

NOVA

IRON AND STEEL LTD.



23rd ANNUAL REPORT
2014-15



NOVA IRON AND STEEL LTD.

23rd ANNUAL REPORT 2014-15
Year ended 31st March 2015

BOARD OF DIRECTORS

CHAIRMAN

Sh. Sanjay Singal

WHOLE TIME DIRECTOR

Mr. Hardev Chand Verma

DIRECTORS

Mr. Aniket Singal

Mr. R.P. Goyal

Mr. Narsingh Awatar

Mr. M.Ramachadran

Mr. Arvind Gupta

Mrs. Sumiran Aggarwal

CHIEF FINANCIAL OFFICER

Mr. Ajoy Shah

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Dheeraj Kumar

AUDITORS

M/s Antima & Goel

Chartered Accountants

A-6, Lower Ground Floor, Defence Colony,
New Delhi-110024

COST AUDITOR

J.K Kabra & Company

Cost Accountants

552/1B, Arjun Street, Main Vishwas Road,
Vishwas Nagar,
Delhi - 32

BANKERS

Punjab National Bank

Axis Bank Ltd.

REGISTERED OFFICE

Village Dagori, Tehsil Belha, Distt-Bilaspur
(Chhattisgarh)- 495224

CORPORATE OFFICE

F-Block, 1st Floor

International Trade Tower

Nehru Place

New Delhi- 110019

PLANT

Village Dagori, Tehsil Belha, Distt-Bilaspur
(Chhattisgarh)- 495224

REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Private Limited

D-153A, 1st Floor, Okhla Industrial Area,

Phase- 1, New Delhi - 110020

Tel: +91 11 30857575, Fax +91 1130857562

Contact Person- Mr. Virender Rana

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CIN No.:

L02710CT1989PLC010052

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NOVA IRON AND STEEL LTD.

BOARD' REPORT

To Members,

Nova Iron and Steel Limited

Your Directors have pleasure in presenting 23rd Annual Report together with Audited Accounts for the year ended 31st March, 2015.

FINANCIAL HIGHLIGHTS

Particulars	(Rs. in Lacs)	
	2014-15 (12 Months)	2013-14 (12 Months)
Gross Revenue	930.44	5325.71
Profit/Loss before Interest, Depreciation and Tax	-29.95	1865.50
Interest & Financial Cost	601.05	908.39
Depreciation & Amortization	169.45	254.80
Profit/(Loss) before Tax	-800.46	702.32
Extraordinary items (Interest written back)	591.00	0
Deferred Tax	10.21	-4.95
Profit/(Loss) after Tax	-199.24	697.36
Net Loss transferred to Balance Sheet	-199.24	697.36

FINANCIAL SUMMARY

Company earned gross revenue from operations and other income for the financial year under review Rs. 930.44 lacs as compared to Rs. 5325.71 lacs for the previous financial year. Company incurred loss of Rs.199.24 lacs as compared to Profit of Rs. 697.36 lacs for the previous year. Operation of the company remain suspended due to shut down of plant and installation/commissioning of 12 MW Waste Heat Recovery Based (WHRB) power plant and longer period taken for stabilization of induction furnace because of non-availability of raw material resulting into low production.

OPERATION AND FUTURE OUTLOOK

During the year under review, the production of the Company remained low due to installation of 12 MW Waste Heat Recovery Based (WHRB) power plant and induction Furnace. Your company has been sourcing the requirement of coal through E-auction, at higher rates and quality of coal was not as required, thus increasing the cost of production. Fuel supply agreement with Southern Eastern Coalfield Ltd is in dispute and is pending before Hon'ble Supreme Court for adjudication. Availability of higher grade quality of iron ore at higher prices has affected profit. In the current market condition to compete in the market, installation of captive power plant for continuous power supply, utilisation of waste heat of kilns to maximize production capacity utilization, installation of furnace, is needed to produce cost effective sponge iron. The MMDR Amendment Act, 2015 has dispensed with the Central Government Approval for Steel and State are empowered to execute prospecting license or mining leases where there is letter of intent. Remaining mines will be allocated through E-Auction. Your company does not have its own captive iron ore mines. The company has applied for grant of prospecting license for Iron ore over an area of 11.47 sq kms in village Madamnar Dist Narayanpur, Chhattisgarh, expected to contain high grade iron ore which is yet to be recommended.

The demand of sponge iron in the market also remained low because of higher cost of production resulting into lower sales and import of steel at lower rates. The installation of induction furnace is in progress. Power supply from the state government remained irregular. The installation of 12 MW waste heat recovery based (WHRB) power plan is expected to be completed in this year. This will not only save high power cost but also allow the company to sell the excess power through open access there by generating extra revenue.

The installation of 12 MW Waste Heat Recovery Based (WHRB) power plant and induction furnace has taken a longer period for its stabilization. How ever the plant is expecting to start during current financial year.

CHANGE IN NATURE OF BUSINESS,

There was no change in the nature of business of the Company during the financial year ended 31st March, 2015.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form MGT-9 is at Annexure -1 to Board's Report.

BOARD MEETINGS

During the financial year 2014-2015, the Board of Directors of the Company, met 06(Six) times on 22.04.2014, 30.05.2014, 11.08.2014, 10.11.2014 and 09.02.2015(2) including separate Meeting of the Independent Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of Companies Act, 2013, with regard to Directors' Responsibility Statement, your Directors hereby confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year ;
- (iii) the Directors have taken proper and sufficient care of 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;
- (iv) the Directors have prepared the annual accounts on a going concern basis.
- (v) the internal financial controls to be followed by the company were laid down and such internal financial controls were adequate and were operating effectively.
- (vi) proper systems to ensure compliance with the provisions of all applicable laws.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- a) Company has received declaration of independence from Independent Directors namely Mr. Narsingh Awatar, Mr. Arvind Gupta and Mr. M Ramchandran confirming the



requirements of Section 149(6) of the Companies Act, 2013 and rules thereunder. Independent Directors were appointed directors for a term of 3 years in 22nd Annual General Meeting.

- (b) Since last Annual General Meeting the following changes have taken place in the Directorship/KMPs of the Company.

Mrs. Sumiran Aggarwal has been appointed as additional Director (Women) of the Company w.e.f. 02.04.2015. Nomination and Remuneration committee recommend the appointment on dated 27-03-2015. Procedural steps taken for appointment.

In accordance with the provisions of Articles of Association of the Company and provision of Companies Act, 2013, Sh. Sanjay Singal (DIN 00006579) Director retires by rotation and being eligible has offered himself for re-appointment. None of the Directors has incurred disqualification under Section 164 of the Companies Act, 2013. During the year there is no change in KMP.

CODE OF CONDUCT

Declaration pursuant to clause 49 of listing agreement in respect of compliance with code of conduct by Whole Time Director / CEO is at Annexure - 8.

DIRECTOR IDENTIFICATION NUMBER (DIN)

Present Directors have obtained Director Identification Number (DIN) under Director Identification Rules, 2006 which is valid DIN under Companies (Appointment and Qualification of Directors) Rules, 2014.

NOMINATION AND REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

Board of Directors of the Company, approved a policy for nomination and remuneration for directors, KMP and other employees containing interalia criteria for determining qualifications, positive attributes, independence of a director, payment of Managerial remuneration, and other related matters is annexed at Annexure-2 of Board's Report which can be assessed at our weblink;

<http://www.novaironsteel.com/pdfs/Remuneration%20Policy.pdf>.

AUDIT COMMITTEE

In compliance with the provisions of Section 177 of Companies Act, 2013 and Corporate Governance, Company has constituted Audit Committee and presently Mr. N. Awatar and Mr Arvind Gupta, Independent Director and Mr. R. P. Goyal are Members of the Committee Mr. N. Awatar is Chairman of the company. Audit Committee have powers and authority as provided under the aforesaid provisions and act in accordance with the terms of reference specified by the Board of Directors from time to time. Board has accepted all recommendation of the Committee.

AUDITORS

M/s Antima & Goel, Chartered Accountants, New Delhi (Regd. No. 009062N), Statutory Auditors have been appointed for

period of three years and hold office till the conclusion of the 25th Annual General Meeting of the Company to be held in the year 2017, subject to ratification of their appointment at every Annual General Meeting. Statutory Auditors have confirmed their eligibility u/s 139 of the Act to continue as Auditors of the Company.

AUDITORS' REPORT

Auditors have not made any qualification/adverse remarks /observations/disclaimer on the Financial Statement for the year ended 31st March 2015. The observations, if any, are self-explanatory and calls for no comments.

COST AUDIT

Rule 4(2) of Cost Audit Rules 2014 is not applicable on the Company as notified vide notification dated 31.12.2014 since overall annual turnover of the Company from all its products and services during the year is less than Rs. 100 crore, hence company is not required to appoint Cost Auditors. However M/s J.K. Kabra and Associates has been appointed Cost Auditor for FY 2014-15.

SECRETARIAL AUDIT

M/s Sharma Sarin & Associates who were appointed as secretarial auditors of the Company for the Financial year 2014-15 after conducting the Secretarial Audit has given Secretarial Auditor's Report in form MR-3 is annexed as Annexure- 3 to the Board Report. There are no qualifications, reservations or adverse remarks made by Secretarial Auditors in their Report.

PARTICULARS RELATING TO TECHNOLOGY ABSORPTION, CONSERVATION OF ENERGY & FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pursuant to Section 134(3)(m) of Companies Act, 2013 regarding conservation of Energy, Technology Absorption, foreign exchange earnings and outgo is enclosed at Annexure - 4 to the Board's Report.

INTERNAL AUDITORS AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Company has appointed M/s Rajesh Aggarwal & Associates, Chartered Accountant as Internal Auditor for the F.Y. 2015-16. Internal control framework of the Company is adequate and commensurate with the nature of the business and size of the Company. The internal auditors monitor and evaluates the efficacy and adequacy of Internal Financial Control system in the company, its compliance with operating system, accounting procedures and policy. Internal Auditors submit his report to Audit committee periodically.

PARTICULARS OF LOAN, GUARANTEE OR INVESTMENT UNDER SECTION 186

During the financial year ended 31st March, 2015, Company has neither made Loan/investments nor given guarantees nor provided security u/s 186 of the Act. (Also refer note 11 attached financial statements of the Company in respect of investments of the Company)

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES



The particulars of contract and arrangement entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain contract/arrangement at arm's length are disclosed in Form No. AOC-2 at Annexure -5 to Board's Report.

CAPITAL & RESERVES

There is no change in the capital of the Company as on 31.03.2015. Company has not transferred any amount to the Reserve.

DIVIDEND

In view of losses incurred during the year, Board of Directors has not recommended Dividend for distribution for the year 2014-15.

EMPLOYEES STOCK OPTION

Company has not issued Sweat Equity Shares or ESOP (Employees Stock Option) to its employees.

LISTING/DELISTING

The Equity shares of the company are listed at Bombay Stock Exchange. The Company has paid listing fees to the Stock Exchange for the year 2014-15. Pursuant to approval of Board of Directors in its meeting held on 08.10.2010, Company has filed application for delisting of shares from National Stock Exchange vide letter dated 27.10.2010 and from Delhi Stock Exchange vide letter dated 02.06.2011. Further Delhi Stock Exchange has also been derecognized under SEBI order dated 19.11.2014. During the year shares listed at Calcutta Stock Exchange Limited has been delisted on 23.06.2015.

BUY BACK OF SHARES

During the year, Company has not buy back its shares nor it has given any loan for purchase of its own shares.

MATERIAL CHANGE(S)

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this Report.

RISK MANAGEMENT POLICY

During the year, the Board of Directors has adopted a Risk Management Policy/Plan for the Company, whereby, risks are broadly categorized. The Policy outlines the parameters of identification, assessment, monitoring and mitigation of various risks which are key to business objectives which is also available at weblink: <http://www.novaironsteel.com/pdfs/Risk%20Management%20Policy.pdf>.

CORPORATE SOCIAL RESPONSIBILITY POLICY

Being listed company, the Board of Directors of your Company, has constituted CSR Committee (for composition of committee please refer Corporate Governance Report attached to Board' Report). On the recommendation of CSR Committee, CSR Policy of the Company has been approved by the Board which is available on our weblink: <http://www.novaironsteel.com/pdfs/CSR%20Policy.pdf>.

The Annual Report on CSR activities as per Companies (Corporate Social Responsibility Policy) Rules, 2014 is at Annexure -6 to the Board Report. Company has not spent any amount since net average net profit of the last three years of the company is negative.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

M/s Prudent Transport Company Limited is an associate company. Company do not have subsidiary or joint venture. During the year ended 31st March, 2015, no entity became or ceased to be subsidiary, joint venture or associate of the Company except as stated above.

PERFORMANCE EVALUATION

During the year Board of Directors evaluated performance of its own, Committees and all the individual Directors including Independent Directors and concluded by affirming that the Board summarizing as a whole as well as all of its Directors, individually and the Committees of the Board continued to good governance and contribute its best in the overall growth of the organisation. Independent directors also held separate meeting to evaluate performance of Chairman and executive directors and expressed satisfaction on their performance.

DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

SEGMENT REPORTING

The Company is engaged in Iron & Steel business, which in the context of Accounting Standard -17 of Companies (Accounting Standard) Rules, 2006 as amended to date is considered only business segment.

MATERIAL ORDERS

There was no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

PARTICULARS RELATING TO EMPLOYEES

Details pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is at Annexure -7 of Board' Repot. During the year no employees has remuneration equal to or more than prescribed limit under Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, hence information under these rules be treated as NIL.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM /WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

Company has in place a composite 'Vigil Mechanism' Policy/Whistle Blower Policy available to the employees and directors to blow the whistle/ highlight any fraud, irregularity, wrongdoing etc. which is also available at weblink: <http://www.novaironsteel.com/pdfs/Vigil%20Mechanism.pdf>.

CORPORATE GOVERNANCE



NOVA IRON AND STEEL LTD.

A report on Corporate Governance is at Annexure-9 and a certificate from Statutory Auditors and a certificate from whole time director and CFO of the Company regarding compliance of conditions of Corporate Governance in terms of Clause 49 of Listing Agreement is at Annexure 10 and 11 respectively to Board's Report.

GENERAL

(i) ENVIRONMENT & OTHER APPLICABLE LAW

The Company is committed to the protection of environment and is not involved in any activity hazardous to environment. The Company adheres to the provisions of the applicable provisions of environment laws.

(ii) HEALTH & SAFETY

In order to build a sustainable work place environment, a common health and safety management system is being implemented. All efforts are being made to enhance safety standards and processes in order to minimise safety risks in all our operations. The Company has made specific improvements in construction activities, expansion and installation of power plant.

(iii) SEXUAL HARASSMENT OF WOMEN

The Company has zero tolerance towards sexual

harassment at the workplace. During the Financial Year 2014-15, the Company has received no complaints of sexual harassment

(iv) INDUSTRIAL RELATIONS

Relations between the Management and its Employees/ Workmen have been cordial and management expressed their appreciation for the co-operation and dedication of the Employees/Workmen at all levels of the Company.

ACKNOWLEDGEMENTS

Your Directors convey their sincere thanks to the Bankers, various departments in Central and State Governments and all others associated with the Company for their co-operation, continued support and confidence reposed by them in the Company.

For and on behalf of the Board

(Sanjay Singal)
Chairman
DIN00006579

Place : New Delhi

Date :12.08.2015



NOVA IRON AND STEEL LTD.

