HIGH QUALITY STEELS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON THAT DATE

G.P. AGRAWAL & CO.
CHARTERED ACCOUNTANTS

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of High Quality Steels Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associatewhich comprise the Consolidated Balance Sheet as at 31stMarch, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

Basis for Opinion

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

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Groupincluding its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Groupand of its associate are responsible for assessing the ability of the Group and of its associate entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

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

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

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

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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Companyhas adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and the audit evidence obtained by other auditors in terms of their reports referred to in Other Matter paragraph below. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate aud't evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards



- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectivenessof such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Holding Company, its subsidiary companiesand its associate company which are companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 - According to the information and explanation given to us, the Company has not paid/ provided for any managerial remuneration during the year.
- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group did not have any pending litigations.

Place of Signature: Kolkata

Date: 13th May, 2019

- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31st March, 2019.
- There has been no delay in transferring amounts, required to be transferred, to the iii. Investor Education and Protection Fund by the Group.

iv.

For G.P. Agrawal & Co. **Chartered Accountants** Firm's Registration No. - 302082E

> (CA. Ajay Agrawal) Partner

Membership No. 17643



"Annexure A" to the Independent Auditor's Report

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

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31st March, 2019, we have audited the internal financial controls over financial reporting of **High Quality Steels Limited** (hereinafter referred to as "the Holding Company"), its subsidiary companiesand its associate company which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companiesbased on our audit and reports of other auditors. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

"Annexure A" to the Independent Auditor's Report (Contd.)

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiary companies and its associate company.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiary companies and its associate company.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companiesand associate company have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.



Place of Signature: Kolkata

Date: 13th May, 2019

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, in so far as it relates to three subsidiary companies and one associate company is based solely on the corresponding reports of auditors of such companies.

For G. P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Ajay Agrawal)
Partner

Membership No. 17643

HIGH QUALITY STEEL LIMITED

Consolidated Balance Sheet as at 31st March, 2019

	B 41 .		 -	(Rs. In Lakh)
	Particulars	Note	As on	As on
1	ACCETC	No.	31.03.2019	31.03.2018
1	ASSETS : Non-current Assets			
'		_		
	(a) Capital work-in-progress (b) Financial Assets	3	904.32	904.32
	(i) investments	3A	_	0.26
	(ii) Loans	4	216 20	76.76
	(c) Others		-	-
	(c) Deferred Tax Assets (Net) (d) Other Non current Assets	5	39.36	39.36
			1,159.88	1,020.70
2	Current Assets		1,100.00	1,020.70
	(a) Financial Assets			
	(i) Trade receivables	6	96.51	157.60
	(ii) Cash & cash equivalents	7	14.18	26.00
	(iii) Other Financial Assets	8	16.72	11 34
	(b) Current Tax Assets (Net)	9	14.28	28.24
	(c) Other Current Assets	10	0 02	0.22
			141.71	223.40
	TOTAL ACCETO			
	TOTAL ASSETS		1,301.59	1,244.10
 1	EQUITY AND LIABILITIES:			
1	Equity			
	(a) Equity Share capital (b) Other Equity	11	30.27	30.27
	Total Equity attributable to Owners of the Parent	12	(47.29)_	18.07
	(c) Non Controlling Interest		(17.02)	48.34
	(o) Hon bondoning interest		/47.00)	-
			(17,02)	48.34
2	Non-current Liabilities :			
	(a) Financial Liabilities			
	(i) Other financial liabilities	- 3	70.08	64.99
	(b) Provisions	¹ 4	114.56	106.47
			184.64	171.46
3	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	888.10	848.00
	(ii) Trade Payables	16	43.96	43.96
	(iii) Other financial trabilities	17	152.78	72.95
	(b) Other current liabilities	18	33 11	40.59
	(c) Provisions	19	16.02	18.80
			1,133.97	1,024.30
	TOTAL EQUITY AND LIABILITIES		1 201 50	1 044 40
	The same transferring		1,301 <u>.59</u>	1,244.10

The accompanying notes 1 to 36 are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For G. P. AGRAWAL & CO. CHARTERED ACCOUNTANTS

Firm's Registration No.302082E

CA. AJAY AGRAWAL

PARTNER

MEMBERSHIP No. 17643

For and on behalf of the Board of Directors of HIGH QUALITY STEELS LIMITED

A. K. NANDA

Director

DIN: 00201378

A. K. SINHA Director

DIN: 07820983

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R.R.SINGH Director

DIN: 07820973

Place : Kolkata

Dated: 13th May, 2019

HIGH QUALITY STEEL LIMITED

Consolidated Statement of Profit & Loss for the Year Ended 31st March, 2019

:	Particulars	Note No.	For the year ended	(Rs. In Lakh) For the year ended
ı	Revenue From operations		31.03.2019	31.03.2018
Н	Other Income	20 21	629.01	571.64
HI	Total Income (I +II)	21	20.18	2 02
IV	EXPENSES		649.19	573.66
	Employee benefit expense			
	Finance costs	22	618.71	567 74
	Other expenses	23 24	88.87 12.47	81.46
	Total expenses (IV)	L . 1	720.05	2.67 651.87
V	Profit/ (loss) before tax (III-IV)			051.87
			(70.86)	(78.21)
V	Tax Expenses	26		
	a) Current Tax	_ - •	10.15	12.21
	b) Deferred Tax		-	10 84
VII	Profit before share in net profit/(loss) of Associates for the year (V-Vi)		(81.01)	(101.26)
VIII	Share in profit of Associates		(0.26)	
ΙX	Profit/ (loss) for the year (VII-VIII)		(81.27)	(101.26)
Х	Other comprehensive income		,,	(101.20)
,	items that will not be reclassified to profit or loss	25		
	Income tax relating to items that will not be reclassified to profit or loss		15.90	25 17
	Other comprehensive income		-	-
			15.90	25.17
X	Total Comprehensive Income for the period		(65.37)	(76.09)
XI:	Profit/(loss) for the period Attributable to:		(04.07)	
	Owners of the Parent		(81.27) (81.27)	(101.26)
	Non-Controlling interest		(01.27)	(101.26)
X!:i	Other Commediania in a second			-
Λ.11	Other Comprehensive income Attributable to: Owners of the Parent		15.90	25.17
	Non-Controlling Interest		15.90	25.17
			-	-
XIA	Total comprehensive income Attributable to:		(65.37)	(76.00)
	Owners of the Parent		(65.37)	(76.09) (76.09)
	Non-Controlling Interest		-	(10.00)
χν	Earnings per equity share (Par Value of Rs.2.50 each)	27		
	1) Basic	27	/0.00:	_
	2) Diluted		(6.69) (6.69)	(8.36)
	The accompanying notes 4 to 20 are as interest of the accompanying notes 4 to 20 are		(80.0)	(8.36)

The accompanying notes 1 to 36 are an integral part of the Consolidated Financial Statements

As per our report of even date attached

For G. P. AGRAWAL & CO. CHARTERED ACCOUNTANTS

Firm's Registration No.302082E

CA. AJAY AGRAWAL

PASTNER

METABERSHIP No. 17643

For and on behalf of the Board of Directors of

HIGH QUALITY STEELS LIMITED

A. K. NANDA Director

DIN: 00201378

A. K. SINHA Director

DIN: 07820983

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R.R.SINGH Director

DIN: 07820973

Place: Kolkata Dated: 13th May, 2019

HIGH QUALITY STEELS LTD.

C O TEXMACO LTD., AGARPARA WORKS, KOLKATA-700056

CI J. U27101W81964PLC026001 FINANCIAL YEAR 2018 - 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31/03/2019

(Rs. In Lake)

(a) Equity Share Capital

Particulars	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
For the year ended 31st March 2018	30 27	30.27	30 27
For the year ended 31st March 2019	30.27	30.27	30.27

:b: Other Equity

Particulars	Reserves and	d Surplus	Item of Other Comprehensive Income	
	General Reserve	Retained earnings	Remeasurement of defined benefit Plan	Total
Balance as at 1st April. 2017	10.00	84.16		94,16
Profit for the year		(101.26)		(101 26)
Other Comprehensive Income for the year	-	-	25 17	25 17
Total Comprehensive Income for the year		(101.26)		(76.09)
Transfer from Other Comprehensive Income to Retained Earnings		25 17	(25 17)	<u>\</u>
Balance as at 31st March, 2018	10.00	8.07	· · · · · · · · · · · · · · · · · · ·	18.07
Profit for the year		(81.26)	·	:81.26;
Other Comprehensive Income for the year	- i	-	15.90	15.90
Total Comprehensive Income for the year	† 	(81.26)	15.90	(65,36)
Transfer from Other Comprehensive Income to Retained Earnings	1 -	15.90	(15.90)	(00:00)
Balance as at 31st March, 2019	10.00	(57.29)		(47.29)

The accompanying notes 1 to 36 are an integral part of the Consolidated Financial Statements.

In terms of our Report of even date attached herewith

For G.P.AGRAWAL & CO, CHARTERED ACCOUNTANTS Firm Regn. No. 302082E

CA Ajay Agr⊯wal

PARTNER

MEMBERSHIP NO.17643 7A, Kiran Shankar Roy Road

Kolkata - 700 001

Dated . 13th May, 2019

For and on behalf of the Board of Directors of HIGH QUALITY STEELS LIMITED

A. K. NANDA Director

DIN: 00201378

A. K. SINHA Director

DIN: 07820983

R.R.SINGH
Director

DIN: 07820973

HIGH OUALITY STEELS LTD.
CO PENNACO LTD. AGARPARA WORKS, KOUKATA-700056
CIN. U27101WB1964PLC026001
NOTES TO CONSOLIDATED FINANCIAL STATEMENT

1 GENERAL CORPORATE INFORMATION

high Quality Stoels Limited ('the Company') incorporated in 1964 has its Registered Office at c/o Texmaco Infrastucture & Holdings Emited. Belgharia Kolkata-700 056 The Company has no manufacturing aclivity. Company's source of income is Manpower Supply and Business Auxiliary Services.

The Company is a public limited company incorporated and demiciled in India. The address of its corporate office is Agarpara. Kolkata - 700 056.

The consolidated financial statements for the year ended 31st March, 2019 were approved by the Board of Directors and authorized for issue on 13th May, 2019

2 SIGNIFICANT ACCOUNTING POLICIES.

(i) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "IndiAS") as prescribed under Section (33 of the Companies Act. 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

iii) Basis of Accounting

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Hair value is the price that would be received to sell an asset of paid to transfer a liability in an proofly transaction between market participants at the measurement date.

All the assets and l'abilities have been classified as current and non current as per the company's normal operating cycle and criteria set cut in schedule IT:Division P: of the Companies Act 2013

The Company has ascertained it's operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities

(iii) Use of Estimates

The preparation of the Financial Statements in conformity with IND AS requires the Management to make estimates, judgments and assumptions. These estimates, judgment and assumptions affect the application of accounting policies and the reported amount of Assets and Liab Lies and disclosure of contingent Liabilities on the date of the Financial Statements and reported amounts of revenues and expenses for the year.

(iv) Financial Instrument

The Company recognizes financial assets and financial liabilities whon it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trace receivables which are initially measured at fransaction price. Fransaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not measured at fair value through profit or loss are accept deducted to the fair value on initial recognition.

All recognized financial assets are subsequently measured in their entirety at either amort sed cost or fair value, depending on the classification of the financial assets

a.) Financial assets carried at amortised cost

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

b.) Investment in Equity Instruments at fair value through other comprehensive income

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for reading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and cosses ansing from changes in fair value recognised in other comprehensive income.

c.) Financial assets at fair value through profit or loss

is financial asset which is not classified in any of the above dategories is subsequently fair valued through profit or loss

d.) Financial liabilities

In ancial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair yable due to the short maturity of these instruments.

