

ANNUAL REPORT

2016-17

PRADYUMNA STEELS LIMITED

PRADYUMNA STEELS LIMITED

BOARD OF DIRECTORS

Shri Rajendra Prasad Mody
Shri Raghavendra Anant Mody
Shri Arun Kumar Mehta
Shri Shreekant Agarwal
Shri Deepak Kejriwal
Smt Nisha Singh

COMPANY SECRETARY

Ms. Anchal Jain

STATUTORY AUDITOR

M/S Agarwal Sultania & Associates
32, B B D Bagh (South),
Kolkata 700001

BANKERS

HDFC Bank Limited
ICICI Bank Limited

REGISTERED OFFICE

27, Sir R N Mukherjee Road,
Kolkata-700001
Phone- 033 22480166
Fax- 033 2248 8957
Email- opa@heilindia.com
CIN- L27109WB1972PLC028537

PRADYUMNA STEELS LIMITED

27, R. N. MUKHERJEE ROAD, KOLKATA – 700 001 * PHONE – 033 2248 – 0166 (3 LINES)
FAX – 033 2248 – 8957 *email: opa@heilindia.com* CIN: L27109WB1972PLC028537

NOTICE

NOTICE IS HEREBY GIVEN THAT THE FORTY FOURTH ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF PRADYUMNA STEELS LIMITED WILL BE HELD ON WEDNESDAY, 2ND AUGUST, 2017 AT 11 A.M. AT THE REGISTERED OFFICE AT FLAT NO 702, 7TH FLOOR, KANCHANJUNGA BUILDING, 18 BARAKHAMBHA, ROAD NEW DELHI, 110001, TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2017 including Audited Balance Sheet as at 31st March, 2017 and Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Rajendra Prasad Mody (DIN: 00140503) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications or re-enactment thereof, for the time being in force), M/s B K Shroff & Co., Chartered Accountants, (Firm Registration No. 302166E), be and is hereby appointed as the Statutory Auditors of the Company in place of M/s. Agarwal Sultania & Associates, Chartered Accountants, (Firm Registration No. 323364E), the retiring Statutory Auditors, to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of forty ninth Annual General Meeting of the Company to be held in the year 2022 subject to ratification of their appointment by the members at every Annual General Meeting till the forty ninth Annual General Meeting at such remuneration as may be mutually decided by the Board of Directors of the Company and the Statutory Auditors."

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification, if any following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Deepak Kejriwal (DIN: 07442554), who was appointed as an additional Director of the Company with effect from 10th November, 2016, pursuant to Section 161(1) of the Companies Act 2013 by the Board of Directors and as per articles of Association whose term of

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office as an additional director expires at this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director as per Section 160 of the Companies Act 2013, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

**By Order of the Board,
For PRADYUMNA STEELS LIMITED**

**S K Agarwal
(Director)
DIN: 01226368**

Place: New Delhi
Date: 15th June, 2017

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from 27.07.2017 to 02.08.2017 (Both days inclusive) for AGM.
3. Shareholders desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
4. In case of joint holder attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members who hold shares in physical form are requested to notify any change in their address/mandate/bank details/e-mail address to the Company at the registered office at 27, R N Mukherjee Road, Kolkata, 700001.
6. Brief particulars of the Directors of the Company proposed to be appointed or re-appointed at the ensuing Annual General Meeting are given in the annexure.
7. Members / Proxies should bring the Attendance Slip duly filled in for attending the meeting.

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8. Members are requested to register their e-mail addresses with the Company / Depository Participant to enable us to send you the Report and Accounts, Notices etc. in electronic mode, as a measure of support to the Green Initiative in Corporate Governance of the Ministry of Corporate Affairs, Government of India.
9. The Company has provided facility of e-voting to its members as prescribed under the Companies Act, 2013. The instructions for e-voting are annexed to this Notice.
10. Corporate Members intending to send their authorized representative are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
11. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued there under will be available for inspection by the members at the Annual General Meeting.
13. The instructions for e-voting are as under:
 - i. Pursuant to provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to provide remote e voting facility to members to cast their vote on all resolutions set forth in the notice convening the 44th Annual General Meeting. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting (AGM) (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
 - ii. The facility for voting through ballot paper shall be made available at the AGM premises and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - iii. The members who have cast their vote by remote e-voting may attend the meeting but shall not be entitled to cast their vote again.
 - iv. The remote e-voting period commences on 30th July, 2017 (9:00 AM) and ends on 1st August, 2017 (5:00 PM). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 27th July, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

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- v. The process and manner for remote e-voting are as under:
- A. In case a Member receives an email from NSDL:
- (i) Open email and open PDF file viz.; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL:
<https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select “EVEN” of “Pradyumna Steels Ltd”.
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to droliapraavin@yahoo.co.in with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) Initial password is provided in the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
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- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- vi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- vii. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- viii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- ix. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 27th July, 2017.
- x. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 27th July, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- xi. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- xii. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- xiii. Mr. Pravin Kumar Drolia, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xiv. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

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- xv. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xvi. The Results declared along with the report of the Scrutinizer shall be placed on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Calcutta Stock Exchange Associated Limited.

14. Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the brief profile of Directors eligible for re-appointment vide item no. 2 is as follows:

Name of Director	Shri Rajendra Prasad Mody	Shri Deepak Kejriwal
Date of Birth	18.06.1937	03.08.1966
DIN	00140503	07442554
Date of Appointment	25.01.2006	10.11.2016
Expertise	More than 50 years of experience in variety of Industries and promoter of Various Company.	Experience of More than 20 years in Finance, Accounting and Strategic.
Qualification	Graduate	Chartered Accountant, B Com.
Directorships held in other public Companies (excluding foreign Companies and Section 8 Companies) as on 31.03.2017	Hindusthan Urban Infrastructure Limited Hindusthan MISWACO Limited Intercontinental Trading and Investment Company Limited Orient Bonds and Stock Limited Hindusthan Consultancy and Services Limited Hindusthan Vidyut Corporation Limited Hindusthan Engineering & Industries Limited	Foster Engineering Industries Limited Carbo Industrial Holdings Limited Hindusthan Business Corporation Limited Jai Commercial Company Limited
Memberships/Chairmanships of other public Companies (Includes only Audit Committee	NII	NII

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and Stakeholder Relationship Committee) as on 31st March, 2017		
Shareholding in the Company	NIL	NIL
Relationship with other Directors	Grand Father of Shri R. A Mody	None

**By Order of the Board,
For PRADYUMNA STEELS LIMITED**

Place: New Delhi
Date: 15th JUNE, 2017

**S K Agarwal
(Director)
DIN: 01226368**

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EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item No. 4

Mr. Deepak Kejriwal (DIN: 07442554) was appointed w.e.f 10th November, 2016 as an additional Director of the Company pursuant to Section 161(1) of the Companies Act 2013 by the Board of Directors of the Company.

In terms of the provisions of Section 161(1) of the Act, Mr. Deepak Kejriwal (DIN: 07442554) would hold office up to the ensuing Annual General Meeting.

The Company has received a notice in writing from a Member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Deepak Kejriwal (DIN: 07442554) for the office of Director.

Deepak Kejriwal (DIN: 07442554) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and given his consent to act as such. Deepak Kejriwal (DIN: 07442554) possesses appropriate skills, experience and knowledge, inter alia in the field of finance and Investments.

Keeping in view of his vast experience and knowledge, it will be in the interest of the Company that Deepak Kejriwal (DIN: 07442554) should be appointed as Director and whose office will be liable to retire by rotation.

Save and except Deepak Kejriwal (DIN: 07442554), none of the other Directors of the Company /their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at item no 4 of the notice.

The Board recommends the ordinary resolution set out at item no 4 of the notice for approval by the members.

**By Order of the Board,
For PRADYUMNA STEELS LIMITED**

Place: New Delhi
Date: 15th JUNE, 2017

**S K Agarwal
(Director)
DIN: 01226368**

Placed before the
Board Meeting held
on 25.05.2017

2
Chairman

Board's Report

Dear Members,

We are pleased to present the 44th Annual Report on the business and operations of your company along with Audited Financial Statements, for the financial year ended March 31, 2017.