Annexure 1

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

(i) CIN	L02710CT1989PLC010052	(ii) Registration Date	01/05/1989
(iii) Name of Company	Nova Iron and Steel Limited	(iv) Category/Sub-Category of the Company	Company limited by shares/ Indian Non-government Comp any.
(v) Address of the Registered office and contact details	Village-Dagori, Tehsil Belha, Bilaspur, Chhattisgarh 495224 Tel:077-52285217, Fax:077-52285213	(iv) Whether listed company	Yes
(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline financial Services Private Limited, D-153A, 1 st Floor, Okhla Industrial Area, Phase-I, New Delhi 1100020, Tel+91 11 30857575		

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl.No.	Name and Description of main products/ services	NIC Code of the Product/ service	% tototal turnover of the company
1.	Iron & Steel	271	55.82
2.	Trading of Iron & Steel	511	42.25

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and address of the company	CIN/GLN	Holding/ subsidiary /Associate	% of equity shares held	Applicable section
1	Prudent Transport Co. P. Ltd. Regd. Office: 3, Industrial Area, Phase-I, Chandigarh	U24241CH1999PLC022719	Associate	28%	2(6) of Companies Act, 2013

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

i) Category-wise Share Holding

Shareholders Category of	No. of Equity Shares held at the beginning of the year				No. of Equity Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of total Equity Share	Demat	Physical	Total	% of Equity Share	
A. PROMOTERS									
(1) Indian									
(g) Individual/HUF	-	-	-	-	-	-	-	-	-
(h) Central Govt.	-	-	-	-	-	-	-	-	-
(i) State Govt.	-	-	-	-	-	-	-	-	-
(j)Bodies Corp.	24231786	-	24231786	67.05	24231786	-	24231786	67.05	No change
(k)Banks/Fl	-	-	-	-	-	-	-	-	-
(l)Any other...	-	-	-	-	-	-	-	-	-



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Shareholders Category of	No. of Equity Shares held at the beginning of the year				No. of Equity Shares held at the end of the year				%Change during The year
	Demat	Physical	Total	% of total Equity Share	Demat	Physical	Total	% of Equity Share	
Sub- Total (A) (1) :-	24231786	-	24231786	67.05	24231786	-	24231786	67.05	No change
(2) FOREIGN									
(a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
(b) Other- Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any other.....	-	-	-	-	-	-	-	-	-
Sub- Total(A) (2) :-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter									
(A)=(A)(1)+A(2)	24231786	-	24231786	67.05	24231786	-	24231786	67.05	No change
B. Public Shareholding									
1. INSTITUTIONS									
a) Mutual Funds	3600	504696	508296	1.41	3600	503496	507096	1.40	-0.01
b) Banks /FI	0	144	144	0	0	144	144	0	No change
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
i) Funds others (Specify)	-	-	-	-	-	-	-	-	-
Sub- Total (B) (1) :-	3600	504840	508440	1.41	3600	503640	507240	1.40	-0.01
2. NON-INSTITUTION									
(a) BODIES CORP.									
(i) Indian	2990151	20880	3011031	8.33	2965572	20880	2986452	8.26	-0.07
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) INDIVIDUALS									
(i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	1928039	5772668	7700707	21.31	1982516	74931402	76913918	21.28	-0.03
(ii) Individual Shareholders holding nominal share Capital in excess of Rs. 1 Lakh	411462	44112	455574	1.26	502772	44112	546884	1.51	0.25
(c) Others (Specify)									
Non Resident	22574	209376	231950	0.64	27384	148344	175728	0.49	-0.15
Sub- Total(B) (2) :-	5352226	6047036	11399262	31.54	5478244	5922218	11400462	31.55	0.01
Total Shareholding (B)=(B)(1)+(B)(2)	5355826	6551876	11907702	32.95	5481844	6425858	11907702	32.95	No change
C. Shares held by custodian for GDRs & ADRS									
Grand Total (A+B+C)	29587612	6551876	36139488	100	29713630	6425858	36139488	100.00	No Change



NOVA IRON AND STEEL LTD.

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Equity share holding during the year
		No. of Equity Shares	% of total Equity Shares of the company	% of Equity Shares Pledged/encumbered to total Equity shares	No. of Equity Shares	% of total Equity Shares of the company	% of Equity Shares Pledged/encumbered to total Equity shares	
1	M/s Bhushan Power & Steel Ltd.	14269146	39.48	-	14269146	39.48	-	No change
2	M/s Ambey Steel and Power Pvt. Ltd.	9962640	27.57	-	9962640	27.57	-	No change
	Total	24231786	67.05		24231786	67.05	-	No change

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

No Change

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

Sr. no.	Name of the Shareholder	At the Beginning of The year		Date wise increase / decrease in shareholding specifying reasons for increase /decrease (e.g. allotment /transfer/bonus/sweat equity etc)			Cumulative Shareholding during the year		At the end of the year (or on the date of separation, if separated during the year)	
		No of Equity Shares	%age to total Eq. Shares	As on Benpos Date	No of Equity Shares	Reasons	No of Equity Shares	%age to total Eq. Shares	No of Equity Shares	%age to total Eq. Shares
1	Master Capital Services Limited	2304230	6.38	25.04.14	25	Transfer	2304255	6.38	3723	0.01
				09.05.14	-25	Transfer	2304230	6.38		
				16.05.14	1083	Transfer	2305313	6.38		
				23.05.14	-510	Transfer	2304803	6.38		
				30.05.14	10	Transfer	2304813	6.38		
				30.06.14	-59	Transfer	2304754	6.38		
				11.07.14	966	Transfer	2305720	6.38		
				25.07.14	-2000072	Transfer	305648	0.85		
				08.08.14	-168	Transfer	305480	0.85		
				30.09.14	97	Transfer	305577	0.85		
				31.10.14	144	Transfer	305721	0.85		
				05.12.14	600900	Transfer	906621	2.51		
				31.12.14	-32	Transfer	906589	2.51		
				16.01.15	-902598	Transfer	3991	0.01		
06.02.15	104	Transfer	4095	0.01						
13.03.15	-108	Transfer	3987	0.01						
20.03.15	-240	Transfer	3747	0.01						
31.03.15	-24	Transfer	3723	0.01						
2	Raj Kumar Kedia	181237	0.50	Nil	Nil	Nil	181237	0.50	181237	0.50
3	Indian Bank	151344	0.42	31.05.14	-144	Transfer	151200	0.42	150720	0.42
				20.03.15	-480	Transfer	150720	0.42		
4	Narayan Securities Ltd.	103250	0.29	04.04.14	-103154	Transfer	96	0.0	0	0.0
				30.09.14	-96	Transfer	0	0.0		
5	Gala Finance and Investment Ltd	99785	0.28	16.01.15	900000	Transfer	999785	2.77	1499785	4.15
				23.01.15	500000	Transfer	1499785	4.15		
6	Stock holding corporation of India Ltd.	96888	0.27	10.06.14	-216	Transfer	96672	0.27	96672	0.27



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Sr. no.	Name of the Shareholder	At the Beginning of The year		Date wise increase / decrease in shareholding specifying reasons for increase /decrease (e.g. allotment /transfer/bonus/sweat equity etc)			Cumulative Shareholding during the year		At the end of the year (or on the date of separation, if separated during the year)	
		No of Equity Shares	%age to total Eq. Shares	As on Benpos Date	No of Equity Shares	Reasons	No of Equity Shares	%age to total Eq. Shares	No of Equity Shares	%age to total Eq. Shares
	For Each of the Top10 Shareholders									
7	Shrim Investment solutions Pvt. Ltd.	91646	0.25	Nil	Nil	Nil	91646	0.25	91646	0.25
8	Canara Bank	88776	0.24	Nil	Nil	Nil	88776	0.24	88776	0.24
9	Bank of India	86424	0.21	30.08.14	-120	Transfer	76835	0.21	86064	0.21
				20.11.14	-240	Transfer	76595	0.21		
10	Shivalik Securities Limited	76955	0.21	09.05.14	20080	Transfer	97035	0.26	996135	2.76
				13.03.15	899100	Transfer	996135	2.76		
11	Somya Traders Private Limited	0	0	04.04.14	103154	Transfer	103154	0.29	103151	0.29
12	Pallavi Niraj Shah	0	0	31.05.14	24	Transfer	24	0	53000	0.15
				10.09.14	6000	Transfer	6024	0.02		
				31.10.14	12000	Transfer	18024	0.05		
				10.12.14	30000	Transfer	48024	0.13		
				12.12.14	2000	Transfer	50024	0.14		
23.01.15	3000	Transfer	53024	0.15						

(v) Shareholding of Directors and Key Managerial Personnel:

Sn.	Name of the Shareholder	At the Beginning of The year		Date wise increase / decrease in shareholding specifying reasons for increase /decrease (e.g. allotment /transfer/bonus/sweat equity etc)			Cumulative Shareholding during the year		At the end of the year (or on the date of separation, if separated during the year)	
		No of Equity Shares	%age to total Eq. Shares	As on Benpos Date	No of Equity Shares	Reasons	No of Equity Shares	%age to total Eq. Shares	No of Equity Shares	%age to total Eq. Shares
	For Each of the Directors and KMP									
1.	Sanjay Singal	0	0	0	0	0	0	0	0	0
2.	Aniket Singal	0	0	0	0	0	0	0	0	0
3.	H.C. Verma	0	0	0	0	0	0	0	0	0
4.	R.P. Goyal	0	0	0	0	0	0	0	0	0
5.	Arvind Gupta	0	0	0	0	0	0	0	0	0
6.	Narsingh Awatar	0	0	0	0	0	0	0	0	0
7.	M. Ramchandran	144	0	0	0	0	0	0	144	0
8.	Ajoy Shah	0	0	0	0	0	0	0	0	0
9.	Dheeraj Kumar	0	0	0	0	0	0	0	0	0



NOVA IRON AND STEEL LTD.

V. INDEBTEDNES

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

	Secured Loans excluding deposits (Rs.)	Unsecured Loans (Rs.)	Deposits(Rs.)	Total Indebtedness (Rs)
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	698500000	Nil	698500000
ii) Interest due but not paid	Nil	81724500	Nil	81724500
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	780224500	Nil	780224500
Change in Indebtedness during the financial year				
· Addition	Nil	806495029	Nil	806495029
· Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	806495029	Nil	806495029
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	1535719529	Nil	1535719529
ii) Interest due but not paid	Nil	180710855	Nil	180710855
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total(i+ii+iii)	Nil	1716430384	Nil	1716430384

VI REMUNERATION OF DIRECTORS AND KEYMANAGERIAL PERSON

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Hardev Chand Verma (WTD)		
1	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-taxAct,1961 (b)Value of perquisites u/s 17(2)Income-taxAct,1961 (c) Profits in lieu of Salary Under Section 17 (3) Income Tax, 1961	1267532	-	1267532
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as% of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total(A)	1267532		1267532
	Ceiling as per the Act	Remuneration payable by company having no profit or inadequate profit as per Section II of Part II of Schedule V of Companies Act, 2013 Rs. 42 lakhs		

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors						Total Amount
		Sanjay Singal	Aniket Singal	R.P. Goyal	N. Awatar	Arvind Gupta	M. Ramchandran	
1.	Independent Directors - Fee for attending board committee meetings - Commission - Others, please specify	Nil	Nil	Nil	11000	11000	1000	23000
	Total(1)	Nil	Nil	Nil	11000	11000	1000	23000



NOVA IRON AND STEEL LTD.

2.	Other Non-Executive Directors - Fee for attending board committee meetings - Commission - Others, please specify	-	-	-	-	-	-	-
	Total(2)	-	-	-	-	-	-	-
	Total(B)=(1+2)	-	-	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	11000	11000	1000	23000
	Overall Ceiling as per the Act	Remuneration payable by company having no profit or inadequate profit as per Section II of Part II of Schedule V of Companies Act, 2013 Rs. 42 lakhs						

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	224750	434700	659450
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as% of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	224750	434700	659450

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

Place: New Delhi
Date: 12.08.2015

(Sanjay Singal)
Chairman
DIN 00006579



REMUNERATION POLICY

(FOR THE DIRECTORS, KEY MANAGERIAL PERSONNAL AND OTHER EMPLOYEES)

1. **Regulatory Requirement**

Pursuant Section 178 and other applicable provisions of Companies Act, 2013, (Act) and rules made thereunder and Clause 49 of Listing Agreement (for listed Companies only), the Nomination and Remuneration Committee ("Committee") shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

The Policy has been framed by the Nomination and Remuneration Committee of the Board of Directors and based on its recommendation, approved by the board of directors of the Company. The policy may be reviewed by the Nomination and Remuneration Committee of the Board of Directors.

2. **Purpose**

Remuneration Policy ("Policy") provides a framework for remuneration to be paid to the members of the Board of Directors ("Board") and Key Managerial Personnel ("KMP") of the Company (collectively referred to as "Executives"). The expression KMP shall have the same meaning as defined under the provisions of Act. The Policy also provides a framework for identification of persons who are qualified to become directors.

3. **Objectives**

- 3.1 The remuneration policy seeks to enable the company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry practices and relevant Indian corporate regulations.
- 3.2 The remuneration policy will ensure that the interests of Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.
- 3.3 The remuneration policy will ensure that remuneration to Executives involves a balance between fixed pay and incentive (by way of increment/bonus/ promotion/any other form) reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

4. **Principles of Remuneration and Criteria for determining Remuneration**

- 4.1 the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and KMP of the quality required to run the company successfully;
- 4.2 relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 4.3 remuneration to directors, key managerial personnel and senior management involves a balance between short and long term performance objectives appropriate to the working of the company and its goals

The criteria for determining the remuneration shall be broadly guided by:

- 4.4 Skills,
- 4.5 Requisite qualification, commensurate with the Job profile
- 4.6 characteristics and
- 4.7 experience in business, government, academics, technology, human resources, social responsibilities, finance, law etc. and in such other areas as may be considered relevant or desirable to conduct the Company's business in a holistic manner and as may be decided by Committee.
- 4.8 Director should possess high level of personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.
- 4.9 Directors must be willing to devote time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management working.
- 4.10 In case of other employees other than director, KMP, the criteria will be decided by the HR department.

5. **Remuneration to Executives**

- 5.1 Executives may be paid remuneration by way of fixed salary and allowances as per Company rules subject to the provisions of companies Act, 2013
- 5.2 **Personal benefits** Executives may have access to benefits/perquisites as per the rules and regulations of the Company. Executives may also be entitled to retirement benefits such as provident fund, gratuity and/or such other benefits as per the rules of the Company.



5.3 The Remuneration of other employee other than Executives will be decided by the HR department of the Company in accordance with the skill, qualification and

6. Remuneration to non-executive directors

6.1 Non - Executive may be paid remuneration by way of sitting fee and reimbursement of expenses for participation in the Board and other meetings and commission and/or such other payments as may be permitted by the law applicable to such payments. Such payments shall be subject to the provisions of Companies Act, 2013.

7. Amendments to this Policy

The Nomination and Remuneration Committee is entitled to amend this policy including any amendment or discontinuation of one or more incentive programs introduced in accordance with this Policy.

Place: New Delh
Date: 12.08.2015

(Sanjay Singal)
Chairman
DIN 00006579

Annexure-3

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2015

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

To,
The Members,
NOVA IRON AND STEEL LIMITED

I/We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **NOVA IRON AND STEEL LIMITED**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate conducts/Statutory Compliances and expressing our opinion thereon.

Based on our verification of the **NOVA IRON AND STEEL LIMITED**, Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the Audit period covering the Financial Year ended on **31st March, 2015** complied with the Statutory Provisions Listed here under 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 **NOVA IRON AND STEEL LIMITED** for the Financial Year ended on **31st March, 2015**, 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,1999and 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'):-
 - (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,1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;



NOVA IRON AND STEEL LTD.

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;
- (vi) Other laws as may be applicable specifically to the Company:-
- (i) The Electricity Act, 2003;
- (ii) The Limestone and Dolomite Mines Labour Welfare Fund Act, 1972

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **Not applicable for this year.**
- (ii) The Listing Agreements entered into by the Company with Stock Exchange (s), if applicable;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

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. *Including the Women Director who was appointed on 02.04.2015.* The changes in the Composition of the Board of Directors that took place during the period under review were carried out in Compliance with the Provisions of the Act.

Adequate notice is given to all Directors to Schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure Compliance with Applicable Laws, Rules, Regulations and Guidelines.

we further report that during the audit period the Company has not done any of the following activities:

- (i) *Public/Right/Preferential issue of shares/ debentures/sweat equity, etc.*
- (ii) *Redemption/ buy-back of securities.*
- (iii) *Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.*
- (iv) *Merger /amalgamation/reconstruction, etc.*
- (v) *Foreign technical collaborations.*

For Sharma Sarin & Associates
PARTNER
P.D. SHARMA
FCS 2285, CP No. 2692

Place: Chandigarh
Date: 12.08.2015

Annexure - 4

Form No. AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis

S.N.	Name(s) of the related party and nature of relationship	Nature of contracts/ Arrangements/ transactions	Duration of contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	a	b	c	d	e	f	g	h
	Not Applicable							



NOVA IRON AND STEEL LTD.