HIGH Q1 ALITY STEFES LTD. COLENHACO LID. AGARPARA WORKS. KOLKATA-TORRISC CIN. U27101WB1964PLC026001 NOTES TO CONSOLIDATED FINANCIAL STATEMENT

1 GENERAL CORPORATE INFORMATION

e.) Impairment

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trace receivables advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

f.) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously

(v) Revenue Recognition

With effect from 1st April 2018, the Group has adopted Inc AS 115. Revenue from Contracts with Customers' using the cumulative catch-up transition method, applied to contracts there were not completed as of 1st April 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effection adoption of the AS 115 was insignificant.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third pames. The Company recognizes revenue when it transfers control over a product or service to customers in accordance with Ind AS 115.

The Company recognizes revenue to depict the transfer of promised goods or services to customers in amounts that reflect the payment to which the Company expects to be entitled in exchange for those goods or services by applying the following steps:

- Step -1- Identify the contract with a customer
- Step -2- Identify the performance obligations in the contract.
- Step 3. Determine the transaction price
- Step -4- Allocate the transaction price to the performance obligations in the contract.
- Step -5- Recognize the revenue when (or as) the Company satisfies a performance obligation

The Company is engaged in the cusiness of providing manpower and other business auxiliary services

Revenue from Operations:

Revenue from supply of manpower is recognised if the performance obligation for the same is satisfied. Performance obligation is satisfied over the period of time. The company measures its progress towards satisfaction of performance obligation by using output method as specified in the standard on the basis of number of labours and mannours provided.

Other Income:

interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's nel carrying amount on in the recognition.

Dividend income is recognized as and when right to receive payment is established provided that it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably.

Dain/(Loss) on sale of Current/ Non-Current Investments are recognized at the time of redemption/sale and at fair value at each reporting period.

Insurance and other claims are accounted for as and when admitted by the appropriate authorities in view of uncertainty involved in ascertainment of final main.

(vi) Provisions and Contingent liabilities

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence of non-occurrence of one or more uncertain future events not wholly within the control of the Company, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources empodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent habit tes are disclosed and not recognized.

(vii) Borrowing Cost

Borrowing costs directly attributable to the acquisition construction or production of qualifying assets, which are assets that necessarily take a substantial panel of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

<u>HIGH QUALITY STEELS LTD.</u> CO TENMACO LID., AGARPARA WORKS, KOLKATA-700056 CIN. U27101WB1964PLC026001 NOTES TO CONSOLIDATED FINANCIAL STATEMENT

1 GENERAL CORPORATE INFORMATION (viii) Cash and Cash Equivalents

The Company considers all liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of less than three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balance with banks which are unrestricted for withdrawa, and usage.

(ix) Taxation

ncome tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively

a.) Current income taxes

The current income tax expense includes income taxes payable by the Company and its branches in India and overseas. The current tax payable by the Company in India is Indian income tax payable on worldwide income. Current income tax payable by overseas branches of the Company is computed in accordance with the tax laws applicable in the junsciction in which the respective branch operates. The taxes paid are generally available for set of igainst the Indian income tax liability of the Company's worldwide income. Advance taxes and provisions for current income taxes are presented in the palance sheet after off setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

b.) Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and Labilities are recognised for deductiole and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deterred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or less at Include time of the transaction. Deferred income fax assets are recognised to the extent that it is propable that laxable profit will be available against which the deductible temporary differences and the parry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of defended income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and Labuttes are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Defended tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax, aws in India, which is, likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is propable that the tuture economic benefit associated with the asset will be realised.

(x) Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares

(xi) Cash Flow Statement

Cash Flow are reported using the incirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruais of past or future cash recopts or payments. The cash flow from regular revenue generating, financing and investing additities of the Company are segregated.



HIGH QUALITY STEEL LIMITED

Notes to Consolidated Financial Statement

NI.4-			(Rs. In Lakh
Note	Particulars	As on	As on
Note 3	Capital	31.03.2019	31.03.2018
14.916.3	Capital work-in-progress Balance as on cate Addition during the year	904 32	904.32
Note 34	Investments (Non-Current)	904.32	904 32
	In Associate (At Cost)	·· ·	
⁽ a)	Sigma Rail Systems Pvt. Ltd. (2599 Shares for Rs.10 each)	-	0 26
			0,26
Note 4	Loans		
·a)	Unsecured considered good Loans to related parties	216.20	76 76
		216 20	70.70
		216.20	76.76
N⊍te 6	Trade Receivables Unsecured considered good		
	Onsecured Considered good	96.51	157,60
		96.51	157_60
Note 7	Cash and cash equivalents Balances with panks		
1.17	- In current accounts	10.00	
; d ;	Cash on hand	12 39 1 16	18 11 * 28
-C)	Others - Remittance in Transit/Cheques on Hand	0 63	. 65:
		14.18	26.00
Note 8	Other Financial Assets		
	Interest accrued on Loans	16.40	0.88
	Advance to Employee Advance to Parties	0 32	0.05
	Advance to hartles	-	10.32
		16.72	11.34
Note 0	Comment To the second To		11,34
Note 9	Current Tax Assets (Net) Advance Payment of Income Tax (net of provision)		
	reverses to a synton to randome trax triet of provision)	14 28	28.24
		14.28	28.24
Note 10	Other Current Assets		
	Balances with Government Dept	002	0.22
		<u> </u>	0.22
	Equity Share Capital		
	Authorised		
	1.60,00,000 Equity Shares of Rs. 2.50/- each	400 00	400.00
	(31st March 2018: 1,60,00,000 Equity Share of Rs. 2,50/- each)		
	1,00,000 Preference Shares of Rs 100/- each	100.60	100 00
	(31st March 2018: 1,00,000 prefernce snare of Rs. 100/ leach)		
	Issued		
	18,16,866 Equity Shares of Rs. 2.50/- each	45 42	45.42
	(31st March 2018: 18,16,866 Equity Share of Rs. 2.50/ leach)	7.5	70.72
	Subscribed and Faid-up		
	12,10,622 Equity Shares of IRs. 2.50/- each fully paid-up	20.07	
	(31st March 2018: 12,10.622 Equity Share of 4s, 2,50/- each)	30.27	30 27
	(the above shares are held by Texmaco Intrastucture & Holdings		
	I to., the Hording Company and its Nominees)		
	,		
		30.27	30.27
			<u></u>

Notes

1. The Company has only one class of shares referred to as Equity Shares having par value of Rs 2.50.

2. In the event of figuidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the numbers of equity shares held by the shareholders.

Note	B4:1-		(Rs. In Lakh)
1.010	Particulars	As on	As on
		31.03.2019	31.03.2018

	3. Reconcliation of number of Issued, Subcsribed and Paid-up	Capita!			
			03.2019	31.03	3.2018
		No. of Equity	Amount (Rs. in	No. of Equity	
	All -folia and the second	Shares	lakh)	Shares	in lakh)
	No. of Shares at the beginning of the year	12.10.622	30.27	12,10,622	30.27
	Add: Equity Shares issued during the year	-	-	-	-
	No. of Shares at the end of the year	12,10,622	30 27	12,10,622	30 27
	4. Shareholders holding more than 5% of equity shares:				
		No. of Equity	% of Holding	No. of Equity	% of Holdin
	Texmaco Infrastructure & Holdings Ltd.	Shares 12,10,622	100.00%	Shares 12 10 622	100.009
Note 12	Other Equity				
	A. General reserve				
	Balance as per last account	10.00	10 00		
		10.00	10.00		
	B. Other Comprehensive Income				
	Remeasurements of the net defined benefit Plans Balance as per last account				
		-			
	Add: Other Comprehensive Income for the year	15.90	25.17		
	Less: Transferred to Retained Earnings	(15.90)	(25.17)		
	C. Retained Earnings				
	Surplus at the beginning of the year	8 07	84.16		
	Add . Profit for the year	(81 26)	(101.26)		
	Add: Fransferred from Other Comprehensive Income	15 90	25.17		
		(57.29)	8.07		
	Total (A + B + C)	(47.29)	18.07		
Note 13	Other Financial Liabilities (Non-Current)				
	Liabilities for Expenses	0.87	1 95		
	Amount Due to Employee	6 8 96	62.24		
	Others Misc. Payable	0 25	0.80		
		70.08	64.99		
Note 14	Provisions (Non Current) Provision for employee benefits				
	Leave	13.48	42.42		
	Gratuity	101.08	13.48 92.99		
		114.56	106.47		
Note 15	Borrowings	114.30	100.47		
12,0	Unsecured				
	Loans from related parties	888.10	848 00		
		888.10	848.00		
Victe 16	Trade payables				
	Dues of Micro, small and medium enterprise.				
	oves or wicro, sinal land medium enterprises	- 43 96	42.06		
	Dues to creditors other than micro, small and medium enterprises	40 90	43 95		
	odes to the tara other than micro, sin an and medium enforgrises	43.96	43.96		
	Note: The Company on the basis of information available to it has n			d	
	Medium Enterprises Development Act, 2006 and hence discosure re paid/payable under this Act have not been given.	lating to amount u	ny the status of ven npaid as at the year	aors under Micro end together wit	, Smail and hinterest
Note 17	Other Financial Liabilities (Current)				
.0.0					
	Interest Accrued on Loan	152 78	72.95		

NC1e 17	Other Financial Liabilities (Current)		
	Interest Accrued on Loan	152 78	72.95
		152.78	72.95
Note 18		- -	
	TDS and other taxes payable	22.65	30.84
	PF. ESI amount Payble	10 46	9.75
		33.11	40.59
Note 19	Provisions (Current) Provision for employee penefits		
	Leave	3.17	3.17
	Gratuity	12.85	15.63
		16.02	18.80

HIGH QUALITY STEELS LTD. C/O TEXMACO LTD., AGARPARA WORKS, KOLKATA-700056 CIN. U27101WB1964PLC026001

Notes to Financial Statements (Contd..)

Note 5 Deferred tax (Net)

Particulars	Opening	Recognized in	(Rs. in Lakh) Closing
	Balance	profit or loss	Balance
Town off and the	Amount	Amount	Amount
	Amount	Amount	Amount
Tax effect of items constituting deferred tax assets Provision for Gratuity, Bonus, Leave etc. Net deferred tax liability/ (assets)	Amount 39.36		Amount 39.3

Particulars	Opening Balance	Recognized in profit or loss	Rs. in Lakr) Closing Balance
	Amount	Amount	Amount
Tax effect of items constituting deferred tax assets Provision for Gratuity, Bonus, Leave etc.	50.20	(10.84)	39.36
Net deferred tax liability/ (assets)	50.20	(10.84)	39.36

HIGH QUALITY STEEL LIMITED

Notes to Consolidated Financial Statement

			(Rs. In Lakh)
.		For the year	For the year
Note	Particulars	ended 31.03.2019	ended 31.03.2018
Note 20	Revenue From operations		
	Sale of services (Manpower Services)	629.01	571.64
		629.01	571.64
Note 21	Other Income		
(a)	Interest Income		
	From Others	19.43	0.96
(b)	Other non-operating income		
	Miscellaneous Income	0 06	0.02
	Provision & Excess Liabilities Written Back	0 69	1.04
		20.18	2.02
Note 22	Employee benefit expenses		
a)	Salaries ,Wages and Bonus	529.18	480 73
D)	Contribution to provident and other funds	·	
	i) Provident Fund and Pension Fund	66.56	63.29
	ii) Gratuity	21.21	21 99
٥)	Staff Welfare Expenses	1 .76	1.73
		618.71	567.74
Note 23	Finance Costs		
(a)	Interest expenses		
	Otners	88.87	81.46
		88.87	81.46
Note 24	Other Expenses		
·	Rates and Taxes excluding taxes on Income	0.12	0.09
	Payments to the Auditor		0.00
	As Auditor	0.30	0 41
	For Tax Audit	0.12	0 12
	For Fees for Other Services (incl for issuing various certificates)	0.03	-
	Miscellaneous Expenses	1.58	1 94
	Sundry Debit Balance Adjusted/Written off	10.32	0.11
	The state of the s	12.47	2.67
N-4- 05	040		
Note 25	Other Comprehensive Income		
	Items that will not be reclassified to profit or loss (i) Remeasurements of the defined benefit plans	45.00	<i>f. F.</i> , <i>P</i>
	(ii) Income tax relating to items that will not be reclassified to	15.90	25.17
	profit or loss	-	-
		15.90	25.17
		· · · 	



HIGH QUALITY STEELS LTD. C/O TEXMACO LTD., AGARPARA WORKS, KOLKATA-700056 CIN. U27101WB1964PLC026001

Notes to consolidated financial statements (Contd.)