FINANCIAL PERFORMANCE

Gross revenue for the current year is Rs. 8,60,32,407/- against Rs. 5,36,56,792/- in the previous year. Profit before depreciation and taxation was Rs. 5,79,077/- against Rs. 44,922/- in the previous year. Profit after tax stood at Rs. 1,75,360/- against a loss of Rs. (1,06,014/-) in the previous year reflecting positive financial performance of the Company.

(Amount In Rs.)

Particulars	31 st March 2017	31 st March 2016
Profit before depreciation & tax	6,66,773/-	1,73,470/-
Depreciation	87,696/-	1,28,548/-
Provision for taxation	4,03,717/-	1,50,936/-
Profit after tax	1,75,360/-	(1,06,014/-)
Profit brought forward	6,77,145/-	7,83,159/-
Transfer to Statutory Reserve Fund under RBI Act	35,072/-	-
Surplus as per Balance Sheet	1,22,752/-	6,77,145/-

TRANSFER OF RESERVES

The Company has transferred Rs. 17,536/- (being 10% of profit after tax) along with Rs. 6,77,145/- being opening balance of Profit & Loss Appropriation Account (profit relating to earlier years) aggregating to Rs. 6,94,681/- to General Reserve and Rs. 35,072/- (being 20% of profit after tax) to Reserve Fund for the Financial Year ended on 31st March, 2017.

DIVIDEND

Due to inadequacy of distributable profits during the fiscal under review, the Board of Directors regrets their inability to recommend a dividend for the Financial Year ended 31st March, 2017.

BOARD MEETING

The Board met five times during the financial year from 01st April, 2016 to 31st March, 2017. The dates on which the meetings were held are as follows:

13nd April 2016, 30th May 2016, 8th August 2016, 10th November, 2016 and 8th February 2017.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Currently, the Board consists of six members, all of them are Non-Executive Directors out of which two are Independent Directors including Woman Director. The Board periodically evaluates the need for change in its composition and size. Non- Executive Directors with their diverse knowledge, experience and expertise bring in independent judgment in the deliberations and decisions of the Board.

Mr. Rajendra Prasad Mody (DIN –00140503) Director of the Company will retire from office by rotation and being eligible offers himself for re-appointment. The Board recommends his re-appointment as Director liable to retire by rotation.

RETIREMENT/RESIGNATION/CESSATION

Mr. M K Jhunjhunwala was resigned from the directorships of the Company with effect from 10th November, 2016. The directors place on record their sincere appreciation of the contribution made by him during his tenure.

APPOINTMENT / RE-APPOINTMENT

Based on the recommendation of the Nomination & Remuneration Committee Mr. Deepak Kejriwal (DIN- 07442554) was appointed as an additional director with effect from 10th November, 2016 who shall hold office till the conclusion of ensuing Annual General Meeting of the Company. The Company has received notice along with requisite deposit from a member proposing his appointment as a director.

INDEPENDENT DIRECTORS DECLARATION

The company has received the necessary declaration from Mr. Shreekant Agarwal and Ms. Nisha Singh in accordance with the section 149 (7) of the Companies Act, 2013 that he/ she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. that the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit or loss of the Company for the year ended on that date;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other -irregularities;
- iv. that the annual accounts have been prepared on a going concern basis.
- v. The company has in place an established internal financial control system and the said systems are adequate and operating effectively. Steps are also being taken to further improve the same.
- vi. The company has in place a system to ensure compliance with the provisions of all applicable laws and the system is adequate. Steps are also being taken to further improve the legal compliance monitoring.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report is enclosed as a Part of this report as **Annexure-I**.

AUDIT COMMITTEE

The Audit committee comprises of Mr. Shreekant Agarwal, Chairman, Ms. Nisha Singh and Mr. Arun Kumar Mehta. There has been no instance where Board has not accepted the recommendations of the Audit Committee during the year under review. The Audit Committee duly met five times during the financial year from 01st April, 2016 to 31st March, 2017. The dates on which the meetings were held are as follows:

13nd April 2016, 30th May 2016, 8th August 2016, 10th November, 2016 and 8th February 2017.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of Mr. Shreekant Agarwal, Chairman, Ms. Nisha Singh and Mr. Arun Kumar Mehta. There has been no instance where Board has not accepted the recommendations of the Audit Committee during the year under review.

During the financial year 2016-17 the Nomination and Remuneration Committee met on 10th November, 2016 and board of directors has accepted the recommendation of the committee.

STATUTORY AUDITORS

M/s. Agarwal Sultania & Associates., Chartered Accountant, (Firm Registration No. 323364E) Kolkata was appointed as a Statutory Auditor of the Company for the period of 3 years at the Annual General Meeting of the Company held on 12.09.2014. Further, in accordance with the requirements of section 139 of the Companies Act, 2013, Company has to rotate its Statutory Auditors from the financial year 2017-18. The Company has received consent letter from M/s. B K Shroff & Co., Chartered Accountants, (Firm Registration No. 302166E), New Delhi and it was proposed to appoint the aforesaid firm as the Statutory Auditor of the Company for the further period of 5 years, subject to the provisions of section 139 of the Companies Act, 2013 and rules made there under. Therefore approval for appointment of Statutory Auditor is being sought from the members of the Company at the ensuing Annual General Meeting.

There are no qualification(s), reservation(s) or adverse remarks or disclaimer in the Auditors Report to the Members on the Annual Financial Statements for the financial year ended 31st March, 2017

SECRETARIAL AUDITOR/AUDIT

In terms of Section 204 of the Companies Act, 2013, the Board has appointed M/s. Mehak Gupta & Associates, (PCS- 15013) Practicing Company Secretary, to conduct the Secretarial Audit for the financial year ended 31st March, 2018.

The Secretarial Audit Report for the Financial Year ended 31st March 2017 is annexed herewith marked as **Annexure-II** to this report. The Comments of the Board on the observation of the Secretarial Auditor forms integral part of Secretarial Audit Report.

INTERNAL AUDITOR

M/s. ADR & Associates., Chartered Accountants performs the duties of Internal Auditors of the Company and their report for the financial year ended 31st March, 2017 is reviewed by the Audit Committee.

Based on recommendation of the Audit Company M/s. G K Nigam & Associates., Chartered Accountants, were appointed as Internal Auditor for the Financial Year 2017-18.

INTERNAL CONTROL SYSTEM

The Company has a strong and pervasive internal control system to ensure well-organized use of the Company's resources, their security against any unauthorized use, accuracy in financial reporting and due compliance of the Company's policies and procedures as well as the Statutes.

The Audit committee reviews the competence of the internal control system and provides its guidance for constant upgrading in the system.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company does not fall under the purview of Section 135 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

During the year, the Company has not entered into any contract/arrangement/transaction with related parties during the financial year ended 31st March, 2017 which could be considered material. All related party transaction was approved by the Audit Committee and the Board. The details of transactions with related parties as per AS-18 are disclosed in notes to accounts of the Financial Statement for the Financial Year ended 31st March, 2017. The disclosure in form AOC-2 is attached as **Annexure-III**.

EXTRACT OF ANNUAL RETURN (MGT-9)

Pursuant of section 92 (3), 134(3) (a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, Extract of annual Return in Form MGT-9 is annexed herewith as **Annexure-IV**.

LOANS, GUARANTEES OR INVESTMENTS

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The detail of the investments made by the company is given in the notes to the financial statements.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Since your Company do not have manufacturing activity, the provisions of Section 134 (3) of the Companies Act, 2013 read with Rule 8 (3) of Companies (Accounts) Rules, 2014, are not applicable.

FOREIGN EXCHANGE EARNING AND OUTGO

Used : NIL
Earned : NIL

PARTICULARS OF EMPLOYEES:

The company has no employee during the year in respect of pursuant to section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managing Personnel) Rules, 2014. Hence no disclosure required.

SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture or Associate Company.

MATERIAL CHANGES AND COMMITMENTS

No material changes or commitments have been occurred between the end of the financial year to which the financial statements relate and the date of this report, affecting the financial position of the Company.

LISTING WITH STOCK EXCHANGE

The equity shares of your Company are listed with the Calcutta Stock Exchange. Listing fee for the Financial Year 2017-18 as applicable have been paid.

LEGAL ORDERS

There are no Significant/material orders of Courts/ tribunal/regulation affecting the Company's going concern status.


PUBLIC DEPOSITS

The Company did not invite or accept any deposit from the public under Section 73 of the Companies Act, 2013 and no amount on account of principal or interest on deposits from public was outstanding as on the date of balance sheet.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company has a Remuneration Policy relating to remuneration of the Directors, senior management including its Key Managerial Personnel (KMP) and other employee of the Company. The Remuneration Policy is in accordance with Section 178 of the Act and rules made there under.

For and on behalf of the Board of Directors



Rajendra Prasad Mody
Director
DIN-00140503



Shree Kant Agarwal
Director
DIN- 01226368

Place: Kolkata
Date: 25th May, 2017

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Structure of the Company and Thrust of the Business

Pradyumna Steels Limited is an Investment Company. The thrust of business is industrial investment, and acquire, hold, and otherwise deal in shares, stocks, debenture stocks, bonds, and securities issued by Government, State, local authority and other marketable securities of a like nature.

Opportunities

NBFCs in India have recorded marked growth in recent years. After their existence, they are useful and successful for the evolution of a vibrant, competitive and dynamic financial system in Indian market. The success factors of their business has been by making the most of their ability to contain risk, adapt to changes and tap demand in markets that are likely to be avoided by the bigger players. Thus the need for uniform practices and level playing field for NBFCs in India is indispensable. Non-Banking Financial Institutions act as critical pillars contributing to macroeconomic stability and sustained economic growth and prosperity due to their ability to finance firms and individuals at a reasonable cost, reduce volatility by providing multiple sources to finance and park funds and enable creation of a competitive environment characterized by a diverse array of products. Going forward, one should expect NBFCs to further strengthen their presence in retail finance and grow at a reasonable health pace.

Threats

The biggest challenge before NBFCs is that they are facing stiff competition from banks and financial institutions, due to their ability to raised low cost funds which enables them to provide funds at much cheaper rate. More stringent capital adequacy norms have been stipulated by competition from commercial counterparts whose capacity to absorb losses is higher, counterparty failures, recommendations being made to increase the purview of monitoring by regulatory authorities increase the threat of losing the essence of Non-banking Finance Companies which are specifically designed to reach out and finance certain target groups.

Segment-wise or product-wise performance of the Company

The Company is a Non-Banking Finance Company (NBFC). It is engaged in the business of financial service activities, except insurance and pension funding activities. Hence, the results for the year under review pertain to only financing activity.

Risks and concerns

The NBFC industry in general faces the risk of re-entry and new entry of players and existence of several unorganised players increasing the competition which mainly affects the asset quality. This is further characterised by captive NBFCs floated by other business houses. Deployment of funds in sensitive and volatile sectors increases the risk exposure while concentration risk increases dependency.

Business Overview financial performance

A detail on Business overview and company financial performance is given and part of the Directors Report of the Company.

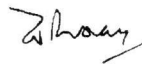
Human Resources

The Company always considers its human resources as a valuable asset and is committed towards their development for continuous growth. Focus on training to enhance the skill-sets of employees in line with the business and market requirements continued throughout the year and it confers rewards and recognition based on merit. The employee relations have continued to be harmonious throughout the year. The Company has two permanent employees as on 31st March, 2017.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic and political conditions in which the Company operates, interest rate fluctuations, changes in Government / RBI regulations, Tax laws, Other statutes and incidental factors.

For and on behalf of the Board of Directors



Rajendra Prasad Mody
Director
DIN-00140503



Shree Kant Agarwal
Director
DIN- 01226368

Place: Kolkata
Date: 25th May, 2017

DROLIA & COMPANY
(Company Secretaries)
9, Crooked Lane, Kolkata - 700069
Mobile: 09831196869; Email: droliapraavin@yahoo.co.in

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st Day of March, 2017

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

To,
The Members,
PRADYUMNA STEELS LIMITED
(CIN: L27109DL1972PLC319974)
27, R. N. MUKHERJEE ROAD,
Kolkata - 700 001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S PRADYUMNA STEELS LIMITED** (here in after called the Company"). The Audit was conducted in a manner that provided us are reasonable basis the corporate conducts/statutory compliances and expressing our opinion there on.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the **M/S PRADYUMNA STEELS LIMITED** and also the information provided by the Company, its officers, and authorised representatives during the conduct of Secretarial Audit we hereby report that in our opinion the Company has during the audit period covering the financial year ended 31st March, 2017 complied with the statutory provisions listed here under and also that the Company has proper Board- processes and compliance-mechanism in place to the extent in the manner and subject to the reporting made here in after:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2017 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contracts (Regulations) Act, 1956 and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye- laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing (NOT APPLICABLE TO THE COMPANY DURING THE AUDIT PERIOD).
- V. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

- b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR)
- VI. [The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company for the financial year ended 31-03-2017:-
- (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 ;
 - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 as amended from time to time; and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;]
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- VII. Reserve Bank of India Act, 1934 and various directions issued by Reserve Bank of India, so far as applicable to Non-Banking Financial Companies.
- VIII. We have also examined compliance with the applicable clauses of the following:
- a) The Listing Agreement and LODR Regulations 2015 of SEBI entered into by the Company with the Calcutta Stock Exchange Limited.
 - b) Secretarial Standards issued by the Institute of Company Secretaries of India (SS1 and SS2) on holding of Board Meeting and Member's meeting.

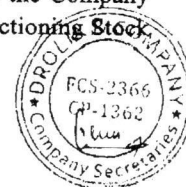
During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. Mentioned above subject to the following observation:

The Companies Act, 2013

- i. The Company has not appointed Key Managerial Personnel except Company Secretary as required under section 203 of the Companies Act, 2013. I have been informed by the management that efforts are being made to comply with the provisions of the Act.

SEBI (LODR) Regulations, 2015 and Various Rules and Regulations made under SEBI ACT, 1992 and SCRA ACT, 1956

- i. Regulation 15 of LODR relating to Corporate Governance is not applicable to the Company.
- ii. It has been informed by the management that since the shares of the Company are listed at the Calcutta Stock Exchange only, which is a non-functioning Stock



Exchange, the Company has complied with the requirements of the Listing Agreement, LODR and various Rules and Regulations made under SEBI Act, 1992 and SCRA, 1956 which the management deems necessary and reasonable.

iii. All the shares of the Company are in physical form.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and LODR regulations 2015

Adequate Notice is given to all Directors to schedule the Board Meetings. Agenda and detailed Notes on Agenda were sent at least seven days in advance, and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaning full participation at the meeting.

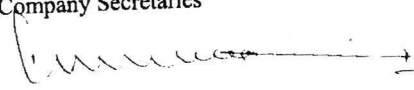
We further report that there are adequate system and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as also represented by the management. All decisions of the Board were unanimous and the same was captured and recoded as part of the Minutes.

We further report that during the audit period, the Company has not made any:

- (i) Public/Right/ Preferential issue of Shares/Debentures/Sweat Equity or any other Security.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger/Amalgamation/Reconstruction etc
- (v) Foreign Technical Collaborations.