2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Particulars	Detail
(a)	Name(s) of the related party and nature of relationship	<i>Bhushan Power & Steel Limited Common Director and holding more than 2%</i>
(b)	Nature of contracts / arrangements / transactions	<i>Sale/Purchase</i>
(c)	Duration of the contracts / arrangements / transactions	<i>running contract normally for one year</i>
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	<i>At market price as applicable to non related customers. Sale Rs. 3500 lacs Purchase Rs. 200 lacs Arrangements Rs. 9000 lacs</i>
(e)	Date(s) of approval by the Board, if any	<i>Omnibus approval for contracts/arrangement obtained on 22.04.2014, 11.08.2014, 10.11.2014 and 09.02.2015</i>
(f)	Amount paid as advances, if any	<i>Nil</i>

Place: New Delhi
Date: 12.08.2015

(Sanjay Singal)
Chairman
DIN 00006579

Annexure - 5

ANNUAL REPORT ON CSR PURSUANT TO RULES 8 & 9 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014

S N	Particulars	Remarks
1	a brief outline of the company's CSR policy including overview of projects or programme proposed to be undertaken and a reference to web-link to CSR policy and projections or programme.	CSR policy, reflecting ethos of the company, broad areas of CSR interest and overview of activities, proposes rural focus and woman empowerment. Detailed CSR policy can be reached at http://www.novaironsteel.com/pdfs/csr%/20policy.pdf Policy state the list of activities/projects undertaken/to be undertaken in future
2	The composition of the CSR Committee	Constitution of the Committee comprises One independent director and two executive directors
3	Average Net Profit of the company for the last three financial years	Loss of Rs. 441.80(Calculated in accordance with section 198 of the Act
4	Prescribed CSR expenditure (2% of the amount as in item 3 above)	Nil.
5	Details of CSR spent for the financial year	
	a total amount to be spent for the financial year	Nil.
	b amount spent, if any.	
	c manner in which the amount spent during the financial year is detailed below	N.A.
6	In case the company has failed to spend the 2% of Average Net Profit (INR) of last 3 financial years, the company shall provide the reasons for not spending the amount in its board report	Due to the reasons as stated in the Board Report, company incurred losses during the year.
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company	The members of the CSR Committee declare that company has formulated CSR policy in compliance with CSR objectives and Policy of the Company however during the year due to losses incurred no CSR progress/activity was undertaken.

For Nova Iron and Steel Limited

Place: New Delhi
Date: 12.08.2015

(R. P. Goyal)
Chairman (CSR Committee)
DIN 00006595

(Sanjay Singal)
Chairman
DIN 00006579



NOVA IRON AND STEEL LTD.

Annexure - 6

DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Relevant clause u/r 5(1)	Prescribed Requirement	Particulars		
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Ratio of the remuneration of Shri Hardev Chand Verma, Whole Time Director to the median remuneration of the employees-10.85:1		
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Ajoy Shah, CFO -10% Dheeraj Kumar, CS -10% Hardev Chand Verma, Whole Time Director -Nil		
(iii)	The percentage increase in the median remuneration of employees in the financial year	10%		
(iv)	The number of permanent employees on the rolls of Company	265		
(v)	The explanation on the relationship between average increase in remuneration and company performance	The average increase in remuneration during Financial Year 2014-15 was 10% as compared with previous financial year. Net revenues of the Company during the financial year is reduce as compare to the previous year. The performance of the Company was reduced due to the plant was shut down which is explained in detail in the operations and performance section of this report.		
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Remuneration of KMP (INR Lacs)		Company performance (PBT) (INR Lacs)
		Hardev Chand Verma, WTD	12.67	-199.24
		Ajoy Shah, CFO	4.34	-199.24
		Dheeraj Kumar, CS	2.24	-199.24
(vii)	Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year	Variation in the market capitalization - Market capitalization as on 31st March 2014: Rs. 69.02 crore - Market capitalization as on 31st March 2015: Rs. 28.77 crore Variation in the PE Ratio - PE Ratio as at 31st March, 2014: 1.93 - PE Ratio as at 31st March, 2015: (0.55) 0.25% decrease in the market quotation of the Shares in comparison to the rate at which the company came out with IPO.		
(viii)	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	Average increase in remuneration of Managerial Personnel (except WTD)- 10% - Average increase in remuneration of employees other than the Managerial Personnel - 10%		
(ix)	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	Covered in sub-clause (vi) above.		
(x)	Key parameters for any variable component of remuneration availed by the directors	Not applicable		
(xi)	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not applicable		
(xii)	Affirmation that the remuneration is as per the remuneration policy of the company	The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of section 178 of the Companies Act, 2013.		

Place: New Delhi
Date: 12.08.2015

(Sanjay Singal)
Chairman
DIN 00006579

**INFORMATION AS PER SECTION 134(3)(M) OF COMPANIES ACT, 2013 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2015****CONSERVATION OF ENERGY:**

1	Steps taken or impact on conservation of energy	All business units are continuously putting in their efforts to improve energy usage efficiencies and increase contributions from renewable sources of energy. Energy saving initiatives throughout the plants helped the Company in reducing energy cost.
2	Steps taken by the company for utilizing alternate sources of energy	Use of natural light by placing transparent roof and side glass windows in day time for panel manufacturing unit to reach green building concepts
3	Capital investment on energy conservation equipments	Nil

TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:

1.	Efforts in brief made towards technology, absorption, adaptation and innovation.	In the past five years no new technology has been adopted
2.	Benefits derived as a result of above efforts e.g. product improvement, cost reduction, product development, import substitution etc.	NIL
3.	In case of import technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.	Not Applicable
a.	Technology Imported	Not Applicable
b.	Year of Import	Not Applicable
c.	Has Technology been fully absorbed.	Not Applicable
d.	If not fully absorbed, areas where this has not taken place reason thereof and future plan of action.	Not Applicable

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	Presently Company is not exporting its products in international market. Used : Rs 23.44 Lacs, Earned : Rs. NIL
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Place: New Delhi
Date: 12.08.2015

(Sanjay Singal)
Chairman
DIN 00006579

Annexure- 8**Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Code of Conduct**

I confirm that the Company has in respect of the Financial Year ended 31 March, 2015, received from the senior management personnel of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

(H.C. Verma)
Whole Time Director
DIN 00007681

Place: New Delhi
Dated: 12.08.2015



REPORT ON CORPORATE GOVERNANCE

Vision

A focused mind set with continuous learning aimed to have completely integrated operations for self reliance in the business.

Mission

To attain a level where there is no defined limit for growth, to promote a work climate that harness the best of human potential, encourage to compete with self, protect environment and to explore all possible means for unmatched growth.

Company's Philosophy

The Company is committed to good Corporate Governance practices. Your Directors endeavor to adhere to the Standards set out by the Securities & Exchange Board of India (SEBI). Your Company is, therefore, complying in all material respects the mandatory requirements as explained hereunder.

Board of Directors

a) Composition

In compliance of Clause 49 of Listing Agreement ,Board consists of eight directors, comprising One Executive and Seven non-executive directors, out of which Four independent directors including one women independent director. Non-Executive Director is Chairman of the Company,

b) Meetings and attendance records of each Director

During the year six meetings of Board of Directors were held on 22.04.2014, 30.05.2014, 11.08.2014, 10.11.2014, 09.02.2015(2) including separate Meeting of the Independent Directors. The intervening period between the two Board Meetings was well within the maximum prescribed period.

Attendance record of Directors at Board/ Committee/ General Meetings and details of directorship/ committee membership/Chairmanship during the year ended 31st March 2015 are given below:-

Sr. No.	Name of Director	Category	Attendance Particulars			No. of Other Directorship and Committee Member/ Chairmanship			Remarks
			No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM	Other Directorships	Committee Members(**)	Committee Chairmanships (**)	
1.	Sanjay Singal	Non- Executive Director	06	01	No	06	01	01	
2.	Aniket Singal	Non- Executive Director	06	01	No	0	0	0	
3.	Hardev Chand Verma	Whole Time Director	06	05	Yes	01	0	0	
4	R.P.Goyal	Non- Executive Director	06	05	No	05	07	03	
5.	N.Awatar	Non- Executive Independent Director	06	06	Yes	03	03	02	
6.	M.Ramachandran	Non- Executive Independent Director	06	02	No	07	0	0	
7.	Arvind Gupta	Non- Executive Independent Director	06	06	No	01	03	0	
8.	Sumiran Aggarwal	Non- Executive Independent Director	06	0	No	0	0	0	Appointed w.e.f. 02.04.15

(**) Committee here means Audit Committee, Nomination and Remuneration Committee, Share Transfer Committee, Stakeholder Relationship Committee and CSR Committee.

- c) The Non-Executive Directors had no pecuniary relationship or transactions with the Company in their personal capacity during the year under review.
- d) Sh. Sanjay Singal, Director is retiring by rotation and has offered himself for re-appointment.

Sh. Sanjay Singal is a graduate and has rich experience of about 26 years in Steel Sector Project Implementation, Planning and Policy Making. He is non-executive director of the Company



Relationship between Directors inter-se

Mr. Aniket Singal, Non-Executive Director on the Board of Directors is the son of Shri Sanjay Singal, Non-Executive Chairman-Director.

Performance evaluation of Independent Directors

The Nomination and Remuneration Committee of the Board laid out the evaluation criteria for performance evaluation of the Board, its Committees and all the individual directors, in adherence to clause 49 of the Listing Agreement. The performance evaluation criteria includes attendance of directors, active participation in discussion, discussion of the item at length with import latest knowledge of industry and business etc.

Familiarisation Programme for Independent Directors

All Independent Directors are apprised/familiarized about the company, its business, industry etc and roles, rights, responsibilities of independent Directors, nature of the industry in which the company operates, business model of the company, etc. from time to time. Detailed agenda is provided to all the Directors to take informed decision and perform its function and fulfill its role effectively. The details of such familiarisation Programmes are disclosed at weblink <http://www.novaironsteel.com/pdfs/Familiarisation%20Programme%20for%20Independent%20Director.pdf>.

Company's Policy on Prohibition of Insider Trading

The Company has formulated a Policy for Prohibition of Insider Trading to deter the insider trading in the securities of the Company based on the unpublished price sensitive information. The policy envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company. The full text of the policy can be assessed on the weblink <http://www.novaironsteel.com/pdfs/Insider%20Trading%20Policy.pdf>.

Committee of Board of Directors

Audit Committee

The Company has constituted Audit Committee and at present consists 3 members namely Mr. N Awatar, Mr R. P. Goyal and Mr Arvind Gupta as its members. Mr. N Awatar is Chairman of the Committee and is independent and non-executive Director. He is a senior practicing Chartered Accountant. The committee met five times during the year i.e. on 22.04.2014, 30.05.2014, 11.08.2014, 10.11.2014 and 09.02.2015 and attendance is as under.

Name	Designation	Meeting Attended (No. of Meeting(s) held: 5)
Mr. N. Awatar	Chairman	05
Mr. R.P. Goyal	Member	05
Mr. Arvind Gupta	Member	05

Representative(s) of Auditors normally attends meetings of Audit Committee.

The terms of reference of the Audit Committee including defined under the relevant provisions of Section 177 of the Companies Act, 2013 and clause 49 of the Listing Agreement with stock exchanges as in force.

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matter required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (5) of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.



- e. Compliance with listing and other legal requirements relating to financial statements.
- f. Disclosure of any related party transactions.
- g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. review and monitor the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the company with related parties.
8. Scrutiny of inter-corporate loans and investments.
9. Valuation of undertakings or assets of the company, wherever it is necessary.
10. Evaluation of internal financial controls and risk management systems.
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
13. Discussion with internal auditors any significant findings and follow up there on.
14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the board.
15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
17. Reviewing the functioning of Whistle Blower mechanism in the Company.
18. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
19. Considering such other matters the Board may specify.
20. Reviewing other areas that may be brought under the purview of role of Audit Committee as specified in Listing Agreement and the Companies Act, as and when amended.

Nomination and Remuneration Committee

The terms of reference decided by the Board for the functioning of Nomination and Remuneration Committee inter alia to determine Company's remuneration policy, parameters for appointment of directors, key managerial personnel and determine remuneration structure performance based as well as the nomination and also covers such functions and scope as prescribed under section 178 of the Companies Act, 2013 read with allied Rules framed thereunder and clause 49 of the Listing Agreement with stock exchanges. Nomination and Remuneration Committee consists Mr. N Awatar and Mr. Arvind Gupta, independent directors as members of the Committee. Mr. N Awatar is the Chairman of the Committee. The Committee met three times during the financial year i.e. on 30.05.2014, 05.08.2014 and 27.03.2015 and attendance is as under.

Name	Designation	Meeting Attended (No. of Meeting(s) held: 3)
Mr. N. Awatar	Chairman	03
Mr. Arvind Gupta	Member	03

Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees; regulated by the Nomination and Remuneration Committee of the Board. The Policy is also available on the website of the Company www.novaironsteel.com in the investor section. (Also refer Annexure – 2 of Board's Report).

The remuneration to the Whole-Time Director(s) is paid on the scale determined by the Nomination and Remuneration Committee within the limits approved by the Shareholders at the General Meeting. The Non-Executive, Independent Directors, are entitled to sitting fees for attending meetings of the Board, its Committees and the Shareholders



NOVA IRON AND STEEL LTD.

Details of remuneration paid to the Directors during the year under review :

SN	Name of Director	Element of Remuneration Package	Details of fixed component	Sitting fee	Service Contract , Notice period, severance fee	Stock option details, if any	No of shares held be non -executive directors
1	Mr. H.C. Verma (Whole Time Director)	1267532	Fixed		Contract for three years. Notice period three months. Salary in lue of notice short of agreed period.	-	N.A.
2	Mr. Sanjay Singal (Non-ExecutiveDirector)	-	-	-	-	-	-
3	Mr. Aniket Singal (Non-Executive Director)	-	-	-	-	-	-
4	Mr. R.P. Goyal (Non-Execurive Director)	-	-	-	-	-	-
5	Mr. N. Awatar (Independent Director)	-	-	11000	-	-	-
6	Mr. Arvind Gupta	-	-	11000	-	-	-
7	Mr. M Ramchandran	-	-	1000	-	-	144
8	*Mrs. Sumiran Aggarwal (Women Independent Director)	-	-	-	-	-	-

* Appointed as Additional Director w.e.f. 02.04.2015 subject to the approval of shareholders.

Stakeholders Relationship Committee

During year under review four Meetings of Stakeholders Relationship Committee were held on 15.04.2014, 15.07.2014, 15.10.2014, and 15.01.2015. The Committee consist Mr. R.P. Goyal, Mr. N. Awatar and Mr. Arvind Gupta, Directors as members of the committee. Mr. R.P. Goyal is Chairman of the Committee. Mr. Dheeraj Kumar, Company Secretary is the Compliance Officer under clause 47 of the Listing Agreement. During the year 228 Nos. of complaints were received from various shareholders and all of them have been replied/resolved to the satisfaction of the complainant. As on date there is complaint pending.

Share Transfer Committee

Share Transfer Committee has been constituted inter-alia to consider and approve transfer of shares lodged for transfer with RTA. The Share Transfer Committee meetings are being held every fortnight. Mr. Sanjay Singal, Mr. R. P. Goyal and Mr. Arvind Gupta are the Members of the Committee. Mr. Sanjay Singal is the Chairman of the Committee.

Corporate Social Responsibility Committee(CSR Committee)

Corporate Social Responsibility Committee constituted pursuant to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 CSR Committee recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken specified in Schedule VII to the Act and amount of expenditure to be incurred subject to availability of funds on such activities/programmes and to monitor the Corporate Social Responsibility Activity from time to time. Mr. H. C. Verma, Mr. R. P. Goyal and Mr. Narsing Awatar are the Members of the Committee. Mr. R.P. Goyal is the Chairman of the Committee.

The Corporate Social Responsibility Policy of the Company is available on the weblink of the Company <http://www.novaironsteel.com/pdfs/CSR%20Policy.pdf>.(Also refer CSR stated in Board Reports)

GENERAL BODY MEETINGS:

(a) Annual General Meeting

The details of Annual General Meetings held during the preceding three years and special Resolutions passed are as under :-



NOVA IRON AND STEEL LTD.

AGM	Date	Time	Venue	Special Resolution Passed
20th	26.09.2012	3.00 PM	Registered Office	<ul style="list-style-type: none">• No Special Resolution passed
21 st	28.09.2013	3.00PM	Registered office	<ul style="list-style-type: none">• Appointment of Mr Aniket Singal as a Director• Appointment of Mr. Hardev Chand Verma as a Director• Approval for authority to Board for Appointment of Managing Director• Authority to Borrow
22 nd	27.09.2014	11.30 am	Registered Officer	<ul style="list-style-type: none">• Appointment of Whole time director• Adoption of new set of Article of Association• Authority to Board of Director to Borrow• Authority to Invest/Give Loan/Give Guarantees/Provide Security• Authority to create charge

- (b) Extra Ordinary General Meeting : No extra ordinary general meeting was held during the years 2012-13, 2013-14 and 2014-15.
- (c) No Special Resolutions was passed through Postal Ballot during the last three years i.e., 2012-13, 2013-14 and 2014-15.