Other Disclosures:

Note 27 EARNING PER SHARE:	-	31st March, 2019	31st March, 2018
Amount used as numerator			
Profit After Taxation (Rs. in Lakn)	(A)	(81.01)	(101.26)
Weighted average number of shares outstanding u	sed as denominator for		
computing Basic Earnings per share	(B)	12,10,622	12,10,622
Weighted average number of shares outstanding u	sed as denominator for		
computing Diluted Earnings per share	(C)		
Nominal Value Per Share (Rs.)		2.50	2.50
Basic Larning Per Share (Rs.)	(A/B)	(6.69)	(8.36)
Diluted Barning Per Share (Rs i	(A/C)	(6.69)	(8.36)

Note 28 Related party disclosures :

	Relationship	2018-2019	2017-2018
A,	Parties Where Control Exist	Associate Company:	Associate Company:
		Sigma Rail Systems (P) Ltd.	Sigma Rail Systems (P) Ltd.
		Holding Company:	Holding Company:
		Texmaco Infrastructure &	Texmaco Infrastructure &
		Holaings Lta.	Holdings Ltd.

Transactions	Associate	Holding	Grand Total	Balance
]	Company		Outstanding as
				on 31.03.19
Sale of Services		25.01	25.11	0.91
	()	(15.63)	(15.63)	(1.87
Loans and Advances:				
Texmaco infrastructre & Holdings Ltd.		40.10	40.10	888.10
	()	(63.00)	(63.00)	(848.00
Sigma Rail Systems Pvt.i.td.	139.44		139.44	216.20
	(76.75)	(·)	(76.75)	(76.75
Investments:				
Sigma Rail Systems Pvt.Ltd.	-	-	-	0.26
	(0.26)	(-)	(0.26)	(0.26

Note 29 EMPLOYEE BENEFITS:

- 1) The Company's contribution to Provident Fund and Employees' State Insurance Scheme are charged on accrual basis to Statement of Profit and Loss.
- 2) Leave: Leave Lab-lity is accounted for based on actuarial valuation at the end of the year.
- Gratuity:
 Gratuity liability is accounted for based on actuarial valuation at the end of the year.



HIGH QUALITY STEELS LTD. C/O TEXN ACO LTD., AGARPARA WORKS, KOLKATA-700056 CIN. U27101WB1964PLC026001

Details of Unfunded Defined Benefit Plans

	Transactions	Gratuity 2018-19	Gratuity 2017-18	Leave 2018-19	(Rs. In Lak Leave 2017-18
 	Change in Benefit Obligation	+			
	Liability at the beginning of the year	108.62	111.79	16.38	16.6
	Interest Cost	8.36	8.21	1.26	1.2
1	Current Service Cost	12.85	13.79	2.62	3.1
	Past Service Cost (Non Vested Funds)		-		
j	·		_	-	-
	Past Service Cost (Vested Funds)	1			
	Benefits Paid	(15.90)	(25.17)	(4.03)	(4.6
	Actuarial (Gain) / Loss on Obligation	(13.50)	(25.11)	- (
ļ	Curtailments and Settlements Plan Amendment				
	Liability at the end of the year	113.93	108.62	16.23	16.3
1.	Fair Value of Plan Assets	1			
	Fair Value of Plan Assets at the beginning of the year	- 	-	· ·	
	Expected Return on Pran Assets				
	Contributions		-	-]	
	Benefits Paid	1 .	_	-	
		(15.90)	(25.17)	(4.03)	(4
	Actuaria! (Gain) / Lossion Obligation Fair Value of Plan Assets at the end of the year	1.5.50	- (=	· · · · · · · · · · · · · · · · · · ·	-
	Total Actuarial (Gain) / Loss to be Recognised	(15.90)	(25.17)	(4.03)	(4.
11.	Actual Return on Plan Assets	- (20100)			· · ·
· · · · · · · · · · · · · · · · · · ·	Expected Return on Plan Assets	 		-	
	Actuariai Gain / (Loss) on Plan Assets		-		-
	Actual Return on Plan Assets	- 1		-	-
V.	Amount Recognised in the Balance Sheet	-{- 			
٧.	Liability at the end of the year	113.93	108.62	16.23	16.
	Hair Value of Plan Assets at the end of the year				
		113.93	108.62	16.23	16
	Difference	113.55	104.02		
	Unrecognised Past Service Cost Amount Recognised in the Balance Sheet	113.93	108.62	16.23	16
v.	Expenses Recognised in the Income Statement				·
v.	Current Service Cost	12.85	13.79	2.62	3
	Eurrent Service Cost I Interest Cost	8.36	8.21	1.26	1
	Expacted Return on Plan Assets		i	1	
		(15.90)	(28.17)	(4.03)	(.1
	Net Actuarial [Gain]/Loss to be recognised	\42.50,			
	Past Service Cost / (Non Vested Benefit) to be recognised	1			
	Past Service Cost / (Vested Benefit) to be recognised				
	Effect of Curtailment or Settlement		_		
	Curtailments and Settlements Expenses Recognised in the Statement of Profit and Loss	5.31	(3.17)	(0.15)	(C
<u> </u>	Balance Sheet Reconciliation	- 3.52	- (,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	 	
۷ı.		108.62	111.79	16.38	18
	Opening Net Liability	5.31	(3.17)	(0.15)))
	Expense as above	3.51	(/		
	Employer's Contribution		ļ !	ļ	
	Effect of Curtailment or Settlement		<u> </u>	_	
	Benefits Paid	113.93	108.62	16.23	16
	Amount Recognised in the Balance Sheet		100,02		
VII.	Actuarial Assumption	7.60 %	7,70 %	7.60 %	7.
	Discount Rate Current	7.00 %	1		
	Rate of Return on Plan Assets	5,00%	1	5.00 %	5.
	Salary Escalation Current	58	1 .	58	
	Norma, Retirement Aga (in years)	ALM 06 08	1 1	IALM 06-08	TALM 0
	Mortanty Rates		 		
VIII.	Maturity Profile of Defined Benefit Obligation		, l	1	
	Expected cash flows (valued on undiscounted pasis)	10.19	15.63	1.57	
	Within the next 12 months	22.86		2 53	
	Between 2 and 5 years	1	1	7.16	
	Between 5 and 10 years	52.79	1	35.25	3
	Beyond 10 years	230.67 316.52		46.56	
	Total expected payments	310.32	- 300.33		
	The weighted average duration of defined benefit obligation	}		4.4	
	(based on discounted cashflow) (in years)	13	2 11	11'	

HIGH QUALITY STEELS LTD.

CO FENMACO LID., AGARPARA WORKS, KOLKA LA 100056 CIN, U27101WB1964PLC026001

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

Other Disclosures (Contd.)

Note 30 Financial Risk Management Objectives and policies-

The Company's activities expose it to Credit Risk, Liquidity Risk, Market Risk, and Equity Price Risk.

This note explains the source of risk which the Company is exposed to and how the Company manages the risk and the impact. The management of the company ensures that risks are identified, measured and mitigated in accordance with the Risk Management Policy of the company. The Board provides guiding principles on risk management and also review these risks and related risk management policies which are given as under

The Company's financial liabilities comprise borrowings, capital creditors and trade and other payables. The company's financial assets include trade and other receivables, cash and cash equivalents, investments including investments in subsidiaries, loans & advances and deposits

A. Credit Risk A risk that counterparty may not meet its obligations under a financial instrument or customer contract, leading to a financial loss is defined as Credit Risk. The Company is exposed to credit risk from its operating

Costomer credit risk is managed by the respective marketing department subject to the Company's established policy procedures and control relating to customer credit risk management. The Company reviews the creditworth ness of these customers on an en going basis. The Company estimates the expected credit loss on the basis of past data. experience and policy laid down in this respect. The maximum exposure to the credit risk at the reporting date is the carrying value of the trade receivables disclosed in Note 10 as the Company does not hold any collateral as security.

B. Liquidity Risk- A risk that the Company may not be able to settle or med its obligations at a reasonable price is defined as Equidity risks. The Company's freasury department is responsible for managing liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's not liquidity position through rolling forecasts on the basis of expected cash

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits. Term loans among others

C. Market Risk- A risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market prices is defined as Marketing Risk. Such changes in the value of financial instruments may result from changes in the foreign currency exchange rates, interest rates, croott, liquidity and other market changes.

Foreign Currency Risk. A risk that the fair value or future value of the cash flows of forex exposure will fluctuate because of changes in foreign exchange rates is defined as Foreign Currency Risk. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's export import and foreign currency loan? derivatives operating activities. The Company, as per its risk management policy uses foreign exchange and other gerivative instruments primarily to nedge foreign exchange exposure. The management monitors the foreign exchange fuctuations on a continuous basis

D. Equity Price Risk- A risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in equity prices (other than those arising from interest rate or foreign exchange rate risk), whether those changes are caused by factors specific to the individual financial instruments or its issuer, or by factors affecting all similar financial instruments traded in the market is defined as Equity Price Risk.

The Company generally invests in the equity shares of the Subsidiaries, Associates. Joint Ventures and some of the group companies as part of the Company's overall business strategy and policy. The Company manages the equity price risk through placing limits on individual and total equity investment in each of the subsidiaries and group companies based on the respective business plan of each of the companies. The Company's investment in quoted equity instruments (other than above) is not material. For sensitivity analysis of Company's investments in equity instruments, refer Note No. 32(Fair Value)

Note 31 Capital Management

The Company's objective when managing capital (defined as net debt and equity) is to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefits for other staxeholders, while protecting and strongthening the Balance Sheet through the appropriate balance of debt and equity funding. The Company manages its capital structure and makes adjustments to it, in taking into consideration the economic conditions and strategic objectives of the Company

No e 32 Fair Value

Carrying amounts and fair values Hair Value through Profit & Loss (FVTPL) of financial instruments, including their ovels in the fair value hierarchy has been mensioned celow



: •

Note No.35 Previous year figure have been regrouped/rearranged/restated/recast wherever necessary to confirm this year classification.