Place: Kolkata
Date: 20.05.2017

FOR DROLIA & COMPANY
Company Secretaries


Pravin Kumar Drolia
Proprietor
C.P.No.:1362

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

DROLIA & COMPANY
(Company Secretaries)
9, Crooked Lane, Kolkata - 700069
Mobile: 09831196869; Email: droliapravin@yahoo.co.in

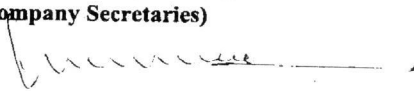
Annexure A

To,
The Members,
PRADYUMNA STEELS LIMITED
(CIN: L27109DL1972PLC319974)
27, R. N. MUKHERJEE ROAD,
Kolkata - 700 001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express as opinion on these secretarial records based on out audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required. We have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis. However, Management of the company reported that website of the company is under process and will be completed soon.
6. The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

FOR DROLIA & COMPANY
(Company Secretaries)


Pravin Kumar Drolia
(Proprietor)
FCS: 2366
C P No.: 1362

Place: Kolkata
Date: 20.05.2017

Form No. AOC-2

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

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

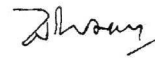
1. Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188:
NIL							

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

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
Shri Rajendra Prasad Mody (Promoter)	Premises given on rent	Until cancellation as per mutual agreement	Company provided a part of its premises on lease for residential use	13.04.2016	NIL

For and on behalf of the Board of Directors



Rajendra Prasad Mody
Director
DIN-00140503



Shree Kant Agarwal
Director
DIN- 01226368

Place: Kolkata
Date: 25th May, 2017

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH, 2017

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L27109WB1972PLC028537
ii.	Registration Date	30/09/1972
iii.	Name of the Company	Pradyumna Steels Limited
iv.	Category/Sub-Category of the Company	Public Company/Limited by Shares
v.	Address of the Registered office and contact details	27, Sir R N Mukherjee Road, Kolkata -700001
vi.	Whether listed company	Listed with CSE.
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	N. A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	Non Banking Financial Company	64990-Other financial service activities, except insurance and pension funding	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.					
2.					
3.			NIL		
4.					

shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others(Specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(2)	-	48,550	48,550	28.14	-	48,550	48,550	28.14	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	48,550	48,550	28.14	-	48,550	48,550	28.14	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1,72,500	1,72,500	100	-	1,72,500	1,72,500	100	-

ii. Share holding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (AS on 01/04/2016)			Shareholding at the end of the year (As on 31/03/2017)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Syt. Rajendra Prasad Mody	13,000	7.54%	NIL	13,000	7.54%	NIL	NO
2.	Smt. Premlata Devi Mody	100	0.06%	NIL	100	0.06%	NIL	NO
3.	Shri Vikram Aditya Mody	800	0.46%	NIL	800	0.46%	NIL	NO
4.	Smt. Sanchita Mody	100	0.06%	NIL	100	0.06%	NIL	NO
5.	Mst. Raghavendra Anant Mody	1,100	0.64%	NIL	1,100	0.64%	NIL	NO
6.	M/s. R P Mody & Sons	2,100	1.22%	NIL	2,100	1.22%	NIL	NO
7.	Mody Investments & Mfg Co. Ltd	41,400	24.00%	NIL	41,400	24.00%	NIL	NO
8.	Hindusthan Consultancy & Service Ltd	22,200	12.87%	NIL	22,200	12.87%	NIL	NO
9.	Intercontinental Trading & Investment Co Ltd	17,250	10.00%	NIL	17,250	10.00%	NIL	NO
10.	Paramount Enterprises Ltd	8,600	4.99%	NIL	8,600	4.99%	NIL	NO
11.	Jai Commercial Company Ltd	50	0.03%	NIL	50	0.03%	NIL	NO
12.	Orient Bond & Stocks Ltd	17,250	10.00%	NIL	17,250	10.00%	NIL	NO
	Total	1,23,950	71.86%	NIL	1,23,950	71.86%	NIL	NO

iii. Change in Promoters' Share holding (please specify, if there is no change)

Sr. no	Particulars	Shareholding at the beginning of the year (As on 01/04/2016)		Cumulative Shareholding during the year (As on 31/03/2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	1,23,950	71.86	1,23,950	71.86
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
3	At the End of the year	1,23,950	71.86	1,23,950	71.86

iv. Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No	Name	Shareholding		Particulars			Cumulative Shareholding during the year (01.04.16 to 31.03.17)	
		No. of Shares at the Beginning (01/04/16)/end of the year (31/03/17)	% of total Shares of the company	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% of total share of the Company
1.	Shri Surendra Kumar Jaipuria	7800	4.52	01.04.2016	-	-	7800	4.52
		7800	4.52	31.03.2017				
2.	Shri Madan Mohan Murarka	3100	1.80	01.04.2016	-	-	3100	1.80
		3100	1.80	31.03.2017				
3.	Shri Kamta Singh	750	0.43	01.04.2016	-	-	750	0.43
		750	0.43	31.03.2017				
4.	Shri Hariram Kasera	750	0.43	01.04.2016	-	-	750	0.43
		750	0.43	31.03.2017				
5.	Shri Bishwanath Kasera	750	0.43	01.04.2016	-	-	750	0.43
		750	0.43	31.03.2017				
6.	Shri Champa Lal Karnani	500	0.29	01.04.2016	-	-	500	0.29
		500	0.29	31.03.2017				
7.	Shri Monari Singh	500	0.29	01.04.2016	-	-	500	0.29
		500	0.29	31.03.2017				
8.	Shri Girdhari Lal Karnani	500	0.29	01.04.2016	-	-	500	0.29
		500	0.29	31.03.2017				

9.	Shri Gouri Banerjee	500	0.29	01.04.2016	-	-	500	0.29
		500	0.29	31.03.2017				
10.	Shri Kailash Rani	500	0.29	01.04.2016	-	-	500	0.29
		500	0.29	31.03.2017				

v. Shareholding of Directors and Key Managerial Personnel

Sr. No	Name	Shareholding		Particulars			Cumulative Shareholding during the year (01.04.16 to 31.03.17)	
		No. of Shares at the Beginning (01/04/16)/ end of the year (31/03/17)	% of total Shares of the company	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% of total share of the Company
1.	Shri Rajendra Prasad Mody	13,000	7.54%	01.04.2016			13,000	0.64%
		13,000	7.54%	31.03.2017	-	-		
2.	Shri Raghavendra Anant Mody	1,100	0.64%	01.04.2016			1,100	0.64%
		1,100	0.64%	31.03.2017	-	-		
3.	Miss Nisha Singh	-	-	-	-	-	-	-
4.	Shri Shreekant Agarwal	-	-	-	-	-	-	-
5.	Shri Arun Kumar Mehta	-	-	-	-	-	-	-
6.	Shri Deepak Kejriwal	-	-	-	-	-	-	-

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (As on 01/04/2016)				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not				
Total(i+ii+iii)				
Change in Indebtedness during the financial year				
- Addition		NIL		
- Reduction				
Net Change				
Indebtedness at the end of the financial year (As on 31/03/2017)				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17 (2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					/
2.	Stock Option				NIL	
3.	Sweat Equity					/
	Commission - as % of profit - others, specify...					/
5.	Others, please specify					/
6.	Total(A)					/
	Ceiling as per the Act					/

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount (Rs.)
	<u>Independent Directors</u>	Miss Nisha Singh	Shri Shreekant Agarwal				
	· Fee for attending board committee meetings · Commission · Others, please specify	15000	20000				35000
	Total(1)	15000	20000				35000
	<u>Other Non-Executive Directors</u>	Shri Rajendra Prasad Mody	Shri Raghavendra Anant Mody	Shri Arun Kumar Mehta	Shri Deepak Kejriwal#	Shri M.K Jhunjunwala*	
	· Fee for attending board committee meetings · Commission · Others, please specify	25000	20000	5,000	-	5000	55000
	Total(2)	25000	20000	5,000	-	5000	55000
	Total(B)=(1+2)	40000	40000	5,000	-	5000	90000
	Total Managerial Remuneration						
	Over all Ceiling as per the Act						

*Shri MK Jhunjunwala was resigned w.e.f 10.11.2016, # Shri D Kejriwal was appointed as director w.e.f 10.11.2016