DISCLOSURES

a) Related party transactions

The particulars of transactions between the company and its related parties as per the Accounting Standard 18 "Related Party Disclosures" are disclosed in Notes to Financial Statements. However these transactions are not likely to have any conflict with the Company's interest. All related party transactions are on arms' length price, and are in the ordinary course of business. Material Related Party transactions are approved by shareholders. The company has adopted the Related Party Transaction policy which is also available on the website of the Company at [weblink:http://www.novaironsteel.com/pdfs/Related%20Party%20Transaction%20policy.pdf](http://www.novaironsteel.com/pdfs/Related%20Party%20Transaction%20policy.pdf)

b) Compliances

The Company has complied with the with the applicable mandatory requirements of the Stock Exchanges, SEBI and other Statutory Authorities on matters related to capital markets. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authorities relating to the above.

The Company has fully complied with the mandatory requirements of clause 49 of the Listing Agreement entered into with the Stock Exchanges. Adoption of Non-Mandatory requirements under Clause 49 of the Listing Agreement are reviewed by the Board from time to time

c) Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee.

Refer to Details of establishment of Viginl/Whistle Blower Policy of Board's Report . the Policy empower any person associated with the organisation to file a grievance if he/ she notices any irregularity. No person has been denied access to the Audit Committee for any grievance.

MEANS OF COMMUNICATION:

The Company normally publishes quarterly, half yearly and annual financial results in English Daily, in Hindi daily widely circulated and in Local Hindi daily and results are promptly furnished to stock exchanges for display on their website. Annual Reports and other important information is circulated to members and are also placed on the Company's website www.novaironsteel.com

- a) Annual General Meeting for the year
ended 31st March 2015 : 29th September, 2015 at 2.30 PM at registered office.
- b) Financial calendar : April to March each year.
Financial reporting for the quarter
ending : Reporting Month
30th June 2015 : August 2015
30th September 2015 : November 2015
31st December 2015 : February 2016
31st March 2016 : May 2016
- c) Dates of Book Closure : 19th September 2015 to 25th September 2015
- d) Dividend Payment Dates : No dividend is recommended for the financial year ended 31st March 2015



e) Listing of Securities

Shares of the Company are listed with the Stock Exchange at Bombay Stock Exchange. Company has filed application for delisting of shares from National Stock Exchange on 27.10.2010 and Delhi Stock Exchange, on 02.06.2011. Madras Stock Exchange, Ahmedabad Stock Exchange and Calcutta Stock Exchange have accorded approval of delisting of shares. vide SEBI Order No. WTM/PS/4S/MRD/DSA/NOV/2014 dated 19-11-2014 Delhi Stock Exchange has been De-recognized.

Stock Code/Security Symbol

Stock Code : 513566
 Security Symbol : Symbol in BSE - NOVIS

f) ISIN No. for dematerialisation of Equity Shares : INE 608C01026.

g) Market Price Data at BSE

The details of High Low share price of equity shares of the Company during each month of the year under report are as under -

Month	High (Rs. Per share)	Low (Rs. Per share)	Volume (No. of Shares)
April 2014	20.80	15.65	20939
May 2014	21.00	16.65	35184
June 2014	27.00	18.15	42930
July 2014	24.60	18.70	32037
August 2014	21.65	14.90	25494
September 2014	20.65	13.30	45911
October 2014	17.05	13.55	45186
November 2014	14.86	11.40	56662
December 2014	12.93	10.68	31258
January 2015	12.37	9.36	55527
February 2015	10.48	8.93	31721
March 2015	9.91	7.22	76096

Note : Trading of shares after reduction of capital was allowed by BSE on 19.03.2013. Trading of shares with NSE, DSE remained suspended.

h) Stock Performance

The performance of your Company's stock relative to the BSE Sensitive Index (SENSEX) is as under drawn from BSE





NOVA IRON AND STEEL LTD.

i) Registrar & Share Transfer Agent (RTA):

M/s Skyline Financial Services Private Limited
D-153A, 1st Floor, Okhla Industrial Area, Phase-1,
New Delhi -110020.
Ph : 011-30857575 (10 lines), Fax : 011-30857562

The Board has delegated authority to RTA for electronic connectivity and Share Transfer Agents of the Company, the authority to attend to Share Transfer formalities atleast once in a fortnight, to be approved/ratified by the Share Transfer Committee. This facilitates expeditious processing of Share Transfers in the interest of Shareholders.

j) Share Transfer System

Transfer of shares held in physical form can be lodged with Registrar & Share Transfer Agent at the above mentioned address. The transfer requests are normally processed within 15 days of receipt of documents, if documents are found in order. Shares under objections are returned within two weeks.

Board has delegated the authority for approving transfer, transmission etc. of the Company's securities to Share Transfer Committee. The decisions of Share Transfer Committee are placed at the next Board Meeting.

k) Distribution of Shareholding as on 31st March, 2015.

Month	High (Rs. Per share)	Low (Rs. Per share)	Volume (No. of Shares)
April 2014	20.80	15.65	20939
May 2014	21.00	16.65	35184
June 2014	27.00	18.15	42930
July 2014	24.60	18.70	32037
August 2014	21.65	14.90	25494
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January 2015	12.37	9.36	55527
February 2015	10.48	8.93	31721
March 2015	9.91	7.22	76096

l) Shareholding pattern as on 31st March, 2015

Category	No. of Shares held	%age
Promoter & Associates Companies	24231786	67.05
Financial Institutions/Banks	144	0.00
Mutual Funds/ Insurance Companies	507096	1.40
NRIs	175728	0.49
Corporate Bodies	2986452	8.26
Public	8238282	22.80
Total	36139488	100.00

m) Dematerialization of shares and liquidity

Demat facility for demat of shares are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As at 31st March, 2015, 29713630 Equity shares out of 36139488 Equity Shares of the Company, forming 82.22% of the Company's paid up capital is held in the dematerialized form. The Company's shares are liquid and actively traded on the BSE.



n) Nomination Facility:

Members are entitled to nominate in respect of shares held by them. Members holding shares in physical form and are intending to make/change nomination in respect of their shares may submit Form SH-13 to company's Registrar & Transfer Agent.

o) GDRs/ADRs

Company has not issued GDR/ADR.

p) Plant Location and address for communication:

Plant Village Dagori, Tehsil Belha, Distt Bilaspur (Chhattisgarh)

Communication : F-Block 1st Floor International Trade Tower, Nehru Place, New Delhi - 110019.

Auditor Certification on Corporate Governance

The Company has obtained a Certificate as stipulated in clause 49 of Listing agreement regarding compliance of conditions of Corporate Governance is Annexed at 10.

Whole Time Director and CFO Certification

As required under Clause 49(IX) of the Listing Agreement with the Stock Exchange, the Certificate of Whole Time Director & Chief Financial Officer of the Company regarding Financial Statements for the year ended March 31, 2015 is at Annexure 11.

OTHERS USEFUL INFORMATION FOR SHAREHOLDERS

Update E-mails for receiving notice/ documents in e-mode

The Ministry of Corporate Affairs (MCA) has through its circulars issued in 2011, allowed service of documents by companies including Notice calling General Meeting(s), Annual Report etc. to their shareholders through electronic mode.

In accordance of the same, company had proposed to send Notice calling General Meetings, Annual Report and other documents in electronic mode to all the shareholders on their email addresses. Shareholders may inform the company/RTA in case the shareholders wish to receive the above documents in physical form.

The shareholders who have not registered their email addresses with the Company are requested to kindly register their e-mail addresses with the Company.

Dematerialisation of Shares

Members are advised to consider dematerialisation of their shareholding so as to avoid inconvenience involved in the physical shares such as mutilation, possibility of loss/misplacement, delay in transit etc. and also to ensure safe and speedy transaction in securities.

Update your Correspondence Address / Bank Mandate / Email Id

To ensure all communications benefits received promptly, all shareholders holding shares in physical form are requested to notify to the Company or their respective DPs, change in their address / bank details / email Id instantly by written request under the signatures of sole/ first joint holder.

Quote Folio No. / DP ID No.

Shareholders / Beneficial Owners are requested to quote their Folio Nos. / DP ID Nos., as the case may be, in all correspondence with the Company and their E-mail IDs, Contact / Fax numbers for prompt reply to their correspondence.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industries Development

In 2014, the geopolitical events and a slow recovery from the previous economic slowdown countered some of the optimism that was felt towards the end of 2014. While iron ore prices fell, leading to the exit of several small scale mining operations from the global mining industry. Overall economic sentiments and growth remained at almost the same levels as 2013. The global steel demand for 2015 and 2016 is forecast to grow by 0.5% and 1.4% respectively.

Industry Review and Structure

In 2014, India retained its position as the 4th largest steel producing country in the world, behind China, Japan and the USA. The Indian GDP growth expanded to 7.3% in 2014 due to improving economic sentiments post the election of a new government. However, demand at the grass root level remained stagnant and is only expected to pick up from 2015. The domestic steel industry suffered due to the influx of cheap imported products, especially from China. This led to India becoming a net importer of steel in the year, a trend which had been successfully reversed in 2013. During the year, steel exports from India were at 5.59 million tonnes while imports registered at 9.32 million tonnes. Indian GDP is likely to grow at a rate higher than 7.3% in 2015, while steel demand is expected to grow by 6.2% in the year.

Outlook

During the year under review, company has undertaken installation of Inductions Furnace 12 MW waste heat recovery based (WHRB) captive power plant for continuous power to Induction Furnace. The Installation of Induction furnace is in progress. Cost of power expected to be minimum since power shall be generated from waste heats generated in the plant. Installation of furnace will produce cost effective Sponge Iron.

Company has been sourcing coal through e-auction, rates which are higher to the normal market rates, if available. Thus increasing the cost of production. Fuel Supply Agreement with Southern Eastern Coalfield Ltd is in dispute and is pending before Hon'ble Supreme Court for adjudication. Non availability of higher grade of quality of iron ore at the competitive prices has affected profits. In the current market conditions, to compete in the market, captive mines and captive power plant is a necessity.

Company does not have its own captive iron ore mines. The Company has applied for grant of prospecting license for iron ore over an area of 11.47 sq kms in Village Madamnar, Dist Narayanpur, Chhattisgarh, expected to contain high grade iron ore, which is yet to be recommended by the State to Centre Govt.

The demand of Sponge Iron in the market also remained low because of higher cost of production resulting into lower sales. Sponge Iron is reduced directly in solid state using Coal gas, natural gas or Coal reluctant and is also known as Directly Reduced Iron (DRI). Basically, Sponge Iron is a substitute for steel scrap and therefore the price of Sponge Iron varies from time to time in view of the availability of the steel scrap in the country.

Company's plant is one of the initial coal-based Sponge Iron plant in India with the Technical knowhow from Lurgi Chemie Metallurgie Industriebau GmbH, Germany. Major equipment both imported and indigenous has been used as per LURGI's proprietary design. The technology being new at that point of time the cost of project was high. In today's scenario, the cost of similar project would be much lower. During the year Company procured raw material from open market while coal was procured through e-auction. The operations can be made profitable mainly by (i) having own captive mines (ii) installation of power plant utilizing waste heat of the Kiln and (iii) expansion of production capacity; installation of furnace and installation of down stream facilities manufacturing finished products of steel. The company is planning to increase its production capacity to 15,00,000 tones per annum. MECON has been assigned the job for expansion of the project.

The power plant of 12 MW waste heat recovery based (WHRB) is being installed and is expected to be complete by the end of the current financial year. Besides reducing costing of production, surplus power, if any, will be sold through open access. Further, the installation of induction furnace is also in progress.

For Segment wise performance , Risk Management and Concern, Inter Control System and their Adequacy, Financial and Operation Performance, Material Development, Industrial Relation please refer to Board Report



**CERTIFICATE
(Under Clause 49(xi) of Listing Agreement)**

**To the Members of
Nova Iron and Steel Limited**

We have examined the compliance of conditions of Corporate Governance by Nova Iron and Steel Limited('the Company') for the year ended 31 March 2015, as stipulated in Clause 49 of the Listing Agreements of the said Company with Stock Exchanges in India. The Company has complied with the same materially.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions 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 the explanations given to us, the Company has complied in material respects with the conditions of Corporate Governance, except as reported in the Corporate Governance report, as stipulated in the Listing Agreement.

We have been explained that no investor grievances remained un-attended for a period exceeding one month, as at 31.03.2015 against the Company as per the record maintained by the Company.

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 Antima & Goel
Chartered Accountants

Place: New Delhi
Dated: 12.08.2015

(R.B. Goel)
Partner, M. N.: 086862

**CERTIFICATION OF WHOLE TIME DIRECTOR AND CFO
(Under Clause 49(ix) of Listing Agreement)**

To
The Board of Directors
Nova Iron and Steel Limited

Date: 12.08.2015

We hereby Certify that --

We have reviewed the financial statements and the cash flow statement for the year 2014-15 and to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- 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;
 - a. to the best of our knowledge and belief, no transactions entered into by the Company during the year 2014-15 are fraudulent, illegal or violative of the Company's code of conduct;
 - b. We accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the auditors and the Audit Committee, deficiencies, if any, in the design or operation of the internal control, of which We are aware of and steps have taken or propose to take to rectify these deficiencies.
 - c. We have also indicated to the Auditors and the Audit Committee -
- There has not been any Significant changes in internal control over the financial reporting during the year
- There has not been any Significant changes in accounting policies during the year except in respect of depreciation and the same have been disclosed in the notes to the financial statements; and
- Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

(Ajoy Shah)
Chief Financial Officer

(H.C. Verma)
Whole Time Director
DIN 00007681



NOVA IRON AND STEEL LTD.

INDEPENDENT AUDITOR'S REPORT

To The Members of

NOVA IRON AND STEEL LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **NOVA IRON AND STEEL LIMITED**, which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information for the year then ended.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, Subject to Note No. 32 regarding change in accounting policy of Interest paid on CWIP, due to which the Loss for Current Year is lower by Rs. 307.32 Lacs and the value of CWIP has increased by Rs. 898.32 Lacs (Including Interest Written Back for the F.Y. 2012 - 2013 and 2013 - 2014) and Note No.

33 regarding providing Interest on amount borrowed in earlier years for Capital Expansion / Assets, due to which, the Liabilities & CWIP has increased by Rs. 772.24 Lacs (Including Rs. 478.40 Lacs for the F.Y. 2014 - 2015) and Current Liability to the tune of Rs. 3680 Lacs has been reclassified as Unsecured Loan, we report that the aforesaid financial statements give the information required by the Act, in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India :-

- in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- in the case of Cash Flow Statement, of cash flows for the year ended on that date;

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in Annexure a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
- 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 of the aforesaid financial statements;
 - 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 and Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - On the basis of the written representations received from the Directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164(2) of the Act;
 - 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 has disclosed the impact of pending litigations on its financial position in its financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR ANTIMA & GOEL
Chartered Accountants
Firm Registration No : 009062N

Place : New Delhi
Date : 30.05.2015

(R.B. GOEL)
PARTNER
M.NO: 086862



NOVA IRON AND STEEL LTD.

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 of our report to the members of **NOVA IRON AND STEEL LIMITED** ("the Company") for the year ended March 31st, 2015. We report that:

I. In Respect of its Fixed Assets :

- a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Fixed Assets covering significant value were physically verified during the year by the Management at such intervals which in our opinion, provides for the physical verification of all the Fixed Assets at reasonable interval having regard to the size of the Company and nature of its business. According to the information and explanations given to us by the Management, no material discrepancies have been noticed on such verification.

II. In Respect of its Inventory :

- a) As per information and explanations given to us, the inventory of finished goods, semi-finished goods and raw material at works were, during the year, physically verified by the management. In respect of Stores and Spare Parts and stock at yards in the custody of the third party and stocks in transit were verified with the confirmation or statement of account or correspondence of the third parties or subsequent receipt of goods.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories of the Company followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories, no material discrepancies were noticed on such physical verification.
- III. The Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in Register maintained u/s 189 of the Companies Act, 2013. Therefore the provisions of Clause 3(iii), (iii) (a) and (iii) (b) of the said Order are not applicable to the Company.
- IV. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our Audit we have not observed any continuing failure to correct major weaknesses in such internal control system.
- V. To the best of our knowledge and according to the information and explanations given to us, the company has not accepted any deposits covered under Section 73 to Section 76 or any other provisions of the Companies Act, 2013. No order was passed by

Company Law Board /RBI or any other Court or Tribunal.