Note No.36 Figures below Rs 500/- have been omitted for irounding-off, Rs.500/- and labove have been rounded off to the next Rs.1000/-

Fo. G. P. AGRAWAL & CO. CHARTERED ACCOUNTANTS Firm's Registration No.302082E

CA: AJAY AGRAWAL PARTNER MEMBERSHIP NO.017643

Place : Kolkata

Dated: 13th May, 2019

For and on behalf of the Board of Directors of

HIGH QUALITY STEELS LIMITED

A. K. NANDA

Director

DIN: 00201378

A. K. SINHA Director

DIN: 07820983

FLORENCE CONTRACTOR

R.R.SINGH Director DIN: 07820973

HIGH QUALITY STEELS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2019 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON THAT DATE

G.P. AGRAWAL & CO.
CHARTERED ACCOUNTANTS

To The Board of Directors, High Quality Steels Limited Beigharia Kolkata - 700056

with the state of the state of

Dear Sir,

We are enclosing herewith 2 copies of your Statement of Profit and Loss for the year ended 31st March, 2019 and the Balance Sheet as on that date together with our Audit Reports thereon.

We have great pleasure in informing you that our appointment, if made, will be in accordance with the applicable provisions of the Companies Act, 2013 (the Act). In this connection we hereby certify that:

- i) We are eligible for appointment and are not disqualified for appointment under the Act, the Chartered Accountants Act, 1949 and Rules and Regulations made therein.
- ii) The proposed appointment is within the term allowed under the Act.
- iii) The proposed appointment is within the limits laid down by or under the authority of the Act.
- iv) There is no proceeding against the auditor or audit firm or any partner of the audit firm pending with respect to professional matters of conduct.

Yours faithfully, For G. P. Agrawal & Co. Chartered Accountants FR No. 302082E

(CA. Ajjay Agrawal) Partner Membership No. 017643

Encl: As above



Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of High Quality Steels Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

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

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibilities of the Management and Those Charged with Governance for the Standalone Financial Statements

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

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

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

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

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

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

 Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting

from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

- 1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2. As required by Section 143(3) of the Act, we report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii. 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.

- iii. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash flow dealt with by this Report are in agreement with the relevant books of account.
- iv. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- ٧. On the basis of the written representations received from the directors as at 31st March, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as at 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 - According to the information and explanation given to us, the Company has not paid/ provided for any managerial remuneration during the year.
- viii. 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:
 - a. The Company did not have any pending litigations which requires disclosure in its Standalone Financial Statements.
 - b. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the Company.

For G.P. Agrawal & Co. Chartered Accountants Firm's Registration No. - 302082E

> (CA. Ajay Agrawal) Partner

Membership No. 17643

Place of Signature: Kolkata Date: 13th May, 2019

"Annexure A" to the Auditor's Report

Statement referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of **High Quality Steels Limited** on the standalone financial statements for the year ended 31st March, 2019.

- (i) The Company does not have any fixed assets and hence clause (i)(a), (i)(b) and (i)(c) of paragraph 3 of the Order are not applicable to the Company.
- (ii) The Company's nature of operations does not require it to hold inventories. Accordingly, provisions of clause (ii) of paragraph 3 of the Order are not applicable to the Company.
- (iii) The Company has granted unsecured loans to the Companies (wholly owned subsidiaries and other companies) covered in the register maintained under section 189 of the Act.
 - a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of loans granted by the company to the above mentioned parties are not, prima facie, prejudicial to the interest of the Company.
 - b) The schedule of repayment of Principal and Interest of the above loans has been stipulated and the Company is regular in receipt of the same.
 - c) There are no overdue amounts for more than ninety days in respect of recovery of principal and interest of the above loan.
- (iv) In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and security, provisions of section 185 and 186 of the Act have been complied with.
- (v) The Company has not accepted any deposit within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.
- (vi) According to the information and explanations given to us, the Company is a Servicing Company dealing with labour supply and hence the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- (vii) (a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and service tax, cess or any other statutory dues, to the extent applicable, have been regularly deposited with appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as at 31st March, 2019 for a period of more than six months from the date of becoming payable.



"Annexure A" to the Auditor's Report (Contd.)

- According to the information and explanations given to us, there are no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, goods and service tax, cess and other material statutory dues. Hence, provisions of clause (vii)(b) of paragraph 3 of the Order are not applicable to the Company.
- viii) On the basis of our examination of records and according to the information and explanations given to us, the Company has not taken any loans or borrowing from financial institution, bank or Government. The Company has not issued any debentures. Therefore, clause (viii) of paragraph 3 of the said order is not applicable to the Company.
- (ix) On the basis of our examination of records and according to the information and explanations given to us, the Company has neither raised any money by way of initial public offer or further public offer (including debt instruments) nor taken any term loan during the year. Therefore, clause (ix) of paragraph 3 of the said order is not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration. Therefore, clause (xi) of paragraph 3 of the said order is not applicable to the Company.
- (xii) The Company is not a Nidhi company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, clause (xv) of paragraph 3 of the said order is not applicable to the Company.

"Annexure A" to the Auditor's Report (Contd.)

(xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For G.P. Agrawal & Co.
Chartered Accountants

Firm's Registration No. - 302082E

(CA. Ajay Agrawal)

Partner

Membership No. 17643

(O) KOLPATA (A)

Place of Signature: Kolkata Date: 13th May, 2019

"Annexure B" to the Independent Auditor's Report of Even Date on the Standalone Financial Statements of High Quality Steels Limited

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

We have audited the internal financial controls over financial reporting of High Quality Steels Limited("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

"Annexure B" to the Independent Auditor's Report (Contd.)

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For G.P. Agrawal & Co. Chartered Accountants Firm's Registration No. - 302082E

Place of Signature: Kolkata

Date: 13th May, 2019

(CA. Ájay Agrawal) Partner Membership No. 17643

HIGH QUALITY STEELS LTD.

C/O FEXMACO LTD., AGARPARA WORKS, KOLKATA-700056

CIN. U27101 (VB) 954PtC026001

BALANCE SHEET AS AT 315T MARCH, 2019

(Rs. in Lakh)

	Particulars Note As at			(Rs. in Lakh)	
	Particulars	Note	As at	As at	
}	ASSETS	No.	31st March, 2019	31st March, 2018	
1					
٠.	Non-current assets				
	Francia as as		j		
	's weithents	3	6.75	6.26	
	Li trans	-4	1,231,52	1,086.08	
	io, lieforce, tax assets (not)	5 -	39.36	39.36	
	[1] Condinon Curcin assets		·		
e de la			1,277.14	1,131.70	
(P)	Current assets 10	!			
		1			
	kide receivables	6	96.50	157.59	
	. Pasti and cash equivalents	7	10.86	12.14	
	(i) Others	8	202.93	104.44	
	Let - Current tax alwess (ness)	9	14.28	23.24	
	Public Materical relatives of S	10	0.02	0.22	
		1	324.59	302.63	
	TOTAL ASSETS	\vdash	4.504.50		
	10 (AL A33113		1,601.73	1,434.33	
!i	FQUITY AND HABILITIES				
	and the				
	EQUITY THE COST, MORE OF THE				
	and the Committee of th	1.0	20.57 238.73	30.77	
	(** 1	-	288.50	249.11	
	LIABILITIES	⊦	200.30	2.49.11	
	Non-current liabilities				
	Services of Establish				
,					
	e du rewings				
	The Other financial Habilities Usy or constitute	13	69.81	64.77	
	, (10.00) (0.0)	1.4	114.57	100.48	
	Current nabilities	-	184.38	171.25	
	Final data and tas				
	That the stay of the s	* 5			
	That patients of in the enterprises and small enterprises	:5			
]	43.55		
	Foral exitstanding does of creditors other than chart generor ses		43.95	43.96	
	- 101 10W 198	lo	888.10	848 00	
	r Stheir nan, in Pack ties	17	157.78	7.2.44	
	drive of the section	18	27.99	30.20	
	incas tra	19	1.720.05	1.012.07	
			1,128.85	1,013.97	
	TOTAL EQUITY and MABILITIES	 	1,601.73	1,434.33	
		!	1,001.7.3	.,==:+:==]	

In capture, to the fith Bureau integral part of the studies of her dial Statements.

An inchesing part or even date attached

For G. P. AGRAWAL & CO. CHARTERED ACCOUNTANTS Firm's Registration No.302082E

CALAJAY AGRAWAL PARTNER

MEMBERSHIP No. 17643

For and on behalf of the Board of Directors of **HIGH QUALITY STEELS LIMITED**

A. K. NANDA

A. K. SINHA

Director

Director

DIN: 00201378

DIN: 07820983

12 cms DAW 8 Sall

R.R.SINGH Director

[0, test = 13th May, 2019]

Photo:

Noikata DIN: 07820973

HIGH QUALITY STEELS LTD.

C/O TEXMACO LTD., AGARPARA WORKS, KOLKATA-700056

CIN. U27101W81964PLC026001

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs. in Lakh)

	Particulars		Year Ended	Year Ended	
		No.	31st March, 2019	31st March, 2018	
	Revenue from operations	2.0	629.01	571.65	
j	Other income	21	123.64	105.48	
11	Total income (I + II)		752.65	677.13	
V	Expenses				
	Employee benefits expense	22	618.70	567.75	
	Finance costs	23	88.71	81.20	
ļ 	Other expenses	24	11.60	2.39	
_	Total expenses (IV)		719.01	651.34	
V	Profit before tax (III - IV)		33.64	25.79	
l VI	Tax expense				
	(L) Current tax		10.15	12.21	
	(2) Deferred Tax	[-	10.84	
			10.15	23.05	
ΛH	Profit for the year (V-VI)	ļļ	23.49	2.74	
VIII	Other comprehensive income A (i) Interest hat will not be reclassified to profit or loss Remeasurements of the defined benefit plans (ii) Income tax relating to items that will not be reclassified to profit or loss		1 5.90 -	25.17	
	Bii) Items that wis be replassified to profit or loss		-	-	
			15.90	25.17	
	Total Comprehensive Income for the year (VII+VIII)		39.39	27.91	
	Encloses per equity share (Par value of Rs. 2.50 each) (1) Basic (2) Diluted	25	1.94 1.94	0.23 : 0.23	

The accompanying notes 1 to 36 are an integral part of the Standalone Financial Statements.

As per our report of even date attached.