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Ms. Anchal Jain (Company Secretary)	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	47,000/-	-	47,000/-
2.	Stock Option	-	-	-	-
	Sweat Equity	-	-	-	-
4.	Commission - as% of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total	-	47,000/-	-	47,000/-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty			NIL		
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors

Rajendra Prasad Mody *Shree Kant Agarwal*

Place: Kolkata

Date: 25th May, 2017

Rajendra Prasad Mody
Director
DIN-00140503

Shree Kant Agarwal
Director
DIN- 01226368

INDEPENDENT AUDITORS' REPORT
To the Members of

PRADYUMNA STEELS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of PRADYUMNA STEELS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, and the Cash Flow Statement for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

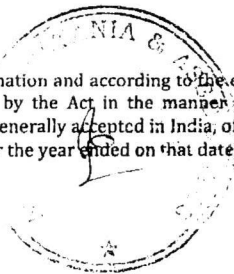
We conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free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

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

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

Opinion

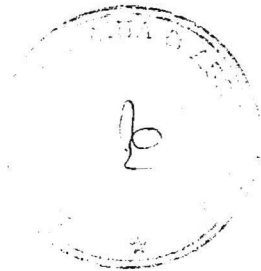
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in exercise of powers conferred by sub-section 11 of section 143 of the Act, we enclose in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by sub-section 3 of Section 143 of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Directors as on March 31, 2017, taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2017 from being appointed as a Director in terms of sub-section 2 of Section 164 of the Act.
 - (f) With respect to the adequacy of Internal Financial controls over financial porting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B", and
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 1. The Company has no pending litigations in its financial statements.
 2. The Company did not have any contracts including long-term derivative contracts for which there were any material foreseeable losses.
 3. There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company.
 4. The Company has provided requisite disclosures in its Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company refer to Note No.25.



AGARWAL SULTANIA & ASSOCIATES
Chartered Accountants
(F.R.No. 323364E)
Kishan L. Agarwal
CA Kishan L. Agarwal
(Partner)
Membership
No.15023

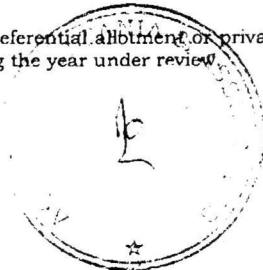
Dated, the 25th day of May, 2017.

Annexure "A" to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2017, we report that :

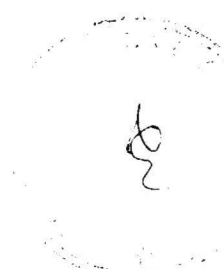
- (i) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets. All fixed assets have been physically verified by the management during the year, at reasonable intervals and nor material discrepancies were noticed on such physical verification. There was no substantial disposal of fixed assets during the year.
- (ii) The Inventories have been physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanation given to us, no material discrepancies noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, LLP or other parties covered in the Register maintained under section 189 of the Companies Act, 2013.
- (iv) In respect of loans, investments, guarantees and securities under section 185 and 186 of the Companies Act, 2013, have been complied with.
- (v) The Company has not accepted any deposits in accordance with the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The company is not required to maintain Cost records and accounts as prescribed by the Central Government under sub-Section 1 of Section 148 of the Act.
- (vii) (a) According to the records of the Company, Income Tax and other statutory dues have been regularly deposited during the year with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax was outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the Company has no disputed amounts under any taxes as at 31st March, 2017.
- (viii) The Company has not defaulted in payment of dues to a financial institutions or banks.
- (ix) The Company did not raise any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year.
- (x) We have verified and according to the information and explanation given to us, no instances of material fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) No managerial remuneration has been paid or provided. Hence, no requisite approval is required which is mandated by the provisions of the section 197 read with schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi company.
- (xiii) All transactions with the related parties are in compliance with section 177 and 188 of Companies Act 2013 and details for the same have been disclosed in the Financial Statements as required by AS - 18.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.



(xv) As per management representation, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.



AGARWAL SULTANIA & ASSOCIATES
Chartered Accountants
(F.R.No. 323364E)

CA. Kishan L. Agarwal

(Partner)

Membership

No.15023

Dated, the 25th day of May, 2017.

Annexure "B" to the Independent Auditors' Report**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 PRADYUMNA STEELS LIMITED ("the Company") as at 31st March, 2017, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, 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.



AGARWAL SULTANIA & ASSOCIATES
Chartered Accountants
(F.R.No. 323364E)

Kishan L. Agarwal

CA Kishan L. Agarwal
(Partner)
Membership
No.15023

Dated, the 25th day of May, 2017.

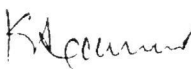
PRADYUMNA STEELS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2017

	Note No.	As at 31.03.2017 (Rs.)	As at 31.03.2016 (Rs.)
<u>EQUITY AND LIABILITIES</u>			
SHAREHOLDERS' FUNDS			
Share Capital	1	17,10,875	17,10,875
Reserves & Surplus	2	4,40,08,475	4,38,33,115
CURRENT LIABILITIES			
Short Term Provisions	3	2,55,602	1,49,405
Other Current Liabilities	4	37,894	38,330
		4,60,12,846	4,57,31,725
<u>ASSETS</u>			
NON CURRENT ASSETS			
Fixed Assets			
Tangible Assets	5	1,88,250	2,75,946
Non-Current Investments	6	1,72,28,132	1,83,87,310
CURRENT ASSETS			
Inventories	7	2,80,18,634	2,63,00,000
Cash & Bank Balance	8	3,14,399	3,20,948
Short Term Loans & Advances	9	2,55,000	4,40,000
Other Current Assets	10	8,431	7,521
		4,60,12,846	4,57,31,725

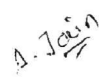
Significant Accounting Policies & Notes
to the Financial Statements 1 to 27

As per our report of even date annexed

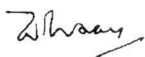
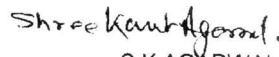
For AGARWAL SULTANIA & ASSOCIATES.
Chartered Accountants,
(Firm's Registration No. : 323364E)


K L AGARWAL
Partner
Membership No 15023
32 B B D Bagh (South)
Kolkata - 700 001
Dated : 25 th Day of May ,2017




A Jain
ACS - 47003

For and on behalf of the Board


R P MODY
DIN No. 00140503

S K AGARWAL
DIN No. 01226368

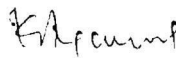
PRADYUMNA STEELS LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH ,2017

	Note No.	Year ended 31.03.2017 (Rs.)	Year ended 31.03.2016 (Rs.)
Income			
Revenue from Operations	11	8,60,24,887	5,35,70,002
Other Income	12	7,520	86,790
Total Revenue		8,60,32,407	5,36,56,792
Expenses			
Purchase Mutual Funds		8,52,18,077	5,23,00,000
Changes in Inventories	13	(17,18,634)	(8,00,000)
Employee Benefits Expense	14	13,45,711	14,69,003
Depreciation And Amortisation Expense	15	87,696	1,28,548
Other Expenses	16	5,20,480	5,14,319
Total Expenses		8,54,53,330	5,36,11,870
Profit before Tax		5,79,077	44,922
Tax Expense			
Current Tax		2,55,602	1,49,405
Earlier Year's Tax		1,48,115	1,531
Profit for the Period		1,75,360	(1,06,014)
Earnings per Equity Share			
Basic / Diluted		1.02	(0.61)

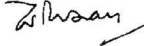

Significant Accounting Policies & Notes the Financial Statements 1 to 27

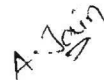
As per our report of even date annexed

For AGARWAL SULTANIA & ASSOCIATES.
Chartered Accountants,
(Firm's Registration No. : 323364E)


K L AGARWAL
Partner
Membership No 15023
32 B B D Bagh (South)
Kolkata - 700 001
Dated : 25 th Day of May ,2017