- VI. To the best of our knowledge, the Central Government has prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013, which have been maintained by the company and these have been broadly reviewed by us and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not, nor we are required, carried out any detailed examination of such accounts and records.
- VII. According to the information and explanations given to us, in respect of statutory dues :
 - a) Undisputed statutory dues including Provident Fund, Investors, Education and Protection fund, Employee State Insurance, Income Tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it have generally been regularly deposited with the appropriate authorities. There were no undisputed dues in arrears as at 31st March, 2015 for a period of more than six months from the date they become payable, except Entry Tax (including interest due) & Service Tax amounting to Rs. 3,42,44,722/- & Rs. 21,40,012/- respectively.
 - b) According to the information and explanations given to us and according to records of the Company, there are no dues outstanding of Wealth Tax, Custom Duty, Service Tax, Cess etc. on account of any dispute, Except Sales Tax(VAT), Income Tax and Excise Duty, as per details given below:-

Nature of the statute	Nature of dues	Net of amount paid (Rs. In Lacs)	Period to which amount related	Forum where dispute is pending
Excise Duty	Modvat Credit Disallowed	72.62 Plus Penalty	A.Y. 2004-05	Appeal filed with Custom Excise & Service Tax Appellate Tribunal, New Delhi.
Excise Duty	Demand	2.90	A.Y. 2007-08	Commissioner Central Excise.
Excise Duty	Demand	57.58	Oct-1999 To March-2004	Commissioner of Central Excise-Raipur.
Excise Duty	Demand	126.70	April-2007 To July-2011	Commissioner of Central Excise-Raipur.
Excise Duty	Modvat Credit Disallowed	2.90	March -2012 To Dec-2013	Commissioner Appeal -Raipur.
Excise Duty	Modvat Credit Disallowed	14.93	Nov-2008 To March-2009	Addl. Commissioner - Raipur.
Excise Duty	Demand	1.29	June-2014 & July-2014	Asstt. Commissioner - Bilaspur.
Income Tax	Demand	18.70	A.Y. 1994-95	Appeal Pending before ITAT.
Income Tax	Demand	143.38	A.Y. 2007-08	Appeal Pending before ITAT.
VAT	Demand	2.23	A.Y. 2004-05	Commissioner of Commercial Tax.
VAT	Demand	0.25	A.Y. 2006-07	Revision Pending with Asstt. Commissioner of Commercial Tax.
VAT	Demand	530.60	A.Y. 2003-04	Revision filed before Addl. Comm. Commercial Tax was filed and order was issued in favour of the Company Case remanded back to A.C. Commercial Tax.
VAT	Demand	594.08	A.Y. 2004-05	Revision filed before Addl. Comm. Commercial Tax was filed and order was issued in favour of the Company Case remanded back to A.C. Commercial Tax.
Entry Tax	Tax Demand	5.05	A.Y. 2006-07	Revision Pending with Addl. Commissioner of Commercial Tax



NOVA IRON AND STEEL LTD.

- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- VIII. The Companies accumulated losses does not exceed fifty percent of its net worth at the end of the financial year. The company has incurred cash loss during the current year but in the immediately preceding audit period there was cash profit.
- IX. In our opinion, the Company has not defaulted in repayment of dues to Financial Institutions or Banks or Debenture holders.
- X. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- XI. Based on information and explanations given to us by the management, no term loans from Bank(s) / Financial Institution were obtained during the current year.
- XII. Based upon the audit procedure performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

FOR ANTIMA & GOEL
Chartered Accountants
Firm Registration No : 009062N

(R.B. GOEL)
PARTNER
M.NO : 086862

Place : New Delhi
Date : 30.05.2015



NOVA IRON AND STEEL LTD.

BALANCE SHEET AS AT 31ST MARCH, 2015

(Amount in Rs.)

PARTICULARS	Note	As at 31.03.2015		As at 31.03.2014	
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
Share Capital	2	36 13 94 880		36 13 94 880	
Reserves & Surplus	3	-7 55 44 042	28 58 50 838	- 5 56 19 665	30 57 75 215
NON-CURRENT LIABILITIES					
Other Long -Term Liabilities	4	1 43 66 747		1 19 38 162	
Long-Term Provisions	5	92 59 069	2 36 25 816	55 64 274	1 75 02 436
CURRENT LIABILITIES					
Short -Term Borrowings	6	1 71 64 30 384		78 02 24 500	
Trade Payables	7	19 09 07 085		12 85 72 536	
Short -Term Provisions	8	14 29 996		53 65 380	
Other Current Liabilities	9	50 66 17 148	241 53 84 613	51 15 27 742	1 42 56 90 158
TOTAL			272 48 61 267		174 89 67 809
ASSETS					
NON-CURRENT ASSETS					
Fixed Assets:					
Tangible Assets	10	61 73 04 223		62 59 41 902	
Capital Work In Progress		1 79 90 83 898	241 63 88 121	88 84 82 348	1 51 44 24 250
Non - Current Investments	11	30 78 000		30 78 000	
Deferred Tax Assets (Net)	12	75 36 014		65 14 621	
Long-Term Loans and Advances	13	7 64 86 753	8 71 00 767	10 32 11 115	11 28 03 736
CURRENT ASSETS					
Inventories	14	13 46 77 989		6 95 56 309	
Trade Receivables	15	-		-	
Cash & Cash Equivalents	16	38 44 256		70 97 536	
Short-Term Loan & Advances	17	8 28 50 134	22 13 72 379	4 50 85 978	12 17 39 823
TOTAL			272 48 61 267		174 89 67 809
Significant Accounting Policies	1				
The Accompanying Notes on Financial Statements	2 to 35				

As per our report of even date attached

For & on behalf of the Board

For Antima & Goel
Chartered Accountants
Firm Regn. No. 009062N

(R.B.Goel)
Partner
Membership No. 086862

(H. C. Verma)
Whole Time Director
DIN : 00007681

(R. P. Goyal)
Director
DIN : 00006595

Place : New Delhi
Date : 30.05.2015

(Ajoy Shah)
Chief Financial Officer

(Dheeraj Wadhawan)
Company Secretary



NOVA IRON AND STEEL LTD.

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

(Amount in Rs.)

PARTICULARS	Note	For the Year Ended 31.03.2015		For the Year Ended 31.03.2014
I. Revenue from Operations				
Sale of Products	18	5 32 26 719		30 76 00 477
Less : Excise Duty		23 08 564		3 03 00 047
Other Operating Income		4 02 90 030		25 44 75 188
		9 12 08 185		53 17 75 618
II. Other Income	19	18 35 559		7 95 285
III. Total Revenue (I +II) :		9 30 43 744		53 25 70 903
IV. Expenses:				
Cost of Material Consumed	20	4 53 768		15 41 53 972
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	21	3 79 18 025		9 24 23 145
Employee Benefit Expense	22	2 48 10 349		3 34 93 234
Finance Costs	23	6 01 05 051		9 08 38 883
Depreciation	24	1 69 44 922		2 54 79 743
Other Expenses	25	3 28 57 399		6 59 50 089
Total Expenses :		17 30 89 514		46 23 39 066
V. Profit / (-) Loss before tax, extra ordinary items and Exceptional Items (III - IV)		- 8 00 45 770		7 02 31 837
VI. Extra Ordinary Items				
- Interest Written Back		5 91 00 000		-
VII. Profit / (-) Loss after extra ordinary items before tax (V - VI)		- 2 09 45 770		7 02 31 837
VIII. Tax Expenses:				
Tax for Earlier Years (MAT)	1 22 54 970		45 00 000	
Mat Credit Entitlement	1 22 54 970		45 00 000	
	-		-	
Deferred Tax Assets (+) / Liability (-)	10 21 393	10 21 393	- 4 95 512	- 4 95 512
IX. Profit / (-) Loss for the year from continuing operations(VII - VIII)		- 1 99 24 377		6 97 36 325
X. Earning Per Share (Face Value Rs. 10/-)	26			
Basic and Diluted		(0.55)		1.93
Significant Accounting Policies	1			
The Accompanying Notes on Financial Statements	2 to 35			

As per our report of even date attached

For & on behalf of the Board

For Antima & Goel
Chartered Accountants
Firm Regn. No. 009062N

(R.B.Goel)
Partner
Membership No. 086862

(H. C. Verma)
Whole Time Director
DIN : 00007681

(R. P. Goyal)
Director
DIN : 00006595

Place : New Delhi
Date : 30.05.2015

(Ajay Shah)
Chief Financial Officer

(Dheeraj Wadhawan)
Company Secretary



NOVA IRON AND STEEL LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

PARTICULARS		For The Year Ended 31.03.2015		For The Year Ended 31.03.2014
A. Cash Flow from Operating Activities				
Net Profit / Loss (-) before Tax		- 2 09 45 770		7 02 31 837
Adjustments for:				
Depreciation	1 69 44 922		2 54 79 743	
Interest Expenses (Net)	5 97 27 639	7 66 72 561	9 02 97 649	11 57 77 392
Operating Profit / Loss (-) before Working Capital changes		5 57 26 791		18 60 09 229
Adjustment for:				
Increase (-) / Decrease in trade and other receivables	- 4 47 56 518		- 94 01 012	
Increase (-) / Decrease in inventories	- 6 51 21 680		19 07 28 840	
Increase / Decrease (-) in trade and other payables	5 96 11 951	- 5 02 66 247	49 24 10 461	67 37 38 289
Net Cash (Used In) from Operating Activities : A		54 60 544		85 97 47 518
Cash Flow from Investing Activities				
B. Purchase of Fixed Assets	- 93 50 783		- 9 45 80 255	
Sale of Fixed Assets	10 43 540		-	
Increase (-) / Decrease in Capital Advances	3 37 16 724		- 4 54 00 263	
Increase (-) / Decrease in Capital Work in Progress	- 91 06 01 550		- 64 11 42 628	
Interest Received	3 77 412	- 88 48 14 657	5 41 234	- 78 05 81 912
Net Cash (Used In) from Investing Activities : B		- 88 48 14 657		- 78 05 81 912
C. Cash Flow from Financing Activities				
Interest Paid		- 6 01 05 051		- 9 08 38 883
Proceeds from Short Term Borrowings (Net)		93 62 05 884		62 86 500
Net Cash (Used In) from Financing Activities : C		87 61 00 833		- 8 45 52 383
Net Increase in Cash and Cash Equivalents : (A-B-C) :		- 32 53 280		- 53 86 777
Cash and Cash Equivalents at the Beginning of the Year :		70 97 536		1 24 84 313
Cash and Cash Equivalents at the End of the Year :		38 44 256		70 97 536

As per our report of even date attached

For & on behalf of the Board

For Antima & Goel
Chartered Accountants
Firm Regn. No. 009062N

(R.B.Goel)
Partner
Membership No. 086862

(H. C. Verma)
Whole Time Director
DIN : 00007681

(R. P. Goyal)
Director
DIN : 00006595

Place : New Delhi
Date : 30.05.2015

(Ajoy Shah)
Chief Financial Officer

(Dheeraj Wadhawan)
Company Secretary



Notes on Financial Statements as at 31st March, 2015

Note 1 : Significant Accounting Policies

(I) Basis of Preparation of Financial Statements

(a) Basis of Accounting:

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India and presented under the historical cost convention on accrual basis of accounting to comply with the accounting standards and section 133 of Companies Act, 2013.

(b) Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.

(II) Fixed Assets

(a) Tangible Fixed Assets

Fixed Assets are stated at cost, net of VAT/ MODVAT/ CENVAT, less accumulated depreciation. The costs comprises purchase price, borrowing costs relating to qualifying assets till commencement of commercial production and directly attributable cost of bringing the assets to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing assets beyond its previously assessed standard of performance.

Gain or losses arising from de-recognition of fixed assets are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized

Machinery spares that can be used only in connection with an item of fixed asset and their use is expected to be irregular are capitalized. Replacement of such spares is charged to revenue.

(b) Assets in the Course of construction

Assets in the Course of construction are reflected in capital work in progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to appropriate category of fixed assets. Costs associated with the commissioning of an asset are capitalized where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed.

(III) Impairment of Assets

Carrying amount of cash generating units / assets is reviewed for impairment, if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication exists, the recoverable amount is estimated as higher of its net selling price and value in use. An impairment loss is recognized in the Statement of Profit and Loss, whenever the carrying amount of an asset/cash generating unit exceeds its recoverable amount.

(IV) Depreciation / Amortization on Tangible Fixed Assets

Depreciation is the systematic allocation of the depreciable amount of an asset over useful life. The depreciable amount of an asset is the cost of an asset or other amount substituted for cost, less its residual value.

Owned Assets

Pursuant to applicability of Schedule II, of Companies Act 2013, with effect from 1st April 2014, Management has reassessed the useful life of tangible assets based on the internal and external technical evaluation. The Depreciation on fixed assets is provided on Written Down Value Method in accordance with applicable Schedule of the Companies Act, 2013.

Depreciation for addition to/deductions from, owned assets is calculated on pro-rata basis from the date of such addition or, as the case may be, up to the date on which such asset has been sold, discarded, demolished or destroyed.

Residual values of assets have been considered at 5% of the original cost of the assets.



NOVA IRON AND STEEL LTD.

Difference of Exchange Rate fluctuation on imported plant and machineries procured out of long term foreign currency loans is amortized over the residual life of relevant plant and machineries.

Depreciation on assets carried at carrying amount as on 01.04.2014 and is depreciated as per Written Down Value Method over the remaining useful life of the assets. Further the assets whose remaining useful life are nil, has been adjusted with Profit & Loss Account. Refer the same as transitional provision of the Companies Act.

The depreciation calculation is based on the balance useful lives of assets.

Leased Assets

Land acquired under long term lease is classified under "Tangible Assets" and is amortized over the period of lease.

(V) Revenue Recognition

Revenue is recognized when it can be reliably measured and when all significant risks and rewards/ownership are transferred to the customer. Sales are inclusive of sales during trial run, excise duty and net of sales tax/vat.

Interest income is recognized on accrual basis in the income statement.

Expenditure is accounted for on accrual basis and provision is made for all known losses and liabilities.

(VI) Foreign Currency Transactions

Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the date of the transactions. Monetary items denominated in foreign currencies outstanding at the year-end are translated at the exchange rate applicable as on that date. Non monetary items are valued at the exchange rate prevailing on the date of transaction.

From accounting periods commencing on or after 7 December 2006, the company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as follows:

- (i) Exchange differences relating to long-term monetary items, arising during the year, in so far as they relate to the acquisition of depreciable capital assets are added to/deducted from the cost of asset and depreciated over the remaining useful life of the asset.
- (ii) All other exchange differences are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

(VII) Investments

Investments are classified into current and long-term investments. Current investments except for current maturities of long term investments are stated at the lower of cost and quoted/ fair value. Long term investments are stated at cost less any provision for other than temporary diminution in value.

(VIII) Inventory Valuation

Inventories are valued at lower of cost or net realizable value except scrap which is valued at net realizable value. The cost is determined by using first-in-first-out (FIFO) method. Finished goods and work-in progress include costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Excise duty on closing stock of finished goods and scrap are accounted for on the basis of payments made in respect of goods cleared as also provision made for goods lying in the factory and included in the value of such stocks.

(IX) Income Tax

Provision for current income tax is made after taking credit for allowances and exemptions. In case of matters under appeal, due to disallowance or otherwise, provision is made when the said liabilities are accepted by the Company.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961 (specified period). In the year, in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay Income Tax higher than MAT during the specified period.

(X) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings



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and exchange differences arising from Short - term foreign currency borrowings to the extent they are regarded as an adjustment to interest cost.

Borrowing Cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period they occur.

(XI) Modvat / Cenvat / Vat

Modvat/ Cenvat/ VAT claimed on capital assets is credited to assets / capital work in progress account. Modvat/ Cenvat/ VAT on purchase of raw materials and other materials are deducted from the cost of such materials.

(XII) Claims

Claims receivable are accounted for depending on the certainty of receipt and claims payable are accounted at the time of acceptance.

(XIII) Retirement / Post Retirement Benefits

- (a) Short term employee benefits are recognized as an expense at the undiscounted amount in the year in which related service is rendered.
- (b) The Company has defined contribution plan for post retirement benefits, namely Employees Provident Fund scheme administered through provident Fund Commissioner. The Company's contribution is charged to revenue every year.
- (c) The Company has defined benefits plans namely Leave encashment / Compensated absence and Gratuity, the liability for which is determined on the basis of Actuarial valuation at the end of the year.
- (d) Termination benefits are recognized as an expense immediately.
- (e) Gain or Loss arising out of actuarial valuation are recognized in the Statement of Profit and Loss as income or expense.

(XIV) Provisions

Show cause notices issued by various government authorities are not considered as obligation. When the demand notice are raised against such show cause notice and are disputed by the Company then these are classified as possible obligations. Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

(XV) Extraordinary and Exceptional Items

Income or expenses that arise from events or transactions that are clearly differs from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external events beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

(XVI) Contingent Liabilities & Commitments

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, these are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements, although there can be no assurance regarding the final outcome of the legal proceedings, the company does not expect them to have a materially adverse impact on the financial position or profitability.

(XVII) Deferred Tax

Deferred Tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax law enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In case of unabsorbed depreciation and carry forward of losses under tax laws, deferred tax assets are recognised only to the extent that there is virtual certainty support by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each Balance Sheet date, the company reassesses unrecognized deferred tax assets. It recognised unrealized deferred tax assets to the extent it has become reasonably or virtually certain, as the case may be, that sufficient taxable income will be available against which the deferred tax can be realized.