For G. P. AGRAWAL & CO. CHARTERED ACCOUNTANTS Firm's Registration No. 302082E

CA. AJAY AGRAWAL PARTNER

100

MEMBERSHIP No. 17643

For and on behalf of the Board of Directors of HIGH QUALITY STEELS LIMITED

A. K. NANDA

Director

A. K. SINHA Director

DIN: 00201378

DIN: 07820983

12 ano Pamerry

R.R.SINGH

Director DIN: 07820973

Place : Kolkata Dated : ±3th May, 2019

CHA! (01/101/101/2019)	
Cash Floy Statement for the year	r cinded 31st March, 2019

				(Rs. in takh)
A Cash Flow From Operating Activities: Cash Flow From Operating Activities:		,		
	A Cash Flow From Operating Activities:	٠	15, March, 2019	315t March, 2019
SS ST ST ST ST ST ST ST			32.54	18.70
	the first one of the control of the first part to will be decided with a way and the			13.3
Case of the period period period Changes Case of C			88.7	8173
Cash Flow From Francing Activities: Cash Flow From Investing Activities: Cash Flow From Francing Activities: Cash Flow	Mary Mary Control of the Control of		(122, 39)	33(4/47)
12 12 12 13 13 13 13 13	Operating Profit before Working Capital Changes		(0.54)	2.57
	es letter tip i reserva en sold en door op 'n de droeken dig en de skelen en de gegender.			
Cash Generated from Operations 123.75 66.04 Not Cash Flow from Operating Activities 16.02 (21.58) 8. Cash Flow From Investing Activities: 189.77 44.16 4. Cash Flow From Investing Activities: (2.76) (2.76) 4. Share the Cash Black for the Cash Block for the Cash			85.39	.12 39)
18573 66.04 16.02 171.881 189.77 44.16 4			38.90	73.55
	Cash Generated from Operations		123.75	66.04
d. Cash Flow From Investing Activities: (2.76) Cash Flow From Investing Activities: (2.76) Cash Flow From From From From From From From From			16.02	(21.68)
Continue of Note Continue of St. (2.76) (2	Not Cash Flow from Operating Activities	[139.77	44.16
145 44	d. Cash Flow Fram Investing Activities:			
14 15 15 15 15 15 15 15				(0.26)
1476 10.43			(145,44)	(76.75)
Comparison of the Second Sec			(40.10)	(6.1.0).
C. Cosh Flow From Financing Activities:		·	14.25	10.44
1. Section 1.	Nutries of a network graduit ex	İ,	(1/1.28)	(129.57)
18.57 31.23 54.74	·			
Not Change: in Cash & Cash Equivalent (A-8-C) 13.0.67) Cash and Cash Equivalents Opening Balance 12.14 42.81			40.00	65.00
Not Change: in Cash & Cash Equivalent (A-8-C) (0.28) (30.67) Cash and Cash Equivalents Opening Balance 12.14 42.81			18 57:	-37 <u>-13</u> 7.
Cash and Cash Equivalents Opening Balance 12.14 42.81	and the control of th		31.23	54.74
Control Court of the Court of t			(0.28)	[30.67]
Cash and Cash Equivalents - Closing Balance* 12.14			12.14	42.81
	Cash and Cash Equivalents - Closing Balance*		11.86	12.14

reduced the reactific established a respective for

The production of the continuous continuous continuous endiner the second of the continuous AS Zacastrania, Statements of the continuous terminal and the continuous termi

Change in Capilities arising from financing activities.

And the Comment and the first on in promotive degree outstanding the year or depth for Darge 2019 are as to give

				Cash flows *	Others ^	As at 31st
			March, 2018			March, 2019
Constitution	With the Marian		843.0	¥:: :::		883.10
1,110	in the first one in with which perfect that exper-	12.	7, +1		79.84	152.78
Lated			920.94	40.10	79.84	1,040.88
		-	As at 31st	Cash flows		As at 31st
the state of	A 153 PART SHOW DO		March, 2017;		. 1.	March, 2018 345 Cc
11.00	and a more above of the more group to the Supplement				4, 54	71,64
Total			785.00		72.94	920.94
	inflows an including the triple of plants of the					

The contribution of the property of the state of the state of

and the control of th

and the control of th		(Rs. In Lakh)
	As at 31st March, 2019	As at 31st March, 2018
Tall that I	315; William 2019	STST WINTER , 2018
And Hards (March	Qr. C	6.60
a 2 into with sureral Asimilar His year of him and not be to	10.86	12.14

 σ will already algebras for the solven which tages the following standardness over the standardness over th

and entire the property of the united to de-

Tor G. P. AGRAWAL & CO. CHARTERED ACCOUNTANTS Firm stregistration No. 3020821

100 LA ALAY AGRAWAL PARTNER MEMBERSHIP No. 17643

For and on behalf of the Board of Directors of HIGH QUALITY STEELS LIMITED

> A. K. NANDA A. K. SINHA

Director Director DIN: 00201378 DIN: 07820983

Real Residence Director

D:N: 07820973

zaros in NO Batali Tate: 13th May 2019

HIGH BUSHEY STEELS LTD.

C/O TEXMACO LTD., AGAEPANA WORKS, KOLKATA-700056

CIN. U27101VVB1964PLC026001

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

(a) i quity Share Capital

(Rs. In Lakh)

	(NS. III Lakii)	
Particulars	Number	Amount (Rs.)
Equity Share of Rs. 2.50 each issued, subscribed and paid-up		
At the beginning of April 1, 2017	12,10,622	30.27
Changes in equity share capital during the year		
Balance as at the end of March 31, 2018	12,10,622	30.27
Changes in equity share capital during the year		
Balance as at the end of March 31, 2019	12,10,622	30.27

(b) On er Equity

(Rs. In Lakh)

Particulars Particulars	Reserves & Surplus Other Comprehensive Income				Total
	General	Retained	Remeasurement of		
	Reserve	earnings	Defined Benefit Plan		
Balance as at 1st April, 2017	10.00	180.93	-	190.93	
instruments year	-	2.74	· · · · · · · · · · · · · · · · · · ·	2.74	
Others are not be save income for the year	.		25.17	25.17	
Total Comprehensive Income for the year	-	2.74	25.17	27.91	
Transfer from other comprehensive income diemeasurement					
gain loss not of tax) to retained carnings		25.17	(25.17)		
Balance as at 31st March, 2018	10.00	208.83	-	218.83	
Thut then the year		23.49		23.49	
City on It makes envise income for the year	1	-	15.90	15.90	
Total Comprehensive Income for the year		23.49	15.90	39.40	
Transfer from other comprehensive income grameasurement					
given as a condition to retain adminings		15.90	(15.90)		
Balance as at 31st March, 2019	10.00	248.23		258.23	

The action onlying notes into Aurician integral part of the Standalovic Undeclar Statements

Ninen i winepolitief ever bata intlached

For G. P. Agrawal & CO.

Спртытов Аррынальы

Flom Riigistration Not 3020821

CA. Ajay Agrawal

Partier.

Membership No. 17643

For and on behalf of the Beard of Directors of

HIGH QUALITY STEELS LIMITED

ll ar

A. K. NANDA Director

DIN: 00201378

A. K. SINHA Director

DIN: 07820983

12 ed to 1 sent (12 fee 2)

Director

DIN: 07820973

Place - Kolkata

Dated . 13th May, 2019

IIIGH OUALITY STUFLS LTD. O IFXMACOTTD., AGARPARA WORKS, KOLKYTA (1800)So. JIN. U27101WB1964PIC026001

NOTES TO FINANCIAL STATEMENT

1 GENERAL CORPORATE INFORMATION

Fign Quality Steels Limited (the Company") incorporated in 1964 has its Registered Office at c/o Texmaco Infrastucture & Holainas Illimited Belgiberia Kolkata-700 056.1he Company has no manufacturing activity. Company's source of income is Manbower Supply and Business Auxiliary Services.

The financial statements for the year ended 31st March, 2019 were approved by the Board of Directors and authorized for issue on 13th May, 2019.

2 SIGNIFICANT ACCOUNTING POLICIES

(i) Statement of compliance

These tinancial statements have been prepared in accordance with the Indian Accounting Standards (referred to as find ASI) as prescribed under Section 135 of the Companies Act. 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

(ii) Basis of Accounting

The financial statements have been prepared on the ristorical bost basis, except for certain financial instruments which are measured at fair values at the original each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

At the assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and current set but it seriedule the Division Is) of the Companies Act 2013.

The Company has ascertained it's operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(iii) Use of Estimates

The preparation of the Financial Statements in conformity with INDIAS requires the Management to make estimates, judgments and assumptions, These estimates, judgment and assumptions affect the application of accounting policies and the reported amount of assets and Laborities and cisclosure of contingent Figorities on the date of the Financial Statements and reported amounts of revenues and cisclosure rotate year.

(iv) Financial Instrument

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and fiabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not measured at fair value through profit or loss, are added/ deducted to the fair value on it to progetion.

corresponded financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the class feation of the financial assets

a.) Financial assets carried at amortised cost

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

b.; Investment in Equity Instruments at fair value through other comprehensive income

On initial recognition, the Company can make an irrevocable election (on an instrument oy-instrument pasis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value reliable security is secure other comprehensive income.

(HGH QUALITY STEELS LTD.

O TEXMACO LTD., AGARPARA WORKS, KOLKA FA (700) 156

CIN. U27101W81964PLC026001

JOJES TO FINANCIAL STATEMENT

c.) Financial assets at fair value through profit or loss

Alf handial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss

d.) Financial liabilities

Emacolal liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Baiance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

c.) Investment in Subsidiaries and Associates

investment in Subsidiaries and Associates are carried at cost in the Financial Statements

f.) impairment

The Trimmany assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

g.) Offsetting Financial Instruments

i mand all assets and liabilities are offset and the net amount is included in the Balance Sneet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability is multaneously.

(v) Revenue Recognition

with offect from 1st April 2018, the Group has adopted aid AS 115 "Revenue from Contracts with Customers" using the conductive cotton by transition method applied to compacts were not completed as of 1st April, 2018. Accordingly, the compactives have not been retrespectively adjusted. The offect on adoption of Ind AS 115 was insignificant.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to customers in accordance with Ind AS 115.

If will carbany recognizes revenue to depict the transfer of promised goods or services to customers in amounts that reflect the machine to which the Company expects to be entitled in exchange for those goods or services by applying the following steps:

Step -1 identify the contract with a customer

Step 2 (dentify the performance obligations in the admiract

Step (5) Determine the transaction price

Step (4) Allocate the transaction price to the performance doligations in the centract.

Step ib. Recognize the revenue when jor as) the Company subsiles a performance obligation

the Milin party is engaged in the trushloss of providing increbooks and other business aux ary services. Revenue from Operations.

nevenue from supply of manpower is recognised if the performance obligation for the same is satisfied. Performance obligation is satisfied over the period of time. The company measures its progress towards satisfaction of performance obligation by using out, at method as specified in the standard on the basis or number of labours and manhours provided.

Other Income:

interest Income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal purstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts to use the expected life of the financial asset to the asset shed carrying amount on initial recognition.

HIGH QUALITY STEELS LID.

COTTAMACOTID. AGARPARA WORKS, KOLKATA CHRS6

CIN. U27101WB1964PLC026001

GOTES TO FINANCIAL STATEMENT

Dividend Income is recognized as and when right to receive payn ont is established provided that it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably.

Gair (Coss) on sale of Current/ Non Current Investments are recognized at the time of redemption/sale and at fair value at each reporting period.

Insurance and other craims are accounted for as and when admitted by the appropriate authorities in view of uncertainty involved in ascertainment of final claim.

(vi) Provisions and Contingent liabilities

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence of one or more uncertain future events not wholly within the control of the Company or is a present obligation that arises from past events but is not indegensed because either it is not probable that an outflow of resources embodying economic penofits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Confingent liabilities are disclosed and not recognized

(vir) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

(viii) Cash and Cash Equivalents

The Company considers at liquid financial instruments, which are readily convertible into known amount of cash that are subject to tak as go ficant hisk of change in value and having original maturities of less than three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balance with banks which are unrestricted for withdrawal and usage

(ix) Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

a.) Current income taxes

The current income tax expense includes income taxes payable by the Company and its branches in India and overseas. The current tax payable by the Company in India is incian income tax payable on worldwide income. Current income tax payable by overseas branches of the Company is computed in accordance with the tax laws applicable in the jurisdiction in which the respective branch operates. The taxes paid are generally available for set off against the indian income tax liability of the Company's worldwide income. Advance taxes and provisions for current income taxes are presented in the balance sheet after offsetting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit interests to settle the asset and liability on a net basis.

b.) Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount except when the deferred facome tax arises from the entire recognition of an asset or cability in a transaction that is not a business comeanation and effects between accounting nor taxable profit or icas at the time of the transaction. Deferred income tax assets are recognised to the extern that it is propable that taxable profit whole available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax essets can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

HIGH QUALITY STEELS LTD. OFFENMACO LTD., AGARPARA WORKS, KOLKATA T00056 CIN. U2/101WB1964PLC026001

NOTES TO FINANCIAL STATEMENT

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Defor editax assets include Minimum Alternative Tax (6.14.1) paid in accordance with the tax laws in India, which is likely to give feare economic benefits in the ferm of availability of set off against future income tax liability. Accordingly, MAT is recognised as defenred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

(x) Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year adjusted for the effects of all dulitive potential equity shares.

