in terms of Section-152(6) of the Companies Act, 2013 at this Annual General Meeting, and being eligible, offers himself for re-appointment.			
3.	To appoint M/s MRKS & Associate, Chartered Accountants, New Delhi (Firm Registration No. 023711N) as a Statutory Auditor of the Company and to fix their remuneration.			
Special Business				
4.	To increase the limits u/s 186(2) of Companies Act, 2013 for extending loans, providing guarantees or giving securities upto the limit of Rs. 250 Crore (Two Hundred Fifty Crore only).			

Signed this _____ day of _____ of 2018.

Signature of the Shareholder: _____

Signature of the Proxy holder(s): _____



Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the For or Against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

**SRU STEELS LIMITED**

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E-mail: srusteels@yahoo.in, Website: www.srusteels.in

Tel: 011-27373622

ATTENDANCE SLIP

23rd Annual General Meeting - September 29, 2018	
Registered Folio/DP ID/Client ID:	
Name and Address of first/Sole Shareholder:	
Joint Holder(s)	
No. of Shares	

I/we hereby record my/our presence at the Twenty Third (23rd) Annual General Meeting (AGM) of **SRU Steels Limited** to be held on Saturday, September 29, 2018, at 10:00 a.m. at the Registered & Corporate Office of the Company at A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052.

Name of the Person attending : _____

Capacity : Member

☐

Proxy

☐

Authorized Representative

☐

(Please ✓ appropriate box)

Member's / Proxy's / Authorised Representative Signatures**INSTRUCTIONS:**

- (a) Members/Proxy holders are requested to bring this Attendance Slip duly filled in and signed with them, when they come to the meeting and hand it over at the ATTENDANCE VERIFICATION COUNTER, at the entrance of the Meeting Hall.
- (b) **NO ATTENDANCE SLIP SHALL BE ISSUED AT THE MEETING.**
- (c) Electronic copy of the Annual Report for the financial year 2017-18 & Notice of the AGM alongwith the Attendance slip & Proxy form is being sent to all the members whose e-mail address is registered with the Company/DP unless any member has requested for the hard copy of the same. Members receiving electronic copy & attending the AGM can print copy of the Attendance slip.
- (d) Physical copy of the Annual Report for the financial year 2017-18 & the Notice of the AGM alongwith the Attendance slip & proxy form is being sent in the permitted mode(s) to all the members whose e-mail is not registered or have requested for hard copy. Please bring your copy of the Annual Report to the Meeting.
- (e) The Meeting is of members only and you are requested not to bring with any person, who is not a member or proxy.

Note: Please read the instructions given in the Notice of AGM before casting your vote through e-voting.

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**FORM NO. MGT-12
BALLOT PAPER / POLLING PAPER**

Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(C) of the Companies (Management and Administration) Rules, 2014]

Name(s) of Member(s): (In BLOCK /CAPITAL LETTERS)	
Registered Address:	
DP ID / Client ID* or Registered folio No. /	
No. of equity shares held:	

*Applicable in case of Share held in electronic form

I/We, hereby exercise my/our vote(s) in respect of the following resolution(s) as set out in the Notice of 23rd Annual General Meeting of the Company scheduled to be held on Saturday, 29th September, 2018 at 10:00 A.M. by giving my/our assent and/or dissent to the said Resolution(s) in the relevant box as stated herein below:

Resolution No.	Resolutions	No. of Equity Share(s) held	I/We assent to the Resolutions on (For)*	I/We assent to the Resolution (Against)*
Ordinary Business				
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018, including audited Balance Sheet as at March 31, 2018 and Statement of Profit and Loss for the year ended on that date together with reports of the Board of Directors and Auditors thereon.			
2	To appoint a Director in place of Shri. Ramesh Agarwal(DIN: 00151223), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 at this Annual General Meeting, and being eligible, offers himself for re-appointment.			
3	To appoint M/s MRKS & Associate, Chartered Accountants, New Delhi (Firm Registration No. 023711N) as a Statutory Auditor of the Company and to fix their remuneration.			
Special Business				
4	To increase the limits u/s 186(2) of Companies Act, 2013 for extending loans, providing guarantees or giving securities upto the limit of Rs. 250 Crore(Two Hundred Fifty Crore Only).			

*Please put a tick mark (✓) in appropriate column against the resolution(s) indicated above. In case of member/proxy wishes his/her vote to be used differently, he/she should indicate the number of shares under the columns 'For' and/or 'Against'.