NOVA IRON AND STEEL LTD.

(Amount in Rs.)				
PARTICULARS	As at 31.03.2015		As at 31.03.2014	
NOTE 2 : SHARE CAPITAL				
(A) Authorised Capital : 16,00,00,000 Equity Shares of Rs. 10/- each	160 00 00 000		160 00 00 000	
(B) Issued, Subscribed and Paid Up Capital : 3,61,39,488 Equity Shares of Rs. 10/- each (Previous Year) 3,61,39,488 No. of Equity Shares of Rs. 10/- each	36 13 94 880		36 13 94 880	
(C) Reconciliation of number of Equity Shares outstanding at the Beginning and at the end of the reporting period:				
Equity Shares:	No. of Shares	Amount(Rs.)	No. of Shares	Amount (Rs.)
No. of Shares Outstanding at Beginning of the year	3 61 39 488	36 13 94 880	3 61 39 488	36 13 94 880
Add: Further Issue During the year	Nil	Nil	Nil	Nil
No. of Shares of Rs. 10/- each Outstanding at year End	3 61 39 488	36 13 94 880	3 61 39 488	36 13 94 880
(D) Each holder of Equity Share is entitled to one vote per share. There is no dividend declares. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining amount of 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.				
(E) There are nil number of shares (previous year nil) in respect of each class in the company held by its holding/ultimate holding and subsidiaries / associates of holding / ultimate holding companies.				
(F) Details of Shareholders holding more than 5% shares in the Company :	As At 31.03.2015		As At 31.03.2014	
Equity Shares of Rs. 10 each , fully paid up	% Held	No. of Shares	% Held	No. of Shares
1 Bhushan Power & Steel Ltd.	39.48	1 42 69 146	39.48	1 42 69 146
2 Ambey Steel & Power Pvt. Ltd.	27.57	99 62 640	27.57	99 62 640
3 Master Capital Services Ltd.	0.01	3 723	6.38	23 04 230
	67.06	2 42 35 509	73.43	2 65 36 016
(G) There are nil number of shares (previous year nil) reserved for issue under option and contracts/commitment for the sale of Shares/Disinvestment including the terms and amounts.				
(H) Bonus Shares / Buy Back/ Shares for consideration other than cash allotted as fully paid up pursuant to contracts during past five years : NIL				
(I) There are no securities (Previous Year - No) convertible into Equity / Preferential Shares.				
(J) There are no calls unpaid (Previous Year - No) including calls unpaid by Directors and Officers as on Balance Sheet dated.				
(K) Details of Forfeited shares : Equity Share of Rs. 10/- each	No. of Shares Nil	Value Nil	No. of Shares Nil	Value Nil
NOTE 3 : RESERVES & SURPLUS				
(A) Capital Reserve	-		-	
(B) General Reserve	-		-	
Closing Balance	-		-	
(C) Surplus				
Balance at beginning of the year	- 5 56 19 665		-12 53 55 988	
Add : Profit / (-) Loss for the year	- 1 99 24 377		6 97 36 324	
Closing Balance	- 7 55 44 042		-5 56 19 665	
TOTAL	- 7 55 44 042		-5 56 19 665	



NOVA IRON AND STEEL LTD.

(Amount in Rs.)

PARTICULARS	As at 31.03.2015		As at 31.03.2014
NOTE 4 : LONG-TERM LIABILITIES			
Other Long Term Liabilities			
Trade Payables	-		-
Interest on Entry Tax Payable	91 32 454		91 32 454
Security Deposits	52 34 293		28 05 708
TOTAL :	1 43 66 747		1 19 38 162
NOTE 5 : LONG-TERM PROVISIONS			
Provision for employee benefits			
Gratuity	74 44 737		41 64 538
Earned Leave Encashment	18 14 332		13 99 736
TOTAL :	92 59 069		55 64 274
NOTE 6 : SHORT-TERM BORROWINGS			
Unsecured:			
Loans and Advances from related parties			
Loans From Corporates	1 71 64 30 384		78 02 24 500
TOTAL :	1 71 64 30 384		78 02 24 500
<p>(a) Terms of Repayment: The Unsecured Loans are at 13% p.a. Interest and are repayable of Demand.</p> <p>(b) Details of Defaults on repayment of long-term Loans and Interest there of:</p>			
	Nil		Nil
NOTE 7 : TRADE PAYABLES			
Trade Payables	19 09 07 085		12 85 72 536
TOTAL :	19 09 07 085		12 85 72 536
NOTE 8 : SHORT-TERM PROVISIONS			
Provision for employee benefits			
Gratuity	10 69 068		6 83 987
Earned Leave Encashment	3 60 928		1 81 393
Other Provision			
Provision for Income Tax (MAT)	-		45 00 000
TOTAL :	14 29 996		53 65 380
NOTE 9 : OTHER CURRENT LIABILITIES			
Other Payables			
Advance From Customer's	40 03 62 246		41 84 48 254
Service Tax Payable	21 58 478		23 29 738
Entry Tax Payable	2 51 12 268		2 51 12 268
Excise duty Payable	43 029		43 029
Expenses Payable	5 42 53 938		5 24 85 286
Other Statutory Dues payable	2 12 33 373		1 01 99 292
Due to Directors	76 894		-
Employees Credit Balance	33 76 922		29 09 875
TOTAL :	50 66 17 148		51 15 27 742



NOVA IRON AND STEEL LTD.

NOTE 10 : FIXED ASSETS

(Amount in Rs.)

DESCRIPTION OF FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2014	ADDITIONS DURING THE YEAR	SALE / ADJUSTMENTS	AS AT 31.03.2015	UPTO 31.03.2014	FOR THE YEAR	ADJUSTMENTS	TOTAL UPTO 31.03.2015	AS AT 31.03.2015	AS AT 31.03.2014
TANGIBLE ASSETS: OWN ASSETS:										
LAND - LEASE HOLD *	67 00 507	-	-	67 00 507	7 72 433	74 226	-	8 46 659	58 53 848	59 28 074
- FREE HOLD **	45 75 67 053	71 20 868	-	46 46 87 921	-	-	-	-	46 46 87 921	45 75 67 053
BUILDING	42 22 28 851	-	-	42 22 28 851	32 04 30 356	60 91 464	-	32 65 21 820	9 57 07 031	10 17 98 495
PLANT & EQUIPMENTS	1 76 51 14 432	9 71 187	17 07 043	1 76 43 78 576	1 72 07 45 814	48 15 683	6 63 502	1 72 48 97 995	3 94 80 581	4 43 68 618
RAILWAY SIDING	2 14 77 461	-	-	2 14 77 461	1 35 46 932	19 70 396	-	1 55 17 328	59 60 133	79 30 529
OFFICE EQUIPMENTS	1 49 96 222	11 36 018	-	1 61 32 240	1 13 01 509	25 80 331	-	1 38 81 840	22 50 400	36 94 713
FURNITURE & FIXTURES	2 47 32 374	1 22 710	-	2 48 55 084	2 30 76 810	3 86 683	-	2 34 63 493	13 91 591	16 55 564
VEHICLES	1 00 06 228	-	-	1 00 06 228	70 07 371	10 26 139	-	80 33 510	19 72 718	29 98 857
TOTAL :	2 72 28 23 128	93 50 783	17 07 043	2 73 04 66 868	2 09 68 81 225	1 69 44 922	6 63 502	2 11 31 62 645	61 73 04 223	62 59 41 902
PREVIOUS YEAR BALANCE	2 62 82 42 833	9 45 80 255	-	2 72 28 23 088	2 07 14 01 442	2 54 79 743	-	2 09 68 81 185	62 59 41 903	-
CAPITAL WORK IN PROGRESS									1 79 90 83 898	88 84 82 348

Note : * Out of the Total Amount Registration of Lease Hold Land in the name of the Company is pending (Rs. 42,44,322/-)
 : ** Out of the Total Amount Registration of Freehold Land in the name of the Company is pending (Rs. 1,94,34,130/-)
 : There are no Intangible Assets.

(Amount in Rs.)

PARTICULARS	As at 31.03.2015	As at 31.03.2014
NOTE 11 : NON CURRENT INVESTMENTS		
Non Trade, Unquoted (At Cost)		
Adarsh Info Tech. P. Ltd., Chandigarh	22 38 000	22 38 000
2,23,800 Equity Shares of Rs. 10/- each fully paid up		
Prudent Transport Co. P. Ltd., Chandigarh	8 40 000	8 40 000
28,000 Equity Shares of Rs. 10/- each fully paid up		
TOTAL :	30 78 000	30 78 000
NOTE 12 : DEFERRED TAX ASSETS (NET)		
The break up of deferred tax assets and liabilities into major components arising on account of timing differences at the year end are as below:-		
Opening Deferred Tax Assets	65 14 621	70 10 133
Deferred Tax Assets on account of :		
Related to fixed assets	5 47 753	11 51 925
Amortisation of Expenses	-	1 16 008
Deferred Tax Liabilities on account of		
Allowance under the Income Tax Act 1961	15 69 146	17 63 445
Deferred Tax Assets (+) / Liabilities (-) During the Year	10 21 393	- 4 95 512
Net Deferred Tax	75 36 014	65 14 621



NOVA IRON AND STEEL LTD.

(Amount in Rs.)

PARTICULARS	As at 31.03.2015	As at 31.03.2014
NOTE 13 : LONG-TERM LOAN AND ADVANCES		
Unsecured and considered good		
Capital Advances	4 73 27 208	8 10 43 932
Security Deposits		
Lease Rent Security	1 25 002	1 25 002
With Government Departments	1 29 75 073	1 36 96 195
Others	1 75 040	1 40 74 688
Other Loans and Advances		
Mat Recoverable	1 22 54 970	45 00 000
Advance Tax	16 72 144	16 35 179
Balance With Excise Dept	17 57 316	17 57 316
Balance With Income Tax	2 00 000	2 00 000
TOTAL :	7 64 86 753	10 32 11 115
NOTE 14 : INVENTORIES		
Inventories		
(Lower of cost or Net Realisable Value, Except Scrap & Waste at NRV)		
Raw Materials	6 31 30 989	71 02 005
Finished Goods	3 48 129	3 48 129
Scrap & Waste	32 93 422	4 12 11 447
Stores and Spares	2 14 95 277	1 95 84 014
Diesel	8 58 402	6 30 116
Packing Material	4 94 034	6 80 598
Stock In Transit	4 50 57 736	-
TOTAL :	13 46 77 989	6 95 56 309
NOTE 15 : TRADE RECEIVABLES		
Unsecured and considered good		
Outstanding for more than 6 months from due date	-	-
Others	-	-
TOTAL :	-	-
NOTE 16 : CASH & CASH EQUIVALENTS		
Cash on Hand	7 48 273	8 06 906
Cheques , Drafts on Hand	60 558	41 74 219
Balances with Scheduled Banks		
In Current Accounts	30 05 975	20 86 961
Other Bank Balance		
Deposit with more than 12 Months Maturity (Including Interest Accrued)	29 450	29 450
TOTAL :	38 44 256	70 97 536
NOTE 17 : SHORT-TERM LOANS & ADVANCES		
(A) Unsecured and considered good		
Prepaid Expenses	4 77 754	6 06 976
Advances to Suppliers	77 72 573	1 07 74 994
Advances to Employees	6 05 225	81 049
Interest Recoverable	3 94 782	5 27 354
Balance of Modvat/Cenvat/Service Tax	7 35 99 800	3 30 95 605
TOTAL :	8 28 50 134	4 50 85 978
(B) With reference to the Loans and advances due from directors or other officers of the company.	Nil	Nil



NOVA IRON AND STEEL LTD.

PARTICULARS	(Amount in Rs.)	
	For The Year Ended 31.03.2015	For The Year Ended 31.03.2014
NOTE 18 : REVENUE FROM OPERATIONS		
Sales including excise duty	-	23 78 55 644
Other Operating Income - Scrap / Waste	5 32 26 719	6 97 44 833
Other Operating Income	4 02 90 030	25 44 75 188
TOTAL :	9 35 16 749	56 20 75 665
NOTE 19 : OTHER INCOME		
Interest Income	3 77 412	5 41 234
Miscellaneous Income	14 58 147	2 54 051
TOTAL :	18 35 559	7 95 285
NOTE 20 : COST OF MATERIALS CONSUMED		
Raw Material Consumed	-	15 41 53 972
Cost of Inputs Sold	4 53 768	-
TOTAL :	4 53 768	15 41 53 972
NOTE 21 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROGRESS AND STOCK IN TRADE:-		
Inventories (at beginning)		
Finished Goods	3 48 129	3 99 07 300
Stock in Process	-	35 56 800
Scrap	4 12 11 447	9 05 18 621
Inventories (at closing)		
Finished Goods	3 48 129	3 48 129
Scrap	32 93 422	4 12 11 447
INCREASE (-) / DECREASE IN CLOSING STOCK	3 79 18 025	9 24 23 145
NOTE 22 : EMPLOYEE BENEFITS EXPENSES		
Salaries & Wages	5 71 57 712	4 13 95 027
Contribution to Provident and Other Funds	34 15 678	19 71 058
Staff Welfare Expenses	22 83 365	22 30 611
	6 28 56 755	4 55 96 696
Less : Amount Capitalised	3 80 46 406	1 21 03 462
TOTAL :	2 48 10 349	3 34 93 234
NOTE 23 : FINANCE COSTS		
Interest Expense	20 08 21 890	9 08 38 883
Less : Amount Capitalised	14 07 16 839	-
TOTAL :	6 01 05 051	9 08 38 883
NOTE 24 : DEPRECIATION		
Depreciation	1 69 44 922	2 54 79 743
TOTAL :	1 69 44 922	2 54 79 743



NOVA IRON AND STEEL LTD.

(Amount in Rs.)

PARTICULARS		For The Year Ended 31.03.2015		For The Year Ended 31.03.2014
NOTE 25 : OTHER EXPENSES:				
Stores Consumed		2 54 413		27 44 066
Packing & Forwarding Charges		25 40 196		33 07 764
Power & Fuel	2 24 67 304		2 64 56 903	
Less : Amount Capitalised	1 85 25 607	39 41 697	1 65 27 858	99 29 045
Excise Duty Provided on Stock		-		- 48 89 513
Water Charges	4 67 36 250		4 06 38 785	
Less : Amount Capitalised	3 73 89 000	93 47 250	-	4 06 38 785
Payment to Auditors				
Audit Fees	1 75 000		1 75 000	
Tax Audit Fees	25 000		25 000	
Company Law Matters	1 00 000		1 00 000	
Income Tax Matters	-		30 000	
Out of Pocket Expenses	37 618	3 37 618	28 345	3 58 345
Repairs and Maintenance				
Building		3 78 899		5 74 925
Machinery		8 37 503		14 85 605
Others		21 08 826		-
Vehicles		29 44 888		27 18 593
Legal & Professional Charges		21 72 322		26 90 765
Rates & Taxes		8 43 789		6 39 182
Travelling & Conveyance Expenses		5 49 856		3 44 750
Advertisement Expenses		2 10 792		1 84 487
Printing & Stationery		15 66 251		11 07 736
Postage ,Telegram & Telephone Exp		26 01 247		18 10 298
Other Miscellaneous Expenses		39 648		10 541
Prior Period Expenses		9 26 660		9 36 392
Bank Charges		78 197		41 995
Director's Sitting Fee		23 000		24 000
Loss on sale of Assets		20 209		-
General Expenses		1 10 611		2 35 846
Lease Rent		8 58 967		8 12 447
Rent Paid		1 64 560		2 44 035
TOTAL :		3 28 57 399		6 59 50 089
NOTE 26 : EARNING PER SHARE (EPS) :				
Basic EPS:				
(i) -Net Profit / Loss (-)		- 1 99 24 377		6 97 36 324
(ii) -Total No. of Equity Shares for EPS		3 61 39 488		3 61 39 488
Basic EPS (Rs.) (i) / (ii)		(0.55)		1.93



NOVA IRON AND STEEL LTD.

(Amount in Rs.)

PARTICULARS	As at 31.03.2015	As at 31.03.2014
NOTE 27 : CONTINGENT LIABILITIES & COMMITMENTS :		
(TO THE EXTENT NOT PROVIDED FOR):		
(A) Contingent liabilities.		
Claims against the Company not acknowledged as debts(*)	53 33 89 678	50 37 67 585
Income Tax demands under appeal	1 62 08 225	1 62 08 225
Excise & Service Tax demand under dispute	2 78 91 968	75 52 102
Sales Tax (2004-05) Demand under Dispute	2 23 000	2 23 000
(B) Commitments		
Estimated amounts of contracts remaining to be executed on Capital account and not Provided for	44 40 71 962	107 33 17 729

Other Commitments :

(*) The Company also, has its own claims / counter claims against these parties as per terms of their respective contracts. In effect the Management does not expect any major liability devolve upon the Company on account of these cases.