(xi) Cash Flow Statement

Cash Flow are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruais of past or future cash receipts or payments. The cash flow from regular revenue generating financing and investing activities of the Company are segregated.



FIIGH QUALITY STEELS LTD. C/O TEXMACO LTD., AGARPARA WORKS, KOLKATA-700056 CIN U27101WB1964P: C026001

Notes to financial statements (Contd.)

Investment (Non-current)	As at 31st March, 2019	(Rs. in Lak
Investment in Equity Instruments	313(14)(11), 2015	31st March, 201
Fully paid equity shares		
In subsidiaries (At cost)		
Toutiow Build ich Pet I (d. (Wholly owned) (unducted) 20 TeE (8 JOZ 18, 80 JOZ Shares of Ry. 10 each	2.00	2.0
Startfee Focuse Ratius a Whork Cardinal and acted This LERG On 18 ALL Laborators of By I dileach Startfee Cardinal Control of All Cardinal Control of Cardinal Control	2.00	::
Provide Gradiave Pvt. List. (Wholly owned: (Unbudged) Tuild (12 for the 20list in Sherre of syl) (Overan	7.00	2:
In an Associate (At cost)	;	
National Relief (Associated Associated Assoc	0.26	
Total	6.26	6.2

Not - 4	Loans A partition contributes against	As at 31st March, 2019	(Rs. in takh) As at 31st March, 2018
ļ	Total	1 015.30 216.19	1.009 88 / 79 75
i	1013	1,231.52	1,086.08

Note 6 Trade Receivable		(Rs. in Lakh)
	As at	As at
The state of the s	31st March, 2019	31st March, 2018
Total (find the distribution)	96.50	157.50
1000	96.50	

Note 7 Cash and Cash Equivalents		(Rs. in Lakh)
and cashe cashe quivalents	As at	As at
	31st March, 2019	31st March, 2018
to the control of the	u đu	. 44
Letter and Assembly the Company of the Company	1.63	9.97
Fotal	5.37	4.55
	10.86	12.14

Note 8 Other financial assets	As at	(Rs. in Lakh)
	31st March, 2019	31.st March, 2018
A featurity endorgers that sheets Contact naturable	0.32	10.46
Fota!	202.51	93.98

Not 19 Current Tax Assets (Net)		(Rs. in Lakh)
The state of the s	As at	As at
	31st March, 2019	31st March, 2018
Advantage of the Country State of Countr	5a.54	28.24
Total	(22.36)	
10131	14.28	28.24

Noti 10 Other current assets		(Rs. in Lakn)
Total Corner Corner assets	As at 31st March, 2019	As at
a se 190 a miligrouphe a no pelulinhi ent		31st March, 2018
Total	C.G2	0.22
<u></u>	0.02	0.22



(Rs. in Lakh)

Sufc 11 Share Capital	As at 31st March, 2019	As at 31st March, 2018
Authorised		
Thus is not fixed by Sharts and house west. Which Notices TOOK I (all of 1000 hoursy of Rs. 2,500), each;	400.00	400 00
I will fill encremency charges of Relightly leach	100.00	1,00 (0)
21st Nation 721E dis Lifetius professione strane of Rs. 1707-leading		
Issued]	
18 16 See Foulty Shares of IRs. 7 50/Feach	45.42	45.42
Elist March 2015: 98 de set liquity Share et Rs. 2 50% each)		
Substitibed and Paid up		
and the standard and the control of the standard standard	30.07	30.27
in in Manna Taliffer (2011) (2014) (2014) (2014) (2014) (2014) (2014)		
the law on shares are her also. Firsh as a limit extent are & mail as eather	i l	
Morroug Director, that will be supplied.		

Notes:

3. Reconcliation of number of Issued, Subcsribed and Paid-up Capital

	31.0	3.2019	31.03.	.2018
	No. of	Amount	No. of	Amount
	Equity Share	(Rs. In Lakh)	Equity Share	(Rs. In Lakh)
Numer Shares it the long of mark hit elegan	12,10,622	30.27	12,10,622	30.27
на в Получеский не жиз выподательного		:		
Two sharps at the color the year	12,10,622	30.27	12,10,623 (30.27

4. The name of Shareholder holding more than 5% of Equity Shares

Nume of Snareholder	% of Holding	No. of Equity Shares held	% of Holding	No. of Equity Shares he d
Turner & charter with a second	1	12 (6.012)	10V	1. 13.a.U

 $5. \, Shares held by holding/ultimate holding company and/or their subsidiaries/associates:\\$

Name of Shareholder	% of Holding	No. of Equity Shares held	% of Holding	No. of Equity Shares held
Company)	100	12,10.622	100	12,10.522

(Rs. in Lakh)

12 Other equity	As at	As at	
	31st March, 2019	31st March,	2018
A. General Reserve			
Turning and A	1	0.00	
Closing balance	1	0.00	10.0
6. Other Conigrehensive Income			
As remain a Administra			
end On in Comments and in the measure	7 (0.4)	25,17	
Control of the difference of the control	(19 2 2)	(25.17)	
Closing balance			-
C. Retained Larnings			
Exercise a latter of a mitter of the leaf	20.5 63	180.93	
Automotive track	23,40	2.74	
App. True Bertholm Street Combinenesses of time	15.90	23.17	
Closing balance	24	8.23	208.8
Total Reserve & Surplus (A + ii + C)	25	8.23	218.8

(Rs. in Lakh)

Note 13 Other Financial liabilities (Non current)	As at	As at
	31st March, 2019	31st March, 2018
Latitatian couper se	2.60	174
en unt quert d'Amprègne et la Décret Mit	68 96	62.23
ut is the tark	3.25	1.50
Total	69.81	64.77

 $^{1.756~\}mathrm{G}/\mathrm{mass}~\mathrm{myrence}~\mathrm{asset} f ~\mathrm{shares}~\mathrm{referred}~\mathrm{to}~\mathrm{asset}~\mathrm{outy}~\mathrm{Shares}~\mathrm{max}~\mathrm{ng}~\mathrm{par}~\mathrm{value}~\mathrm{of}~\mathrm{Rs}.2.50.$

In the exercicles with it of the cumicary, the holders of eacity shares will be entitled to receive any of the remaining essets of the company, aftir but on other cities in occurs, however, no such preferent aliannounts exist currently. The distribution will be in proportion to the cumical county shares have been absoluted.

state 3.1 Pro-		(Rs. in Lak
Note 14 Provisions (Non current)	As at	As at
	31st March, 2019	31st March, 20:
A SECTION OF THE SECT		
***	12.49	13.4
	101.08	92.5
ictal	114.57	106.4
Note 15 Trade payables		(Rs. in Lak
Note 15 Trade payables	As at	As at
	31st March, 2019	31st March, 201
 Notes and tand modular enterprises 		
per 40 ingoit, relither town into bilismus und diedium exterior ses	42.96	43.9
Total Total	43.96	43.9
Note: This will built is not the consistent of a fundation label or on a find singular rection relatives by the Dream consistent of the consistency of the consisten		
oti (a Serro», ags (Current)	06.00	(Rs. in Lak
	As at	As at
	31st March, 2019	31st March, 201;
the system of the control are specification of specification		3237 (1101011, 2011
 Street in Ling are devan over deep dr. Street in Ling are. 		3134 March, 2011
Total	388.10	a48.00
A Committee of Archael		a48.00
Total	388.10 888.10	5-48.4(848.00
A Committee of Archael	368.10 888.10	548.00 848.00
lote 17 Other Linancial liabilities (Current)	388.10 888.10 As at 31st March, 2019	5-48.00 848.00 (Rs. in Lakh As at
Total	388.10 888.10 As at 31st March, 2019	548.00 848.00 {Rs. in Lakh As at 31st March, 2018
lote 17 Other Linancial liabilities (Current)	388.10 888.10 As at 31st March, 2019	548.00 848.00 (Rs. in Lakh As at 31st March, 2018
Total Jote 17 Other Linancial liabilities (Current) Lorent Autreau or Line Total	388.10 888.10 As at 31st March, 2019 192.78 152.78	548.00 848.00 {Rs. in Lakh
Total	388.10 888.10 As at 31st March, 2019 152.78 As at	548.00 848.00 (Rs. in Lakh As at 31st March, 2018 72.94
Total	388.10 As at 31st March, 2019 192.78 152.78 As at 31st March, 2019	348.00 (Rs. in Lakh As at 31st March, 2018 72.94 72.94 (Rs. in Lakh As at
Total	388.10 As at 31st March, 2019 192.78 152.78 As at 31st March, 2019	5-48.00 848.00 (Rs. in Lakh As at 31st March, 2018 72.94 72.94 [Rs. in Lakh
Total	As at 31st March, 2019 152.78 As at 31st March, 2019 152.78 As at 31st March, 2019 17.34 170.46	548.00 848.00 (Rs. in Lakh As at 31st March, 2018 72.94 72.94 (Rs. in Lakh As at 31st March, 2018
Total	388.10 As at 31st March, 2019 192.78 152.78 As at 31st March, 2019	\$48.00 848.00 {Rs. in Lakh As at 31st March, 2018 72.94 72.94 (Rs. in Lakh As at 31st March, 2018
Total Jose 17 Other Linancial liabilities (Current) Lorent Automatical Liabilities Total Other Current liabilities . Total of the research of an acade Millionary of the research of the rese	388.10 As at 31st March, 2019 152.78 As at 31st March, 2019 152.78 As at 31st March, 2019 27.99	848.00 {Rs. in Lakh
Total	As at 31st March, 2019 152.78 152.78 As at 31st March, 2019 17.34 170.45 27.99	\$48.00 Rs. in Lakt As at 31st March, 2018 72.94 72.94 (Rs. in Lakh As at 31st March, 2018 9.75 30.26 Rs. in Lakh As at
Total	388.10 As at 31st March, 2019 152.78 As at 31st March, 2019 152.78 As at 31st March, 2019 27.99	\$48.00 Rs. in Lakt As at 31st March, 2018 72.94 72.94 (Rs. in Lakh As at 31st March, 2018 9.75 30.26 Rs. in Lakh As at
Total	388.10 As at 31st March, 2019 192.78 192.78 As at 31st March, 2019 17.74 10.46 27.99 As at 31st March, 2019	348.00 (Rs. in Lakh As at 31st March, 2018 72.94 (Rs. in Lakh As at 31st March, 2018 0.11 9.75 30.26 (Rs. in Lakh As at 31st March, 2018
Total	As at 31st March, 2019 152.78 152.78 As at 31st March, 2019 17.34 170.45 27.99	\$48.00 Res. in Lake As at 31st March, 2010 72.94 (Rs. in Lake As at 31st March, 2018 9.73 30.26 {Rs. in Lake As at

ote 19 Provisions (Current)	As at 31st March, 2019	As at 31st March, 2018
us \$100 for highly selected to		
et acc	3.57	
25 to 1.	17.85	3 1
Total		13 64
	16.02	18.81

test 10 Page and the second	· · · · · · · · · · · · · · · · · · ·	(Rs. in Lakh)
Not. 20 Revenue from operation:	Year ended	Year ended
	31st March, 2019	31st March, 2018
s of Services (All appears) supply	629.01	371.55
Total	629.01	\$71.65