For and on behalf of the Board

R P MODY
DIN No. 00140503

S K AGARWAL
DIN No. 01226368


A Jain
ACS - 47003

PRADYUMNA STEELS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	Current Year (Rs.)	Previous Year (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax and extraordinary items	5,79,077	44,922
Adjustments for :		
Profit on Sale of Investments in shares	(1,61,916)	-
Depreciation	87,696	1,28,548
Operating profit before Working Capital changes	5,04,857	1,73,470
Adjustments for :		
Inventories	(17,18,634)	(8,00,000)
Trade and other receivables	1,99,090	2,81,825
Trade payable & Other Liabilities	(436)	(15,061)
Cash generated from operations	(10,15,123)	(3,59,766)
Direct taxes paid	(3,12,520)	(1,68,955)
NET CASH FROM OPERATING ACTIVITIES	(13,27,643)	(5,28,721)
B CASH FLOW FROM INVESTING ACTIVITIES :		
Addition in Motor Car / Land & Buildings	-	-
Purchase of Investment in Shares	-	-
Sale of Investment in Shares	13,21,094	-
NET CASH USED IN INVESTING ACTIVITIES	13,21,094	-
C CASH FLOW FROM FINANCING ACTIVITIES		
Reimbursement of Lendings	-	-
Disbursement of Borrowings	-	-
NET CASH USED IN FINANCING ACTIVITIES	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(6,549)	(5,28,721)
CASH AND CASH EQUIVALENTS (Opening Balance)	3,20,948	8,49,669
CASH AND CASH EQUIVALENTS (Closing Balance)	3,14,399	3,20,948

As per our report of even date annexed
For AGARWAL SULTANIA & ASSOCIATES.
Chartered Accountants
(Firm's Registration No. : 323364E)

K Agarwal
K L AGARWAL
Partner
Membership No 15023
32 B B D Bagh (South)
Place: Kolkata
Dated : 25 th Day of May ,2017



A. Jain
A Jain
ACS - 47003

For and on behalf of the Board

R P Mody

R P MODY
DIN No. 00140503

S K Agarwal

S K AGARWAL
DIN No. 01226368

PRADYUMNA STEELS LIMITED

(Amount in Rs.)

NOTES TO THE FINANCIAL STATEMENTS

As At
31.03.2017

As At
31.03.2016

NOTE 1:

SHARE CAPITAL

Authorised

Equity Shares 5,00,000 (Previous year - 5,00,000) of Rs.10 each	50,00,000	50,00,000
	<u>50,00,000</u>	<u>50,00,000</u>

Issued, Subscribed & Paid up :

Equity Shares 1,72,500 (Previous year 1,72,500) of Rs.10 each	17,25,000	17,25,000
Less: Calls in Arrear	14,125	14,125
	<u>17,10,875</u>	<u>17,10,875</u>

N. S.

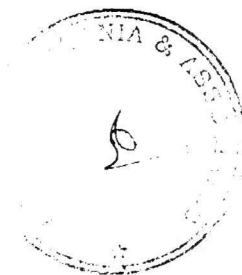
(a) Reconciliation of Equity Share Capital

Particulars	31st March, 2017		31st March, 2016	
	Nos.	Amount in Rs.	Nos.	Amount in Rs.
Shares outstanding at the beginning of the year	1,72,500	17,10,875	1,72,500	17,10,875
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,72,500	17,10,875	1,72,500	17,10,875

(b) List of shareholders holding more than 5% of the Equity Share Capital of the Company

Shareholders Name	31st March, 2017		31st March, 2016	
	No. of Equity Shares held	% of Equity Shares	No. of Equity Shares held	% of Equity Shares
Syt. R P Mody	13,000	7.54	13,000	7.54
Intercontinental Trading & Investments Co. Ltd	17,250	10.00	17,250	10.00
Industhan Consultancy & Services Ltd	22,200	12.87	22,200	12.87
Orient Bonds & Stock Ltd	17,250	10.00	17,250	10.00
Mody Investment & Manufacturing Co. Pvt. Ltd.	41,400	24.00	41,400	24.00

(c) Equity Shares: The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.



PRADYUMNA STEELS LIMITED

(Amount in Rs.)

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 :

RESERVES AND SURPLUS

a) **General Reserve**

Opening Balance	3,74,09,060	3,74,09,060
Add : Addition during the year	6,94,681	-
Closing Balance	<u>3,81,03,741</u>	<u>3,74,09,060</u>

b) **Reserve Fund**

Opening Balance	57,46,910	57,46,910
Add : Addition during the year	35,072	-
Closing Balance	<u>57,81,982</u>	<u>57,46,910</u>

c) **Balance in Statement of Profit & Loss :**

Opening Balance	6,77,145	7,83,159
Add : Net Profit /(Loss) for the year	1,75,360	(1,06,014)
Amount available for appropriation	<u>8,52,505</u>	<u>6,77,145</u>
Less : Appropriations:		
Transfer to General Reserve	6,94,681	-
Transfer to Reserve Fund	35,072	-
Closing Balance	<u>1,22,752</u>	<u>6,77,145</u>
	<u>4,40,08,475</u>	<u>4,38,33,115</u>

NOTE 3 :

SHORT TERM PROVISIONS

Provision for Income Tax	2,55,602	1,49,405
	<u>2,55,602</u>	<u>1,49,405</u>

NOTE 4 :

OTHER CURRENT LIABILITIES

Expenses Payable	34,744	38,330
Dues payable to Govt. Department	3,150	-
	<u>37,894</u>	<u>38,330</u>



PRADYUMNA STEELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5: TANGIBLE FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31.03.2016	Additions	Deductions	As at 31.03.2017	Up to 31.03.2016	For the Period	Adjust ments	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
MOTOR CAR	6,19,282	-	-	6,19,282	3,43,336	87,696	-	4,31,032	1,88,250	2,75,946
TOTAL	6,19,282	-	-	6,19,282	3,43,336	87,696	-	4,31,032	1,88,250	2,75,946
Previous Year	6,19,282	-	-	6,19,282	2,14,788	1,28,548	-	3,43,336	2,75,946	-

PRADYUMNA STEELS LIMITED

(Amount in Rs.)

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 :

NON CURRENT INVESTMENT

a) Immovable Property (Valued at Cost)

	As At 31.03.2017	As At 31.03.2016
Land	81,54,631	81,54,631
Building	50,000	50,000
	82,04,631	82,04,631

b) Quoted-Non Trade Investments

	No. of Shares	Face Value (Rs.)		
Bharat Heavy Electricals Ltd	4,000	2	19,76,745	19,76,745
Hindusthan Urban Infrastructure Ltd	70,000	10	2,49,958	2,49,958
Hotel Leela Ventures Ltd	41,000	2	20,68,984	20,68,984
Intercontinental Trading & Investments Co. Ltd		10	-	22,925
	(P.Y.10000)			
Jai Commercial Co. Ltd	-	10	-	64,300
	(P.Y.24000)			
JSW Steel Ltd	-	10	-	8,70,092
	(P.Y. 700)			
Larsen & Toubro Ltd (Bonus)	660	2	-	-
Orient Bonds & Stock Ltd	-	10	-	31,212
	(P.Y.14650)			
Rallis India Ltd	-	1	-	2,48,027
	(P.Y.1,500)			
			42,95,687	55,32,243

Unquoted-Non Trade Investments

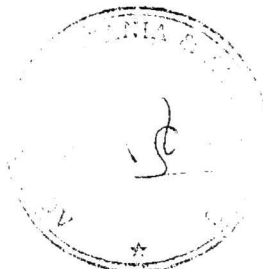
Aradhana Plaza Pvt. Ltd.	-	10	-	5,013
	(P.Y. 500)			
Bengal Carbon Company Ltd	12,470	10	1,24,700	1,24,700
Divaspati Consultancy Services Pvt. Ltd.	-	10	-	9,000
	(P.Y. 900)			
Everlasting Marketing Pvt. Ltd.	-	10	-	9,023
	(P.Y. 900)			
Hindusthan Engineering & Industries Limited	1,25,884	10	42,80,730	42,80,730
Hindusthan M I Swaco Ltd.	20,172	10	2,03,947	2,03,947
Intercontinental Trading & Investments Co. Ltd	10,000	10	22,925	-
Juniper Sales Pvt. Ltd.	-	10	-	9,023
	(P.Y. 900)			
Jai Commercial Co. Ltd	24,000	10	64,300	-
Nartaka Fabrications Pvt. Ltd.	-	10	-	9,000
	(P.Y. 900)			
Orient Bonds & Stock Ltd	14,650	10	31,212	-
			47,27,814	46,50,436

AGGREGATE VALUE OF INVESTMENTS

Immovable Property	82,04,631	82,04,631
Quoted	42,95,687	55,32,243
Unquoted	47,27,814	46,50,436

Market Value of Quoted Investments

1,72,28,132	1,83,87,310
5,41,60,916	35,22,547



PRADYUMNA STEELS LIMITED

(Amount in Rs.)