The Income - Tax assessments of the Company have been completed upto Assessment Year 2012-13. The disputed demand outstanding up to the said Assessment Year is Rs 162.08 lacs. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

Besides the above, the amount in respect of claims of interest etc. claimed by the parties cannot be quantified.

NOTE 28 : DISCLOSURE RELATING TO EMPLOYEE BENEFITS :

In Compliance with the Accounting Standard 15 (revised 2005) from Current Year only " Employee Benefits", the Company has got the employee benefits evaluated from actuarial valuer.

The Company has calculated the various benefits provided to employees as under :

(Amount in Rs.)

PARTICULARS	As at 31.03.2015	As at 31.03.2014
(A) Provident Fund & Other Funds	33 54 906	19 09 118
(B) Labour Welfare Fund	39 267	8 562
(C) Defined Benefit Plans:-		
In accordance with Accounting Standard 15 (revised 2005), the actuarial valuation carried out in respect of the aforesaid defined benefit plans is based on the following assumption.		
(i) Actuarial Assumptions	Employee Gratuity Provision	Leave Encashment / Compensated Absence
	31.03.2015	31.03.2015
	31.03.2014	31.03.2014
Discount rate (per annum)	8%	8%
Rate of increase in compensation levels	5%	5%
Rate of return on plan assets	-	-
Expected Average remaining working lives of employees (Years)	6.72	6.52



NOVA IRON AND STEEL LTD.

Particulars	Employee Gratuity Provision	Leave Encashment / Compensated Absence	Employee Gratuity Provision	Leave Encashment / Compensated Absence
	31.03.2015	31.03.2015	31.03.2014	31.03.2014
(ii) Change in the obligation during the year ended 31st March, 2015				
Present value obligation as at beginning of the year	48 48 525	15 81 129	53 57 364	14 98 918
Interest Cost	3 87 882	1 26 490	4 82 162	1 34 903
Past Service Cost (Non - Vested)	-	-	-	-
Past Service Cost (Vested)	-	-	-	-
Current Service Cost	12 96 574	14 61 123	4 65 565	9 60 724
Curtailement Cost	-	-	-	-
Settlement Cost	-	-	-	-
Benefits Paid	- 3 14 673	- 51 419	- 12 02 474	- 2 66 622
Actuarial (gain) / loss on obligations	22 95 497	- 9 42 063	- 2 54 083	- 7 46 794
Present value obligation as at end of the year	85 13 805	21 75 260	48 48 525	15 81 129
(iii) Change in the fair value plan Assets				
Fair value of plan assets as at beginning of the year	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions	-	-	-	-
Benefits Paid	-	-	-	-
Actuarial (gain) / loss on plan assets	-	-	-	-
Fair value of plan assets as at end of the year	-	-	-	-
(iv) Reconciliation of Present value of Defined Benefit Obligation and Fair value of Assets				
Present value obligation as at end of the year	85 13 805	21 75 260	48 48 525	15 81 129
Fair value of plan assets as at end of the year	-	-	-	-
Funded Status	- 85 13 805	- 21 75 260	- 48 48 525	- 15 81 129
Present value of unfunded obligation as at end of the year	-	-	-	-
Excess of actual overestimated	-	-	-	-
Unfunded Net Asset / (Liability) recognised in Balance Sheet	- 85 13 805	- 21 75 260	- 48 48 525	- 15 81 129
(v) Expenses recognised in Statement of Profit and Loss				
Current Service Cost	12 96 574	14 61 123	4 65 565	9 60 724
Past Service Cost (Non - Vested)	-	-	-	-
Past Service Cost (Vested)	-	-	-	-
Interest Cost	3 87 882	1 26 490	4 82 162	1 34 903
Expected return on plan assets	-	-	-	-
Curtailement Cost	-	-	-	-
Settlement Cost	-	-	-	-
Net Actuarial (gain) / loss recognised during the year	22 95 497	- 9 42 063	- 2 54 083	- 7 46 794
Paid to left employees	-	-	-	-
Total Expense recognised in statement of Profit and loss (including transferred to capital work in progress)	39 79 953	6 45 550	6 93 644	3 48 833

Note : - The estimate of future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

Leave encashment / compensated absence are not funded. Hence, change in fair value of Plan Assets have not been given.



NOVA IRON AND STEEL LTD.

NOTE 29 : The Company is engaged in the manufacturing / trading of Iron & Steel, Metals & Natural Resources business which, in context of Accounting Standard - 17 as notified under Companies (Accounting Standard) Rules, 2006 is considered the only business segment.

NOTE 30 : RELATED PARTY TRANSACTIONS:

	(i) Key Managerial Personnel as per Accounting Standard - 18 :	Relationship
1	Sh. Sanjay Singhal	Director
2	Sh. Aniket Singal	Director
3	Sh. H. C. Verma	Whole Time Director
4	Sh. R. P. Goyal	Director
5	Sh. Manickam Ramachandran	Director
6	Sh. Arvind Gupta	Director
7	Sh. Narsingh Awatar	Director
8	Sh. Ajoy Shah	Chief Financial Office
9	Sh. Dheeraj Wadhawan	Company Secretary
	(ii) List of related Companies:	
1	M/s Ambey Steel & Power Pvt. Ltd.	Promoter Company
2	M/s Bhushan Power & Steel Ltd	Promoter Company
3	M/s Shivalikview Steel Trading Pvt. Ltd.	Director is a Member
	(iii) List of Associate Companies:	
1	M/s Prudent Transport Company Ltd.	Associate Company

(iv) Transactions with above related party as identified by the management, in accordance with Accounting Standard – 18. "Related Party Disclosures" are as follows:-

	Name of the related party	Relation	Nature of Transactions	As At 31.03.2015 (Rs.)	As At 31.03.2014 (Rs.)
(i)	M/s Bhushan Power & Steel Ltd	Promoter Company	Sale of Finished Goods	-	23 78 55 643
(ii)	M/s Bhushan Power & Steel Ltd		Sale of Scrap &	145 52 539	100 87 541
(iii)	M/s Bhushan Power & Steel Ltd		Purchase of Raw	7 06 80 000	-
(iv)	M/s Bhushan Power & Steel Ltd		Sale of Raw Material	4 91 940	-
(v)	M/s Bhushan Power & Steel Ltd		Purchase of Store & Machinery	20 12 54 072	14 00 06 105
(vi)	M/s Bhushan Power & Steel Ltd		Loan Received	80 64 95 029	-
(vii)	M/s Bhushan Power & Steel Ltd		Interest on Loan	20 07 89 839	9 08 05 000
(viii)	M/s Shivalikview Steel Trading Pvt. Ltd.	Related Party	Amount Paid on behalf of Co.	4 00 69 154	-
(ix)	Sh. H.C. Verma	Whole Time Director	Director Remuneration	12 67 532	-
(x)	Sh. Ajoy Shah	Chief Financial Officer	Salary	4 34 700	-
(xi)	Sh. Dheeraj Wadhawan	Company Secretary	Salary	2 24 750	-
(xii)	Sh. Narsingh Awatar	Director	Sitting Fee	11 000	12 000
(xiii)	Sh. Arvind Gupta	Director	Sitting Fee	11 000	12 000
(xiv)	Sh. Manickam Ramachandran	Director	Sitting Fee	1 000	-
	Closing Balances			As At 31.03.2015 (Rs.)	As At 31.03.2014 (Rs.)
(i)	Bhushan Power & Steel Ltd. - Loan Account			1 71 64 30 384	78 02 24 500
(ii)	Bhushan Power & Steel Ltd.			39 96 95 089	41 18 04 999

Note : - Related party relationship is as identified by the Company in accordance with AS-18. There may be such parties which do not fall under section 2(76) of Companies Act, 2013.



NOVA IRON AND STEEL LTD.

NOTE 31 : OTHER ADDITIONAL INFORMATION

A: DETAIL OF OPENING STOCK, CLOSING STOCK AND SALES:		(Amount in Rs.)			
	Particulars		31.03.2015		31.03.2014
(i)	Opening Stock:				
	-Sponge Iron		3 48 129		3 99 07 300
(ii)	Closing Stock:				
	-Sponge Iron		3 48 129		3 48 129
(iii)	Turnover:				
	-Sponge Iron				
	-Others		5 32 26 719		5 40 02 098
			5 32 26 719		5 40 02 098
B:	CONSUMPTION OF RAW MATERIAL AND COMPONENTS:				
	Raw Material Sold / Consumed				
	-Iron Ore / Pellets		4 53 768		9 11 20 716
	-Coal		-		6 29 44 831
	-Dolomite		-		88 425
			4 53 768		15 41 53 972
C:	C.I.F. VALUE OF IMPORTS:				
	- Refractories / Machinery		23 44 929		5 89 049
D:	VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL, SPARES AND COMPONENTS SOLD/CONSUMED:	Value (Rs.)	% of	Value (Rs.)	% of
		31.03.2015	Consumption	31.03.2014	Consumption
(i)	Raw Material				
	-Indigenous	4 53 768	100%	15 41 53 972	100%
(ii)	Stores & Spares				
	-Indigenous	2 54 413	100%	27 44 066	100%
		7 08 181		15 68 98 038	

NOTE 32 : The Company had made Payments for Capital Advances/CWIP in the year 2012-13, of Rs. 2364 lacs, for the purpose of Up-gradation / Expansion but the Interest on the loans was being charged as revenue expenditure. The accounting estimate / policy has been revised by the management and the interest thereon since the date of investment to date has been capitalised to CWIP and consequently the loss for the year ended 31st March 2015 is less by Rs 307.32 Lacs. The total Interest written back during the year ended 31st March 2015 is Rs. 591.00 lacs.

NOTE 33 : Further in FY-2013-14, the lender had advanced an amount of Rs.3680 Lacs to the company for capital expansion/ assets, on which no interest was provided during the FY 2013-14 to the tune of Rs.293.84 Lacs, which is now being provided and is being capitalised to CWIP. As a result, the Liabilities & CWIP has increased by Rs.772.24 (including Rs 478.40 lacs for the FY 14-15) and current liability to the tune of Rs 3680 Lacs has been reclassified as Unsecured Loan.

NOTE 34 : Pursuant to the requirement of Companies Act, 2013 (the Act), the Company has revised the depreciation rates based on the internal technical assessment of the estimated economic useful life of Fixed Assers as prescribed by Schedule II to the Act from April 1, 2014. Where the remaining useful life of the asset is NIL as on 1st April 2014, carrying value of assets amounting to Rs. 2.33 Lacs has been adjusted with Profit & Loss Account.



NOVA IRON AND STEEL LTD.

NOTE 35 :

- A. The accounts have been prepared for a period of 12 months i.e. from 1st April, 2014 to 31st March, 2015.
- B. In the opinion of the Management, the Current Assets, Loans and Advances etc., are of the approximate value stated, if realised in the ordinary course of business.
- C. In respect of amounts due to Micro, Small and Medium enterprises under "The Micro, Small and Medium Enterprises Development Act 2006", the Company has certified that as a policy the payment to suppliers is made within 30 days except in disputed cases.
- D. Balances on account of trade/other receivable, trade/other payables and loans and advances are subject to the confirmation and reconciliation with respective parties.
- E. The figures of the previous year have been regrouped / reclassified ,where ever considered necessary, to confirm to current year's classification.
- F. Notes No. 1 to 35 form an integral part of the accounts and has duly been authenticated.

As per our report of even date attached

For & on behalf of the Board

For Antima & Goel
Chartered Accountants
Firm Regn. No. 009062N

(R.B.Goel)
Partner
Membership No. 086862

(H. C. Verma)
Whole Time Director
DIN : 00007681

(R. P. Goyal)
Director
DIN : 00006595

Place : New Delhi
Date : 30.05.2015

(Ajoy Shah)
Chief Financial Officer

(Dheeraj Wadhawan)
Company Secretary



NOVA IRON AND STEEL LIMITED

Registered Office: Village-Dagori, Tehsil-Belha, District-Bilaspur (Chhattisgarh)-495224

Email: rai_nisl2007@yahoo.com, website: www.novaironsteel.com

(CIN: L02710CT1989PLC010052) Phone:011-30451000, Fax:011-23712737

NOTICE

Notice is hereby given that 23rd Annual General Meeting of Nova Iron and Steel Limited will be held on Tuesday, the 29th day of September, 2015 at 2.30 P.M. at its Regd. Office at Village Dagori, Tehsil Belha, District Bilaspur, Chhattisgarh to transact the following Business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March 2015 i.e. Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit & Loss and Cash Flow Statement for the year as on that date together with Auditors' Report and Board' Report thereon.
2. To appoint a Director in place of Mr. Sanjay Singal, (DIN 00006579), who retires by rotation and being eligible, has offered himself for re-appointment.
3. To Consider and Ratify Re-Appointment of retiring Auditors and to fix their remuneration and in this regard to consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"Resolved that pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the Company hereby ratify the re-appointment of M/s Antima & Goel, Chartered Accountants, New Delhi (Registration No. 009062N) who were appointed Auditors of the Company for a period of three years to hold office till the conclusion of the 25th Annual General Meeting of the Company to be held in year 2017, at such remuneration as may be decided mutually in consultation with the Auditors by the Chairman of the Company."

SPECIAL BUSINESS

4. To appoint Mrs. Sumiran Aggarwal(Women) (DIN 07147212) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

"Resolved that Mrs. Sumiran Aggarwal (DIN 07147212), (Women), who was appointed as an Additional Director on the Board of Directors of the Company in terms of Section 161(1) of the Companies Act, 2013 ('the Act') and whose term of office expires at the ensuing Annual General Meeting be and is hereby appointed, in accordance with Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the corresponding Rules framed thereunder, as an Independent Director to hold office for a term of 5 (Five) years and shall not be liable for retirement by rotation."

5. To consider revision of period of appointment of Mr. H.C. Verma, Whole Time Director (DIN 00007681) of the Company, to consider and if thought fit, to pass with or without modifications(s), the following Resolution as a Special Resolution:

"Resolved that in partial modification of the resolution passed by the members on 27.09.2014 for the appointment of Mr. H.C. Verma as the Whole Time Director of the Company and in compliance of Section II of Part II of Schedule V of the Companies Act, 2013, as amended from time to time, the period of appointment of Mr. H.C. Verma be and is reduced from existing five year to three years from the date of appointment i.e. till 29.05.2017. All other terms & conditions of appointment as Whole Time Director will remain unchanged."

Resolved further that the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

6. Approval of related party transaction, to consider and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

"Resolved that pursuant to Clause 49 (VII) of Listing Agreement and applicable provision of Companies Act, 2013 (Act) omnibus approval of the Company be and is hereby accorded to the Board of Directors, entered/entering into contracts / arrangements / transactions with Related Party as defined under Act and Clause 49 VII of the Listing Agreement for contracts and arrangements on such terms and conditions mutually agreed between the Company and a related party for an amount not



NOVA IRON AND STEEL LTD.

exceeding in aggregate Rs. 725 crore (Rupees Seven hundred twenty five crore only) for the financial year 2015-2016.

Resolved further that the Board of Directors of the Company be and is hereby authorised to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transactions with the related party, finalise the terms and conditions as may be considered necessary, expedient or desirable and execute such agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution in the best interest of the Company."

By order of the Board
For Nova Iron and Steel Limited

Place: New Delhi
Date: 12.08.2015

(Dheeraj Kumar)
Company Secretary

NOTES FOR MEMBERS ATTENTION:

1. A member entitled to attend and vote at the meeting is entitled to appoint Proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty(50) and holding in aggregate not more than ten(10) percent of the total share capital of the Company. The proxy, in order to be effective, must be deposited with the Company at its Registered Office duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
2. Members are informed that as per SEBI directive the Company has entered into an agreement with M/s Skyline Financial Services Pvt. Ltd, to act as Share Transfer Agents of the Company for all matters connected with Transfers and Transmission of shares and also dematerialization of Shares and other related functions etc.
3. Any correspondence relating to shares can be made to the company's registrar at:
M/s Skyline Financial Services Private Limited,
D-153A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi-110020,
Ph. Nos. 011-30857575 (10 Lines), Fax-011-30857562,
Email: rta.nova.rg@gmail.com, viren@skylinerta.com
4. In case of joint holders of shares attending the meeting, only such joint holders who is higher in the order of names will be entitled to vote.
5. The Register of Members and the Share Transfer Books shall remain closed from 19th September 2015 to 25th September 2015 (both days inclusive).
6. Members seeking information about the accounts are requested to write at least 10 days before the date of the meeting to the Company so that it may be convenient to keep the information ready for the meeting.
7. All the documents referred to accompanying Notice are open for inspection at the corporate office of the Company on all working days except Sunday between 11.00 AM to 1.00 PM upto the date of Annual General Meeting.
8. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
9. Members are requested to bring their copy of Annual Report at the Meeting and proxies should bring attendance slips duly filled in for attending the Meeting.
10. Members are requested to notify immediately any change in their addresses quoting their folio numbers to Registrar and Transfer Agent of the Company.
11. Non Resident members are requested to inform immediately to RTA (a) change in residential status on relating to India for permanent settlement (b) particulars of bank account maintained in India with complete name of bank, branch address, account type, account number, if not furnished earlier.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository.
Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s Skyline Financial Services Private Limited. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.