Place:

Date:

Signature of Member

[illegible]

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E-mail: srusteels@yahoo.in, Website: www.srusteels.in

Tel: 011-27373622

**FORM NO. SH-13
NOMINATION FORM**Pursuant to section 72 of the Companies Act, 2013 and rule 19(1)(C) of the Companies
(Share Capital and Debentures) Rules, 2014]

To
SRU Steels Limited
A-48, 1st Floor, Wazirpur Industrial Area,
Delhi-110052

I/We the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

(2)	PARTICULARS OF NOMINEE/S — (a) Name: (b) Date of Birth: (c) Father's/Mother's/Spouse's name: (d) Occupation: (e) Nationality: (f) Address: (g) E-mail id: (h) Relationship with the security holder:	
(3)	IN CASE NOMINEE IS A MINOR— (a) Date of birth: (b) Date of attaining majority (c) Name of guardian: (d) Address of guardian:	
(4)	PARTICULAR OF NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY (a) Name (b) Date of birth: (c) Father's Name/Mother's/Spouse's name: (d) Occupation: (e) Nationality: (f) Address: (g) E-mail id: (h) Relationship with the security holder: (i) Relationship with minor	

Name:

Address:

Name of the Security Holder (s) Signature

Witness with name and address

[illegible]



SRU STEELS LIMITED

CIN: L17300DL1995PLC107286

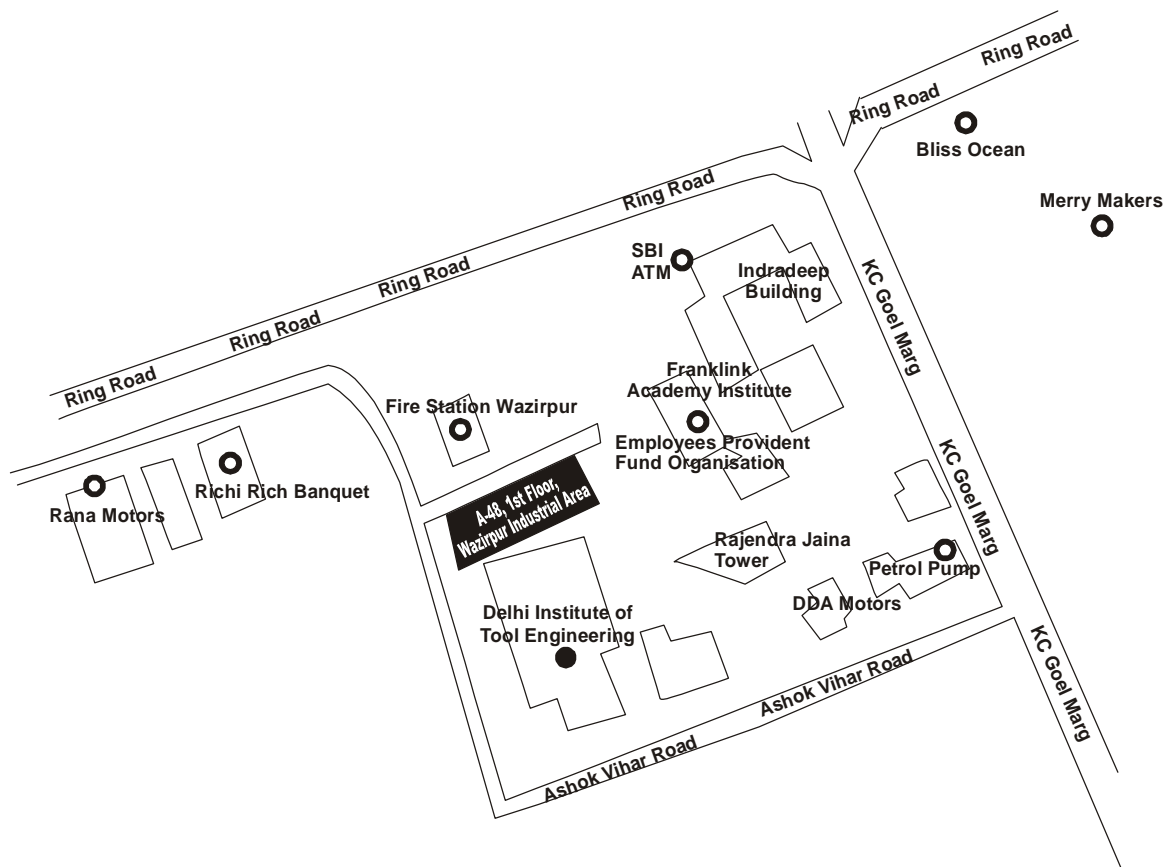
Registered & Corporate Office: A-48, 1st Floor, Wazirpur Industrial Area, Delhi-110052

E-mail: srusteels@yahoo.in, Website: www.srusteels.in

Tel: 011-27373622

Route Map of the venue of the 23rd Annual General Meeting

- Date** : Saturday, September 29, 2018
- Venue** : A-48, 1st Floor,
Wazirpur Industrial Area,
Delhi-110052
- Landmark** : Next to Richi Rich Banquets Hall,
Wazirpur Industrial Area, Delhi-110052
- Time** : 10:00 A.M.



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E-mail: srusteels@yahoo.in, Website: www.srusteels.in