Noth 21, Other Income	Year ended 31st March, 2019	Year ended 31st March, 2018
r Derest in or me		
Trum Other	122.89	401.13
		104.42
	$\circ \circ_{\mathbf{c}}$	0.02
at 12 kg in general automotive gale	3.09	1.04
Tota.	123,64	105.48

Employee Benefit Expenses	Year ended	(Rs. in Lakh Year ended
	31st March, 2019	31st March, 2018
nound Wages and e.m. Clatter it and other, identified Ethologis	579.18	15.1.73
the strain of the strain of	a	53.29
Turning Such Turning against such sensi	21.21	22.00
and Westare base has	1.76	1.72
Total	618.70	567.75

(Rs. in Lakh)

(N. A. 21 (C		[RS. In Laki			
Note 23 Finance Costs	Year ended	Year ended			
	31st March, 2019	31st March, 2018			
threst Expenses					
129 - 69	38.71	81.29			
Tota:	88.71	81.20			

R۶.		

atr 24 Other expenses	Year ended 31st March, 2019	Year ended 31st March, 2018
The state of the s	0.12	0.09
Note that the particular of the control of the cont	1.33	J :12
91 C 012 (03)	0.03	J 02
Tiple is sinal Counges	0.32	
Survey Car British Rolander Abyuk edi	10.32	Ç 13
AvaitMa Remoneration	3.45	0.58
Leign Charges		1.20
At stage & Telephones explanses	0.03	0.03
Total	11.60	2.39

Note: Payment to the Auditor

9.32	0.30
0.12	0.12
0.03	0.11
0.45	0.53
	0.12 0.03 0.45

Note 25 F	FARNING PER SHARE:		31st March, 2019	31st March, 2018
P.	Amount used as numerator			
	the Committee of American Seal	(A)	23 49	2.74
	And the transfer will be to the first of the property of the first of	in that the task barning.		()
-	•	(8)	17,10,672	12,10,522
:	A first dissertion in the first term of the first processing the section of	national processing	1	
	$(x_1, x_2, \dots, x_n, x_n, x_n)$	(C)		
·	 If the discrete regions 		2.50	3.04
:	Boltoning Korologick	(A/B)	1.94	0.23
	Lilidato Pali o ny Ren Bolove i esi j	(A/C)	1.94	0.23

Note 26 Related party disclosures:

Relationship	2018-2019	2017-2018
 Parties Where Control Exist	Subsidiaries:	Subsidiaries:
	nother and a more weather the con-	and wipfule Con player (P) is to
	chartness area aventilla at a	startree Enhave (4) into
1	for his wild in dean (R) sta	Touriow 30 Idear (b) Ltm.
	Associate Company:	Associate Company:
}	a your lone systems the dur	Fight it Rail Systems (R) Ltd
	Holding Company: Township of betall turn Robert Bright de-	Holding Company: Textoscolofrastructure & Follologis Ltd

Transactions	6	nali e	- Z 1 1 1 1 1 1	- 1- 1	(Rs. in takh)
ransactions	Associate	Holding Company	Subsidiaries	Grand Total	Balance
			(Wholly Owned)		Outstanding as on
					31.03.19
Sale of Services		7.11	I	25.11	0.91
	1.1	, Market	· .	(15.63)	(1.87)
Luans and Advances:	Т				
The first of costs with with a first time.		40.70		40.10	888.10
ļ		200 (199)	177	(63.00)	(848.00)
Light is a position to select that	7 (5) 44		-	139.44	216.19
	(75.75)	1.7	(÷)	(76.75)	(76.75)
To the Automotive But the	.		2.00	2.00	338.44
	: [1	1.1		(336.44)
21U1194 (1974 PM 1871)			7.02	2.00	338.44
	. :		(0)		(336.44)
Snown un Conclive Retata			2.00	2.00	338.44
i		; ;			(336.44)
Investments.				<u> </u>	
to the time of the time to the time of	Ì				0.26
į	7.61			(0.26)	{0.26}
				*	2.00
	Į.				(2.00)
Mindraed Garage Total	i				2.00
ļ	1		i ,		(2.00)
an with section Avenue to the			1	-	2.00
			+		(2.00)

LOSE 27 EMPLOYEE BENEFITS:

- The production of the European Court Court and amplayed the control of the control of acceptance of the Statement of Profit and Loss. 1)
- 2; Leave:

 $\mathcal{A}(A) = 11$ by sign subtraction dissertion actuard, we lightly all the limit of the $\mathcal{M}(A)$

3: Gratuity:

Gratuity and twis accounted for dated on actual all valuation at the end of the year.

Defined Benefyt Plans - As on March 31, 2019

	Transactions	Unfunded Gratuity	tueto este de conserva		Rs. In Lakt	
		1	Unfunded Gratuity	Unfunded Leave	Unfunded Leavi	
i.	Change in Benefit Obligation	2018-19	2017-18	2018-19	2017-18	
-	en illy 30 too linguishing on the year			·		
	of the Care	108.67	111.79	16.38	15 ci	
	SECOND STANCE IN I	8.35	8 21	1.26	1.70	
	La disease to 6 dist (Norman men) Filings (12.65	15.79	2.07	1.1.	
	4.1.5 (A) 10.00 (A)	!				
	The section of the se	İ				
	Autom Collaboration Co., gatern	ا مدانید				
	The second of the second	(35,90)	(25.17).	(4.93)	4.57	
		ļ l				
	Liability at the end of the year		400.00	· · · · · · · · · · · · · · · · · · ·		
I	Fair Value of Plan Assets	113.93	108.62	16.23	16.38	
	in that all of Mich Assets at the pagenting of the year					
	The sales of the Possers and Copyring growth a year in such that Renumber and an Asserts	· 1	İ			
	Contract as		•			
	Benefit and	!!!	•			
	Actuanty Sainty Leason On gatter	- i				
	To nively of Plan Assets at the end of the year	(15/90)	(25.17)	(4.03)	V1.57	
	Total Actuarial (Gain) / Less to be Recognised					
	Actual Return on Plan Assets	(15.90)	(25.17)	(4.03)	(4.67	
	and the state of a second					
	The Artifician Control of Control				-	
īV.	white estudy on Planchasets	·				
14.	Amount Recognised in the Balance Sheet					
	and that there is in the year	113.73	1./3/62	16.73	10.34	
	interest of fig. Asymptotic end in the print					
	- 10 mm	* * 4:	108 32	Te 33	10.36	
	Little Lattered Food and Little Committee					
<u></u>	Amount Recognised in the Balance Sheet	113.93	108.62	16.23	16.38	
	Expenses Recognised in the accome Statement					
			13 /2	2.62	5.17	
	į	7.55	::	1.25	1.02	
	order for exemple of the Allerts	[
	invited fast + 10th file entry and and	(15.90)	(25.17)	(4.03)	(4.67)	
	in terms to the Custy. The indepted one left in the Leiker ognised]				
	To a particle Cast in Wested Benefit, to be religible.	i l				
	offection Currain will be Settlement	! !	-	Ī		
	Custo ments and Section on its	i	<u> </u>	- 1		
	Expenses Recognised in the Statement of Profit and Loss	5.31	(3.17)	(0.15)	(0.28)	
VI.	Balance Sheet Reconciliation					
	de grant de la	108 62	111,79	16 33	16.66	
		5.31	(6.17)	(0.15)	(0.28)	
	in the lateral factors ago,					
	into an U.Datta fine wich sentier and					
	and tyPid	į				
	Amount Recognised in the Balance Sheet	113.93	108.62	16.23	16.38	
Val.	Actuarial Assumption					
	Unit and Sete Congrit	7.6 %	7,705.	7.60 ts	/31.	
	Habe Telephone Syll No. 15			7"]		
	in the confidence of the confi	5).)	0,11,14,1	5.0017	5.00 %	

The solution of the contraction of the solution $\hat{\theta}$, where $\hat{\theta}$

division of the deposit and many

EWILL PLACENWAL & CO. CHAP TERLID ACCOUNTANTS Stim's Registration No.302082E

CA, AJAYJAGRAWAL

Pilice i Kolkata

Date in 13th May, 2019

PARTNER MEN OF RSHIP NO.017643

For and on behalf of the Board of Directors of HIGH QUALITY STEELS LIMITED

A. K. NANDA Director DIN: 00201378

A. K. SINHA Director DIN: 07820983

12 of a 1 on good Director

DIN: 07820973

HIGH QUALITY STEELS LTD.

Notes to Financial Statements (Contd..)

Note 5 Deferred tax (Net)

As	at	M	arch	31.	2019
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Particulars	Opening	Recognized in	Reclassified	Recognized in	Closing
	Balance	profit or loss	from equity to	other	Balance
			profit or loss	comprehensive	
·				income	
	Amount	Amount	Amount	Amount	Amount
Tax effect of items constituting deferred tax assets					
Provision for Gratuity, Bonus, Leave etc.	39.36				39.36
Net deferred tax liability/ (assets)	39.36	-	-		39.36

۸.			1-	2.1	3010
44.5	ďΤ	IVIA	rcn.	-16 J.	2018

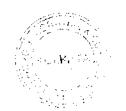
Particulars	Opening Balance	Recognized in profit or loss	Reclassified from equity to profit or loss	Recognized in other comprehensive income	Closing Balance
	Amount	Amount	Amount	Amount	Amount
Tax effect of items constituting deferred tax assets					
Provision for Gratuity, Bonus, Leave etc.	50.20	(10.84)			39.36
Net deferred tax liability/ (assets)	50.20	(10.84)	-	-	39.36

HIGH QUALITY STEELS LTD.

$\frac{CO.11.XMACO.LID.,AGARPARA.WORKS,KOLKA.LA.700056}{CIN. U27101WB1964PLC026001}$

Tax Expense

Note No. 28 Tax Expenses		(Rs. in Lakh)		
	For the Year ended			
Particulars	31 March. 2019	31 March, 2018		
a) Tax Expense				
Current Tax				
Current tax on profits for the year	10.15	12.21		
Adjustments for current tax of prior periods				
- Lotal current tax expense	10.15	12.21		
Deferred Tax				
Detreasmendrease in deferred tax assets		10.84		
Fred case increase in deferred tax liabilities				
oral defende tax expenses/(benefit)		10.84		
Tax Expense	10 15	23.05		
b) Reconciliation of tax expenses and the accounting profit multiplied by Indis'a tax rate				
Profit before tax	33.64	25.79		
Tuxis) the indian tax rate of 26,00% (previous year - 28,84%)	8.75	7.44		
Tax offeet of amounts which are not deductible (taxable) in calculating taxable income				
Corporate social respensibility expenditure	-			
Disal owance of estimated expenditure to earn tax exempt income	•			
Income from rented property (not)				
Income from investment	•			
Income from investment + LTCG		-		
Companies Act Depreciation		10.01		
Concrete and a second of the s	1.40	15.61		
Tax affect of accounts which are deductible then taxables in calculating taxable income income income income income.				
Income Tax Act Depreciation				
Income from investment				
Income from fair valuation of mutual funds				
on come from rented property	-			
Cities Content on the property	-			
Tax offect of other adjustment	-			
theome tax for earner years				
Indexation benefit on Land/Mutual fund & GAAP differences				



23.05

10.15

JUGH QUALITY STEELS LED. O HAMACO I ID., AGARPARA WORKS, KOLKA IA-700056 CIN. U27101WB1964PLC026001

NOTES TO HINANCIAL STATEMENT

Note No 29 Financial Risk Management Objectives and policies-

The Convenies activities ϵ is set the about Risk Tiguiet, Risk Maiket Risk, and Figury Price Risk

In sireto ware is the situate of its war on the Company is excised to and how the Company manages the risk and the imbact. The management thing company discreasing these pre-dentified interest of and integrated in accordance with the Risk Management Policy of the company. The the formulars and to the powderness management and a state, by these risks and to atect, skindstragement policies which are given as under

The Conicarly kits attitudinabilities comprise borrowings, one tallcred tors and trade and other payables. The company's financial assets include trade and other is to use escaps and assnieds valents in settments including investments in subsidiatios, loans & advances and deposits

A Credit Risk (A 684 that counterparty may not must its obligations under a financial instrument or customer contract, leading to a financial loss in our repression to the Review of the Company is exposed to credit risk from its operating and fundical activales.

substituted credit that is the respective malketing department subject to the Company's established body procedures and control relating to costomer area fir xk management. The Conteany reviews too creatwarm ness of these dustamers on an on-going basis. The Conteany estimates the electric proof less on the basis of past one expensive and policy aid down in the respect. The maximum exposure to the presc has at the rube the date at the partying value of the trade receivables in according Note 10 as the Company does not not any colateral as security. The Ormbany has a cratice to provide for quantity bubbs as per its approved bolog

1. Liquidity Risk. Vire this the Conducty may make about leading in neet as od gations at a reasonable price is defined as idually risks. The conduction is the conduction of the conduction

for violativis of interest of antamia openic particles of though and foxitury though the uso of dash creats. Term bans emorg

On Market Risk: A risk triat the fair value of future tash flows of a financial instrument may fluctuate occause of changes in market pricks is obtained as DV vecting Risk. Such changes in the value of financial instruments may result from changes in the foreign currency exchange rates. nt mesticates in each industrial distressment existingles.