NOVA IRON AND STEEL LTD.

14. Notice of Annual General Meeting will be sent to those shareholders/beneficial owners whose name will appear in the register of the members/list of beneficiaries received from the depositories as on 21st day of August, 2015.
15. As per the requirement of Clause 49 of the Listing Agreement with Stock Exchanges, the details of Directors proposed to be re-appointed and appointed under provision of Companies Act, 2013 at the Annual General Meeting is annexed hereto.

Particular	Name of Directors to be re-appointed					
Name	Date of Birth	Expertise/ Experience in Area	Qualification	Directorship in other Companies	Shareholding in the Company as on 31.03.2015	Name of the Committees of the Companies of which he/she holds Membership
Mr. Sanjay Singal	19.06.1960	Steel Sector-Project Implementation, Planning and Policy Making	Graduation	Bhushan Power & Steel Limited Essenn Investments Private Limited Atmaram House Investment Private Limited Rohne Coal Company Private Limited Skap Electronics Private Limited Avantika Real Estate Private Limited	NIL	Nil
Mrs. Sumiran Aggarwal	08.08.1988	Teaching	MBA Finance	Nil	NIL	Nil

16. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 23rd Annual General Meeting (AGM) by remote E-Voting means and the business may be transacted through remote E-voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for shareholders voting electronically are as under:

- The voting period begins on 26.09.2015 at 10:00 am and ends on 28.09.2015 at 5:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of remote E-Voting 25.09.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on Shareholders.
- Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- 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.
- If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha - numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> 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. Sequence number is printed on address label. 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. Eg. 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)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> 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 (v).



- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Nova Iron and Steel Limited on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.
- (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.
- (xx) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 25.09.2015 may follow the same instructions as mentioned above for e-Voting.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
17. The facility for voting through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
18. The member who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.



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STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 TO BE ANNEXED TO NOTICE IN RESPECT OF THE SPECIAL BUSINESS

ITEM NO. 4

The Board of Directors on the recommendation of the Nomination and Remuneration Committee, appointed Mrs. Sumiran Aggarwal (woman) as an Additional Director on 02nd April, 2015 under section Section 161(1) of the Companies Act, 2013. She is an Independent Director in terms of Section 149 of the Companies Act, 2013 and has given declaration of independence under section 149(6) of the Act. In terms of the provisions of Section 161(1) of the Companies Act, 2013, Mrs. Sumiran Aggarwal will hold office till the date of ensuing Annual General Meeting.

The Company has received a Notice from a shareholder in writing under the provisions of section 160 of the Companies Act, 2013, along with requisite deposit proposing the candidature of Mrs. Sumiran Aggarwal for the office of Director. Mrs. Sumiran Aggarwal fulfils the conditions specified in the Act and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. Mrs. Sumiran Aggarwal, being eligible has offered herself for appointment as a Director., Board recommend appointment of Mrs. Sumiran Aggarwal as an Independent Director for a term of 5 (Five) years. Copy of the draft letter for appointment of Mrs. Sumiran Aggarwal as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day till the date of AGM.

Except Mrs. Sumiran Aggarwal, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

ITEM NO. 5

Shareholder in the meeting held on 27.09.2014, approved the appointment of Mr. H.C. Verma(DIN00007681) w.e.f 30.05.2014 as approved by the Board of Directors as Whole Time Director of the Company for five years. Company has incurred losses for the year ended 31.03.2015. As per the provision of section II of Part II of Schedule V of Companies Act, 2013 (Act) if any financial year company has no profits or its profits are inadequate, it may without Central Government approval, pay remuneration to the managerial person as per the Schedule V, Section II of Part II subject to compliance of prescribe conditions. One of the conditions is that the managerial personnel will be appointed for a period of three years. Based on the recommendation of Nomination and Remuneration Committee, Board of Directors recommend to revise the terms of appointment and reduce the existing period of five years to three years from the date of appointment i.e. till 29.05.2017. Shareholders are informed that all other terms and conditions relating to appointment of Mr H. C. Verma will remain unchanged.

Statement pursuant to Schedule V, Part (II) Section (II)(B)(iii):

Particulars	Detail		
I. General Information			
(1) Nature of Industry	Steel Industry (Manufacturing of sponge iron)		
(2) Date or expected date of commencement of commercial production	01-10-1994		
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus	NA		
(4) Financial performance based on given indicators	Total revenue is Rs. 930.44 lacs and Company incurred loss of Rs. 199.24 lacs during the year.		
(5) foreign investments or collaborations, if any	No		
II. Information about the appointee			
(1) Background Details	Experience of about 35 years in steel sector, specialized field marketing both domestic and exports		
(2) Past remuneration	Salary & perks Rs.15 Lacs p.a.		
(3) Recognition or awards	Nil		
(4) Job profile and his suitability	Whole Time Director		
(5) Remuneration proposed	Salary & perks Rs.15 Lacs p.a.		
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Remuneration (in Rs lacs.)	Size of the Company (net worth) (in Rs lacs.)	Profile and position
	15.00	2858.50	Whole Time Director



NOVA IRON AND STEEL LTD.

Particulars	Detail
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	No
III. Other information	
1) Reasons of loss or inadequate profits	Shut down of operation due to installation of 12 MW Waste Heat Recovery Base Power Plant and Induction Furnace. Also refer directors report under head operations and future outlook
2) Steps taken or proposed to be taken for improvement	The plant is expecting to start during the year
3) Expected increase in productivity and profits in measurable terms.	Its depend on start of operation

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. H.C. Verma, the resolution relates, are concerned or interested financially or otherwise in the Resolution mentioned at Item No. 5 of the Notice.

The Board recommends the resolution set forth in Item No. 5 for the approval of the Members.

ITEM NO. 6

The Board of Directors on the recommendation and omnibus approval of Audit Committee approve the transaction with relate party under the applicable provisions of Listing Agreement and Companies Act, 2013. The Company is inter alia, engaged in the business of manufacturing, trading, purchase and sale of Iron and Steel products. The Company in the ordinary course of its business, purchase and sale of machines, spare parts, raw material, loan/advances etc., from M/s Bhushan Power & Steel Limited.

M/s Bhushan Power & Steel Limited is a 'Related Party' within the meaning Section 2 (76) of the Companies Act, 2013 and Clause 49 VII of the Listing Agreement.

Transactions for Sale and purchase, transfer or receipt of products, goods, materials, services, other obligations such as loan/advances from and sale of products to Bhushan Power & Steel Limited are deemed to be 'material' in nature as defined in Clause 49 VII of the Listing Agreement as they may exceed 10% of the annual turnover of the Company consequent on future business projections. Thus, in terms of explanation (ii) to Clause 49 VII (E) of the Listing Agreement, these transactions would require the approval of the Members by way of a Special Resolution.

The particulars of the contracts / arrangements / transactions with related party are as under:

Particulars	Information
Name of the Related Party	Bhushan Power & Steel Limited
Name of Director(s) or Key Managerial Personnel who is related	Sanjay Singal
Nature of Relationship	Common director and holding morethan 2%
Material terms the Contracts / arrangements / transactions	Purchase, Sale, transfer or receipt of products, goods, materials or other obligations, loan/advances onarm's length basis
Monetary Value	a) Not-exceeding Rs. 250 Crore in each financial year towards purchases of products, materials, services etc. b) Not exceeding Rs. 125 crore in each financial year towards Sale of products c) Not exceeding Rs. 350 crore in each financial year toward Loan /advances (Its include aggregate transaction of Rs. 127 crore for the F.Y. 2014-15)
Are the transactions in the ordinary course of business	Yes
Are the transactions on an arm's length basis	Yes
Whether the transactions would meet the arm's length standard in the opinion of the Company's Transfer Pricing Consultants	Yes
Whether the transactions have been approved by Audit Committee and the Board of Directors	Yes
Any other information relevant or important for the Members to make a decision on the proposed transactions	None

The annual value of the transactions proposed is estimated on the basis of the Company's current transactions and future business projections.

M/s Bhushan Power & Steel Limited is promoter company of Nova iron and Steel Limited has integrated steel plant in Odisha.

The Company purchase raw material, machinery, spare parts for installation/commissioning of 12 MW Power Plant and induction furnace and loan/advances for manufacture of products. Similarly, products manufactured by the Company are Sold to M/s Bhushan Power & Steel Limited. The Board is of the opinion that the said transactions are in the best interests of the Company.



NOVA IRON AND STEEL LTD.

The Board, therefore, recommends the Special Resolution set out in Item No. 6 of the Notice for the approval of the Members in terms of Clause 49VII(E) of the Listing Agreement . Interested directors do not have personal financial for other interest in such transaction.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Sanjay Singal, Mr. Aniket Singal(deemed relative) are concerned or interested financially or otherwise in the Resolution mentioned at Item No. 6 of the Notice.

By order of the Board
For Nova Iron and Steel Ltd.

Dheeraj Kumar
Company Secretary

Place: New Delhi

Date 12.08.2015



NOVA IRON AND STEEL LTD.

MGT-12

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

(CIN: L02710CT1989PLC010052)

NOVA IRON AND STEEL LIMITED

Registered Office: Village-Dagori, Tehsil-Belha District-Bilaspur (Chhattisgarh)

Email: rai_nisl2007@yahoo.com, website: www.novaironsteel.com Phone:011-30451000, Fax:011-23712737

POSTAL BALLOT PAPER/POLLING PAPERZ

Sr. No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal Address	
3.	Registered folio No./*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I/We hereby exercise my/our vote in respect of the Ordinary/Special resolutions enumerated below by recording my assent or dissent to the said resolution in the following manner:

No.	Item No.	No. of share held by me/we	I/we assent to the resolution	I/We dissent from the resolution
Ordinary Business				
1.	Adoption of Financial Statement of the Company for the year ended 31 st March, 2015 i.e. Audited Balance Sheet, Statement of Profit and loss and cash flow statement for the year as on that date together with Auditors' Report and Board's Report thereon.			
2.	To appoint a Director in place of Mr. Sanjay Singal (DIN 00006579), who retires by rotation and being eligible has offered himself for re-appointment.			
3.	To ratify the re-appointment of Auditors and fix their remuneration			
Special Business				
4.	Approval to appoint Mrs. Sumiran Aggarwal, Women as an Independent Director			
5.	Revision in terms of appointment of Mr. H.C. Verma, Whole Time Director			
6.	Approval of material related party transactions			

Place:

Date:

(Signature of the Shareholder)



INSTRUCTIONS

1. GENERAL INFORMATION

- a) There will be one Postal Ballot Form / e-voting for every Client ID No. / Folio No., irrespective of the number of joint holders.
- b) Members can opt for only one mode of voting i.e. either by Postal Ballot or through e-voting. In case you are opting for voting by Postal Ballot, then please do not cast your vote by e-voting and vice versa. In case Members cast their votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through postal ballot form shall be considered invalid.
- c) Voting rights in the Postal Ballot / e-voting cannot be exercised by a proxy.
- d) For the resolution, explanatory statement and notes please refer to the notice of 23rd Annual General Meeting.

2. PROCESS FOR MEMBERS OPTING FOR VOTING BY POSTAL BALLOT

- a) Members desiring to cast their vote by Postal Ballot should complete and sign this Postal Ballot Form and send it to the Scrutinizer, M/s. V.P. Chhabra & Associates, Practicing Company Secretaries, at Village-Dagor, Tehsil-Belha, Distt.-Bilaspur, Chhattisgarh 495224, in the enclosed postage prepaid self-addressed envelope. Postal Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted.
- b) In case of joint holding, this Postal Ballot Form should be completed and signed by the first named Member and in his absence by the next named Member.
- c) In respect of shares held by corporate and institutional shareholders (companies, trusts, societies, etc.), the completed Postal Ballot Form should be accompanied by a certified copy of the relevant board resolution / appropriate authorisation, with the specimen signature(s) of the authorised signatory (ies) duly attested.
- d) The signature of the Member on this Postal Ballot Form should be as per the specimen signature furnished to National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) or registered with the Company, in respect of shares held in dematerialised form or in physical form, respectively.
- e) Completed Postal Ballot Forms/duplicated Postal Ballot Forms should reach the Scrutinizer not later than the close of working hours i.e at 5.00 p.m. on ,28.09.2015. Postal Ballot Forms received after this date will be considered invalid.
- f) Postal Ballot Forms which are incomplete or unsigned or defective in any manner are liable to be rejected. The Scrutinizer's decision in this regard shall be final and binding.
- g) A Member seeking duplicate Postal Ballot Form or having any grievance pertaining to the Postal Ballot process can write to the Company's Registrars- Skyline financial services private limited, D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi - 110020 or to the e-mail ID viren@skylinerta.com, rta.nova.rg@gmail.com.
- h) Members are requested not to send any paper (other than the resolution/authority as mentioned under "Process for Members opting for voting by Postal Ballot" point 2c above) along with the Postal Ballot Form in the enclosed self addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer.



NOVA IRON AND STEEL LIMITED

Registered Office: Village-Dagori, Tehsil-Belha District-Bilaspur (Chhattisgarh)

Email: rai_nisl2007@yahoo.com, website: www.novaironsteel.com

(CIN: L02710CT1989PLC010052) Phone:011-30451000, Fax:011-23712737

ATTENDANCE SLIP

1. Full Name of Shareholder / Proxy
2. Registered Folio No No of Shares
3. Client ID..... DP ID.....
4. If, Proxy, Full Name of Shareholder

I hereby record my presence at 23rd Annual General Meeting of the Company held at **Village Dagori, Tehsil-Belha, Distt. Bilaspur (Chhattisgarh) PIN- 495224** on Tuesday, the 29th day of September, 2015 at 2.30 p.m.

(Signature of Shareholder / Proxy)

Name of Member/Proxy

Note:

Please complete the Folio. DP ID-Client ID No. and name, sign the Attendance Slip and hand it over at the Attendance Verification counter at the entrance of the Meeting Hall.



NOVA IRON AND STEEL LTD.

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[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]
(CIN: L02710CT1989PLC010052)

NOVA IRON AND STEEL LIMITED

Registered Office: Village-Dagori, Tehsil-Belha District-Bilaspur (Chhattisgarh)
Email: rai_nisl2007@yahoo.com, website: www.novaironsteel.com Phone:011-30451000, Fax:011-23712737

PROXY FORM

Name of the Member (s):.....

Registered Address:

Email id:

Folio No./Client Id:.....

DP ID:.....

I/We, being the member (s) of Shares of the above named company, hereby appoint:

- Name :Address
E-mail Id :Signature :, or failing him
- Name :Address
E-mail Id :Signature :, or failing him
- Name :Address
E-mail Id :Signature :, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the company, to be held on Tuesday, the 29th day of September 2015 at 02.30 p.m. at Village-Dagori, Tehsil-Belha, District-Bilaspur (Chhattisgarh) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions in brief
Ordinary Business	
1.	Adoption of Financial Statement of the Company for the year ended 31 st March, 2015 i.e. Audited Balance Sheet, Statement of Profit and loss and cash flow statement for the year as on that date together with Auditors' Report and Board's Report thereon.
2	To appoint a Director in place of Mr. Sanjay Singal (DIN 00006579), who retires by rotation and being eligible has offered himself for re-appointment.
3	To ratify the appointment of Auditors and fix their remuneration
Special Business	
4	Approval to appoint Mrs. Sumiran Aggarwal, Women as an Independent Director
5.	Revision in terms of appointment of Mr. H.C. Verma, Whole Time Director
6.	Approval of material related party transactions

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

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp of
Rs.1/- each

Note:

- 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.
- For the resolution, explanatory statement and notes please refer to the notice of 23rd Annual General Meeting.
- Please complete all details including details of member(s) in above box before submission.

REGISTERED BOOK POST/COURIER

If undelivered, Please return to:

NOVA IRON AND STEEL LIMITED

Regd. Office:

Village-Dagori, Tehsil-Belha

Distt-Bilaspur, Chhattigarh-495224