NOTES TO THE FINANCIAL STATEMENTS

As At
31.03.2017

As At
31.03.2016

NOTE 7 :

INVENTORIES

No. of Units

(at lower of cost or market value)

Stock in Trade - Mutual Fund

ICICI Prudential Liquid Plan (Growth) 1,17,357.649

[P.Y. ICICI Prudential Savings Fund (Growth)] P. Y (1,17,710.298)

(NAV as on 31.03.2017 Rs. 2,81,84,202/-,
P.Y. Rs.2,64,42,959/-)

2,80,18,634

2,63,00,000

2,80,18,634

2,63,00,000

NOTE 8 :

CASH & BANK BALANCE

Cash & Cash Equivalent

~~Balances with Bank~~

Current Account

Cash in hand

3,11,067

2,34,825

3,332

86,123

3,14,399

3,20,948

NOTE 9 :

SHORT TERM LOANS & ADVANCES

(Unsecured Considered Good)

Advance Income Tax

Staff Advance

2,55,000

2,40,000

-

2,00,000

2,55,000

4,40,000

NOTE 10 :

OTHER CURRENT ASSETS

Prepaid Expenses

8,431

7,521

8,431

7,521



PRADYUMNA STEELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

	Year ended <u>31.03.2017</u>	Year ended <u>31.03.2016</u>
Note 11 :		
REVENUE FROM OPERATIONS		
Sales of Mutual Funds	8,57,76,126	5,34,76,847
Dividend	86,845	93,155
Profit on Sale of Investments	1,61,916	-
	<u>8,60,24,887</u>	<u>5,35,70,002</u>
Note 12 :		
OTHER INCOME		
Miscellaneous Receipts	-	79,655
Interest on I T Refunds	3,620	2,485
Rent	3,900	3,900
Liabilities no longer required Written Back	-	750
	<u>7,520</u>	<u>86,790</u>
Note 13 :		
CHANGE IN INVENTORIES		
Stock at the beginning of the year	2,63,00,000	2,55,00,000
Stock at the end of the year	2,80,18,634	2,63,00,000
	<u>(17,18,634)</u>	<u>(8,00,000)</u>
Note 14 :		
EMPLOYEE BENEFITS EXPENSES		
Salaries & Wages	13,45,091	14,66,908
Staff Welfare	620	2,095
	<u>13,45,711</u>	<u>14,69,003</u>
Note 15 :		
DEPRECIATION & AMORTISATION EXPENSES		
Depreciation	87,696	1,28,548
	<u>87,696</u>	<u>1,28,548</u>
Note 16 :		
OTHER EXPENSES		
Rates & Taxes	1,43,963	1,43,963
Rent	1,200	1,200
Professional Fees	34,763	37,424
Fees & Subscription	34,375	33,815
Insurance Premium	9,179	10,825
Miscellaneous Expenses	53,477	54,092
Directors Fees	90,000	85,000
Auditor's Remuneration		
- Audit Fees	15,000	15,000
- Tax Audit Fees	2,500	2,500
- For Certification Fees	14,000	10,500
Vehicle up-keep	1,22,023	1,20,000
	<u>5,20,480</u>	<u>5,14,319</u>



PRADYUMNA STEELS LIMITED

- (17) There is no Micro, small and Medium Enterprises to whom Company owes dues which are outstanding for more than 45 days at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors.
- (18) All the Securities have been held by the Company in its own name.
- (19) The segment reporting as defined in Accounting Standard (AS)-17 is not applicable to the company.
- (20) As availability of future taxable income is not certain, on consideration of prudence, provision for deferred tax assets, is not done in terms of Accounting Standard (AS)-22.
- (21) Related party Disclosures as required by Accounting Standard (AS)-18 :-

(A) List of Related Parties with relationship: -

Sl. No.	Name	Relationship
(i)	Parties which control the company Syt. R P Mody	Promoters holding together with persons acting in concert (PAC) is more than 50%.
(ii)	Directors of the Company	
a)	Shri R P Mody	Promoter Director
b)	Shri R A Mody	-do-
c)	Shri A K Mehta	Non-executive Directors
d)	Shri D Kejriwal	-do-
e)	Smt. N Singh	Women Independent Director
f)	Shri S K Agarwal	Independent Director
(iii)	Other Related Parties	
a)	Promain Limited	Related Parties in broader sense of the term and are included for making the financial statements more transparent.
b)	Hindusthan Engg. & Industries Ltd	
c)	Hindusthan Urban Infrastructure Ltd.	

B) Transactions with Related Parties:

(Rs in lacs)

Particulars	Related Parties			Other related Parties
	Promoters	PAC's	Directors	
Rent Received	0.04 (0.04)	- (-)	- (-)	- (-)
Rent paid	- (-)	0.01 (0.01)	- (-)	- (-)
Sitting Fee	- (-)	- (-)	0.90 (0.85)	- (-)
Dividend Received	- (-)	- (-)	- (-)	0.70 (0.70)
Inter Corporate Deposit Paid	- (-)	- (-)	- (-)	- (-)

PRADYUMNA STEELS LIMITED

Outstanding balance as on 31.03.2017				
Intercorporate Deposits Receivable	-	-	-	-
Interest Receivable	-	-	-	-
C) Amount written off or written back in respect of debts due from or to related parties is NIL.	(-)	(-)	(-)	(-)

Figures in bracket indicates previous years figures.

(22) Earning per share as per Accounting Standard (AS) -20		
Profit/(Loss) after taxation as per Profit & Loss Account	<u>2016-17</u>	<u>2015-16</u>
Weighted average number of equity shares outstanding	1,75,360	(1,06,014)
Basic and diluted EPS(In Rs)	1,72,500	1,72,500
(Face Value Rs 10/- each)	1.02	(0.61)

(23) Particulars as per NBFC Directions (as required in terms of paragraph 9BB of Non-Banking Financial Companies Prudential Norm (Reserve Bank) Directions, 2007)

Particulars	(Rs in lacs)	
LIABILITIES SIDE :		
(I) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :	Amount Outstanding	Amount Overdue
(a) Debentures : Secured	-	-
Unsecured	-	-
(Other than falling within the meaning of public deposits		
(b) Deferred Credits	-	-
(c) Terms Loans	-	-
(d) Intercorporate Loans and borrowings	-	-
(e) Commercial Paper	-	-
(f) Public Deposits	-	-
(g) Other Loans (Specify nature)	-	-
(ii) Break-up (I)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid :	-	-

ASSETS SIDE:

(iii) Break-up of Loans and Advances including bills receivables [Other than those included] :	Amount outstanding
(a) Secured	-
(b) Unsecured	-
(iv) Break up of Leased Assets and Stock on hire and hypothecation loans counting towards EL/HP activities :	-

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PRADYUMNA STEELS LIMITED

(v) Break-up of Investments :	-
a) Current Investments :	
1) Quoted :	
(I) Shares: (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
2) Unquoted :	
(I) Shares: (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-

b) Long Term Investments :	
1) Quoted :	42.95
(I) Shares: (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
2) Unquoted :	47.28
(I) Shares: (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others - Land & Building	82.05

(vi) Borrower group-wise classification of all leased assets , Stock-on-hire and loans and advances :

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties	-	-	-
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties			



PRADYUMNA STEELS LIMITED

- (vii) Investor group-wise classification of all Investments (current and long terms) in shares and securities (both quoted and unquoted) :

Category	Market Value/Break up of fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	209.43	1.18
(c) Other related parties	1315.25	45.31
2 Other than related parties	155.77	43.74

- (viii) Other Information: There are no Non-Performing Assets and no Assets have been acquired in satisfaction of debt.