Fill eigh Dunic Light Air so that the fair value of future value of the cash flows of forex exposure will fluctuare because of changes in foreign A prange three is duffield as Floreign Compnay Risk. The Compnay's exposure to the risk of phanges in foreign expirange rates relates primarily to The Campany Relief to the properties of the properties of the state of the Company as perits resimanagement problems as a series resimanagement problems as a series of the management problems as a series of the management management of the series of the management of the series of the management of the series humber on a continuous pressi

5. Equity Price Risk- All As that the fair value or future lash flows of a financial instrument will fluctuate because of changes in equity prices. the finance, see all seep from interest nate on to eight exemander associate whether those changes are exused by factors specific to the individual and a facture of the second of the factors afferming all is or an feature of the ments traced in the market is defined as Equity Price Risk.

The demand of the productions have an expensive outsideness. Associates, upon Ventures and some of the group demander as cartist to the median of the second of the group demander as cartist to the production of the second of t

Note No 30 | Capital Management

The dismostry's substance and investigate particular seasons determine equity as to safeguare to e-Company's ability to commute as a going to the August of the recursion of shareholders and conditions to their stakeholders, while protecting and strengthening the Balance Sheet missign the very consist owence of elect and equity runding. The Company manages its capital structure and makes adjustments to it in taking into it is default from Comen to bond tions and strategic objectives of the Comegany

Note No 31 Fair Value

Carrying amounts and tair values Pair Value through Profit 50, uss IFIVTPL) of financial instruments, including the rilevels in the fair value in granding their lines are considered.

Financial instruments. Accounting, Classification and Fair Value Measurement.

A. Accounting classification and fair values

		Carrying amount			Rs. In Lak		
31st March 2019	FVTPL FVTOCI	Amortised Cost*	Total	Lever 1	Level 2	Level 3	Totaf
inancia: Assets (Long Term)		1			···•		
<u> </u>		ê Pe İ	6.26		9.70		6.26
Tads & Advances		1,235.92	1,231.52			1,231.52	1,231.52
Others				"	-		-
Financial Assets (Short Term)		,			!		
multistinia ita	1		- :		-	- :	
	··· <u>-</u> · · · ·	93.50 .	96.50			96.50	96.50
process of the control of the contro		10.85	10.86		· · · · · · · · · · · · · · · · · · ·	10.86	10.86
j sate kao ili wilde h		202.93	202.93			207.93	202.93
			-		!		
Tota.	- -	1,548.07	1,548.07		6.26	1,541.81	1,548.07
mancia: liabilities (Long Term)							
12.1 10.38 17.18							-
i strejingt executed the		+ ± × *	69.81		:	69.81	69.81
Smancial Sabilities (Short Term)]		
1.6 °C		han 12 T	888.10		1	888.10	888.10
<u> 4 - 5 - 4, 5 - </u>		Aller *	43.96		1	43.90	43.96
i di Marana di Barilli di Marana di Barilli di Marana di Barilli di Marana di Barilli di Marana	† " † 1	717.78	152.78		ļ	152.73	152.78
			·			:	
lotai		1,154.65	1,154.65	-	- :	1,154.65	1,154.65

			Catrying amount			Fair value			
	31st March 2018	EVTPL	EVTOCE	Amortised Cost*	Total	Level 1	l.evel 2	Level 3	Total
Innancia! As	ssets (Long Term)	··	ļ. ļ			–			
			†1	L	6.26		6.2e		6.26
	2 (1 + X Arr.) (1			0.050.08	1,086.08			1,086,08	1,086.08
	, items				• []		
Linguiciai As	ssets (Short Term)								
	material and a								
·	I trade Beorgy and I in I in I			18732	157.59		. !	157.59	157.59
	Zastrandi con e illi in estre		<u>.</u> [114	12.14		l	12.14	12.14
	g dan <u>Board</u> & Timer			1.74,44	104.44			104 44	104.44
-	gora distance di propinsi di p								
Total				1,366.51	1,366.52		6.26	1,360.25	1,366.51
ofinancia ha (ibilities (Loan Term)						i		
!	1 0 1 1 2 A 1 A 1 A 1 A 1 A 1 A 1 A 1 A 1 A		•						· · · · · · · · · · · · · · · · · · ·
l Figure 1	Altrent fine house care to			<u> </u>	64.77		,	64.77	64.77
i inalicias lia	ibilities (Short Form)	a		5.15 (5	848.00		• •		0.40.00
· · · · · · · · · · · · · · · · · · ·	Liberrowings			770.1012 43.50		·		<u>848.00</u> :	848.00
i	Trace Payage				43.96			43.95	43,96
	Compression of a section of the sect			17 94	72.94			72.94	72.94
ota.				1,029.67	1,029.67			1,029.67	1,029.67

The land available provide lighter small s

1. Measurement of fair values

the factor of the body of a constraint of the contract of the

Level - Educated prices (undo a literal mortism markets for loant call a settle on laborates)

To the Distribute states than obscure observed udea with a Lewis Ethat the pay rotal from the asset on liability, either directly (i.e., as prices) or indirectly the contract of the contract of the state of the state of the contract of t

C. Valuation feeningues

the following methods and assumptions were used to estimate the fair values:

The residence of the model of the model of the state of the annother content than the short term comowing from a mission of the content of th

the form receivables, on twinter-recording to the Combine of the Combines of the Combines in the example of the Combines of t

on the country of the monte of the from persent mental institution and other financial/ficulties is exempted by discounting future cash flows on the country of the country

HIGH QUALITY STEELS LTD. C/O TEXMACO LTD., AGARPARA WORKS, KOLKATA-700056

CIN. U27101WB1964PLC026001

Note No.32 Information about Segment Working is given below:

(Rs. in Lakh)

	2018-19	2017-18		
	Manpower	Manpower		
	Services	Services		
Revenue (Net of Excise Duty and Cess)				
External Sales	629.01	571.65		
fotal Revenue	629.01	571.65		
Result				
Segment Result	(0 53)	2 56		
Unal ocated Corporate Expenses	-	-		
Operating Profit'(Loss)	(0.53)	2.56		
Finance Costs (Interest Expense)	(88 71)	(81 20)		
Interest Income	122 89	104_42		
Total Profit/(Loss) before Tax	33.64	25.79		
Provision for Current Tax	10.15	12 21		
Provision for Deferred Tax	-	10.84		
Het Profit/(Loss)	23.49	2.74		
Other Information				
Segment assets	1 601 72	1 434 33		
Unallocated Corporate assets	-	-		
Total assets	1,601,72	1,434.33		
Segment liacilities	1,313 22	1,185 22		
Unal ocated percenate : apilities	-			
Total Liabilities	1,313.22	1,185.22		

Hote No.33 Disclosure of Information in accordance with Ind AS 115 "Revenue from contracts with customers":

:) Disaggregation of Revenue:

(Rs. In Lakh)

Type of Services	2018-19	2017-18
Supply of Manpower	629 01	571.65
Revenue from contract with customers	629.01	571.65

b) The above mentioned revenue has been recognised based on performance obligation satisfied over a period of time

c) Contract Balances:

(Rs. In Lakh)

Particulars	2018-19	2017-18
Trade Receivables (Refer Note No 6)	96 50	157 59
Advance from customers	•	-
Revenue recognised out of Contract Liab lities at beginning of [
the year	-	-
Hevenue recognised out of Performance poligation performed		
t uring previous year	-	-

Note No.54 Standards Issued but not yet Effective i) Ind AS 116

and AS 1 relis offective for period beginning on or after 1st April 2019, this unreplace previous lease standard ind AS 17

the AS 116 sets but the principles for recognition, presentation and disclosure of leases and requires lessees to account for all leases under a single on balance sheet model similar to accounting for finance leases under IndiAS 17.

this ASTITIC requires lossees to recognize a ingrit-of-use asset and a floaso liability for almost all leasing arrangements. Lessor accounting under the AS 116 is substant ally unchanged from today's accounting under Ind AS 17. The lessor still has to classify leases as either finance or operation.

The Company is evaluating the impact of the standard and amendment on the financial position and results of operation

ii) Appendix C, Uncertainty over Income Tax Treatments to Ind AS 12

Appendix C has been added to IndiAS 12 which seeks to pring diarity to the accounting for uncertainties on income tax treatment that are yet to be consistent by tax authorities and to reflect in the measurement of current and deferred taxes

The Countriers is evaluating the intoact of the standard and amendment on the financial position and results of operation

an Prepayment Features with Negative Compensation, Amendments to Ind AS 109

the singnaments relate to the existing requirements in hid AS 100 regarding termination rights in order to allow measurement at amortised cost for ladged naigh the business model lat fair value through other comprehensive income; even in the case of negative compensation payments. The Coincary does not expect this amendment to have any impaction its financial statements.

(v) Plan Amendment, Curtailment or Settlement- Amendments to Ind AS 19

ton Light Garon, 2019, Ministry of Corporate Affairs, issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan. arrend nons, curtailments and settlements

This amor amonts reduce an entity

- +to use updated assumptions to determine outrent service cost and not interest for the remainder of the period after a plan amendment. gurta: mont or settlement, and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not arey dusly recognised because of the impact of the asset ceiling

Effective dute for application or this abrendment is annual corloadleg coing on or after April 1, 2019. The Company does not have any impaction account of this amenument.

Note No.35 Providuo year bg. (c.) also been regrouped rearranged restated recast wherever necessary to confirm this year class floation.

Note No.36 Figures below its 5%0 inlevel begin on the disclinating of TRS 500% and labove have been rounded off to the Hext Rs.1000

FOR G. P. AGRAWAL & CO. CHARTERED ACCOUNTANTS Firm's Registration No.302082F

CA. AJAY AGRAWAL PARTNER

иемвекsній NO.017643

Place: Kolkata

Dated: 13th May, 2019

For and on behalf of the Board of Directors of

HIGH QUALITY STEELS LIMITED

A. K. NANDA Director

DIN: 00201378

DIN: 078Z0983

A. K. SINHA

Director

12 878 61 610 50 X (V) R.R.SINGH

Director

DIN: 07820973