- (24) All Investments are long term Investments which have been valued at cost. The Market value of the Investments in shares and securities has been substantially eroded due to prevailing depressed market conditions. The same being temporary in nature in the opinion of the management, no provision for diminution in the value of Long Term Investments (Quoted) as appearing in Note-6 amounting to Rs. 27,26,029/- (Previous Year Rs.28,57,287/-) has been made in books of accounts.

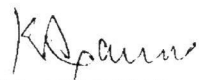
- (25) DISCLOSURE ON SPECIFIED BANK NOTES

	SBN's	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.2016	10,000.00	5.10	10,005.10
(+) Permitted Receipts	---	20,000.00	20,000.00
(-) Permitted Payments	---	9,760.00	9,760.00
(-) Amount deposited in Banks	10,000.00	---	10,000.00
Closing Cash in Hand as on 30.12.2016		10,245.10	10,245.10


- (26) Significant Accounting policies and practices adopted by the company are disclosed in the statement annexed to this financial statements as Annexure – I

- (27) Figures have been rounded off to the nearest rupee.


For AGARWAL SULTANIA AND ASSOCIATES
Chartered Accountants
(F.R.No. 323364E)


K L AGARWAL
(Partner)
Membership No.15023
32, B.B.D.Bagh (South)
Kolkata 700 001.

Dated: 25th day of May,2017


A.JAIN
ACS 47003

For and on behalf of the Board



(R.P.MODY)
DIN NO. 00140503



(S.K.AGARWAL)
DIN No.01226368

PRADYUMNA STEELS LIMITED
SIGNIFICANT ACCOUNTING POLICIES

ANNEXURE -I

SIGNIFICANT ACCOUNTING POLICIES :

(Annexed to and forming part of the financial statements for the year ended 31st March, 2017)

(I) **BASIS OF PREPARATION**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 2(2) and other relevant provisions of the Companies Act, 2013 and the Guidelines issued by the Securities and Exchange Board of India (SEBI).

(ii) **INVESTMENT**

Investments are valued at cost.

(iii) **FIXED ASSETS**

Fixed assets are stated at cost less accumulated depreciation. When assets are sold / discarded, their cost and accumulated depreciation are removed from the accounts and any gain or loss resulting from their disposal is included in the Profit & Loss Account.

(iv) **DEPRECIATION**

Depreciation is provided on written down value method as per the rate prescribed in Schedule II of the Companies Act, 2013. Depreciation on additions / sales has been charged on pro rata basis.

(v) **RECOGNISATION OF INCOME & EXPENDITURE**

Income & Expenditure are accounted for on accrual basis.

(vi) **RETIREMENT BENEFIT**

Provisions of Provident Funds, ESI Act, and Gratuity Act are not applicable to the Company as number of employees are less than minimum required for applicability of respective Acts.

(vii) **DEFERRED TAXATION**

Deferred Tax resulting from timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods is recognized at the current rate of tax, subject to the consideration of prudence in respect of deferred tax assets.

(viii) **INVENTORIES**

Inventories (Units of Mutual Funds) are valued at cost or market price/fair value whichever is lower.



PRADYUMNA STEELS LIMITED

27, R. N. MUKHERJEE ROAD, KOLKATA – 700 001 * PHONE – 033 2248 – 0166 (3 LINES)
FAX – 033 2248 – 8957 *email: opa@heilindia.com* CIN: L27109WB1972PLC028537

ATTENDANCE SLIP

I /we hereby record my/our presence at the 44th Annual General Meeting of the Company at 27 R N Mukherjee Road, Kolkata, 700001 at 11.00 A.M. on Wednesday, the 2nd day of August, 2017.

Regd. Folio No./ DP Id &
Client Id* No.:

Name and Address of the
Member / Shareholder :

No. of Shares held :

(*Applicable for investors holding shares in electronic form)

SIGNATURE OF THE MEMBER _____

NAME OF THE PROXY _____

SIGNATURE OF THE PROXY _____

NOTES:

1. Kindly sign and hand over the Attendance Slip at the entrance of the meeting venue.
2. Shareholder/Proxy holders are requested to bring their copy of the Annual Report for reference at the meeting.
3. The electronic voting particulars are set out below:

EVSN (E-Voting Sequence No.)	User ID	PAN / Sequence No.

Please refer to the attached AGM Notice for instructions on E-Voting.

4. E-Voting facility is available during the following period:

Commencement of E-Voting	End of E-Voting
July 30, 2017 at 9.00 A.M.	August 01, 2017 at 5.00 P.M.

Please read the instructions given at Note No. 13 of the Notice of the Annual General Meeting carefully before voting electronically. These details and instructions form an integral part of the Notice dated 25th May, 2017 for the 44th Annual General Meeting to be held on August 02, 2017.

PRADYUMNA STEELS LIMITED

27, R. N. MUKHERJEE ROAD, KOLKATA – 700 001 * PHONE – 033 2248 – 0166 (3 LINES)
FAX – 033 2248 – 8957 *email: opa@heilindia.com* CIN: L27109WB1972PLC028537

PROXY FORM

Regd. Folio No. / DP Id – Client Id No. :	:
Name of the Registered Holder	:
Address	:
No. of Shares	:

I/We being the member(s) ofshares of the above named Company hereby appoint:

- (1) Name.....Address.....Signature.....or failing him
(2) Name.....Address.....Signature.....or failing him
(3) Name.....Address.....Signature.....

as my/our Proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on 2nd day of August, 2017 at 11.00 a.m. at 27, R N Mukherjee Road, Kolkata, 700001 and any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No	RESOLUTIONS
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 st March, 2017 including Audited Balance Sheet as at 31 st March, 2017 and Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2	To appoint a Director in place of Shri Rajendra Prasad Mody (DIN: 00140503) who retires by rotation and being eligible, offers himself for re-appointment.
3	Appointment of M/s. B K Shroff & Co., Chartered Accountants, as Statutory Auditors and the Board to fix their remuneration.
4	Regularisation of Shri Deepak Kejriwal as a Director of the Company.

Signed thisday of20

Affix Revenue
Stamp

Signature of the Registered Holder

Note:

1. The proxy must be returned so as to reach the Registered Office of the Company at 27, R N Mukherjee Road, Kolkata-700001, not less than FORTY-EIGHT HOURS before the time for holding the aforesaid meeting.
2. A proxy need not be a member of the Company and appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.



Black Hole of Calcutta

General Post Office

Stamps and Coin Shop

Royal Insurance Building

Bankshall Court

Paribahan Bhawan

DEBRAJ HOTELS PVT. LTD.

Calcutta Museum Society

Biria Buildings Limited

St. John's Church

Rashi Peripherals PVT. LTD.

ICICI Prudential Life Insurance Co. Ltd.

Alankit Limited

Sora Biscuits

McNally Bharat Engineering Co. Limited

United Tower

Oberoi Hotels

Office of the Registrar of Assurances

East India House

Dream Job Consultancy

Kata Tea

Saboo Computers

India

Enice

The Laird Great Eastern Kakate

Town Hall

M D Computers Pvt.

Mission Cafe

Shree Venkatesh Films

Falstad

Supreme The IT Mall

Central Paywood

AVJ INFOTECH PVT. LI

Om Logistics LTD.

Tung Nam Chinese

Sams