



MESCO STEEL
Partnering Progress

22nd Annual Report 2014-2015

**MIDEAST INTEGRATED STEELS LIMITED
NEW DELHI**

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CORPORATE INFORMATION

<p><u>Board of Directors</u></p> <p>Chairperson cum Managing Director: Mrs. Rita Singh (DIN 00082263)</p> <p>Director (Finance) & CFO : Mrs. Natasha Sinha (DIN 00812380)</p> <p>Whole Time Directors:</p> <ol style="list-style-type: none"> 1) Mr. Jitendra Kumar Singh (DIN 00090649) 2) Mr. Hanumantha Rao Ravipati (DIN:00044028) 3) Mr. Priyabrata Patnaik (DIN:01709955) 4) Mr. Purna Chandra Sahu (DIN: 01262687) <p>Independent Directors:</p> <ol style="list-style-type: none"> 1) Mr. Debiprasad Bagchi (DIN:00061648) 2) Mr. Dipak Chatterjee (DIN:03048625) 3) Mr. Gurjeet Singh Jawandha (DIN:00213573) 4) Mr. Madhukar (DIN:00558818) 5) Mr. Nandanadan Mishra (DIN:00031343) 6) Mr. Sanjiv Batra (DIN:00602669) <p><u>Company Information</u></p> <p>CIN: L74899DL1992PLC050216 H-1, Zamrudpur Community Centre, Kailash Colony, New Delhi-110048 Tel: +91 (11) 40587085 Website: www.mescosteel.in</p> <p><u>Joint Statutory Auditors</u></p> <p>M/s Todarwal & Todarwal, Chartered Accountants 12, Maker Bhavan No.3, 1st Floor, 21, New Marine Lines, Mumbai - 400 020. Tel: +91 (22) 22083115</p>	<p><u>Joint Statutory Auditors</u></p> <p>Sangram Paul & Co. Chartered Accountants 754-15 Jayadev Vihar. Bhubaneswar - 75 1 013 Ph.: 0674-2360863.</p> <p><u>Registrar and Transfer Agent</u></p> <p>M/s Skyline Financials Services Pvt. Ltd Address: D-153A, Okhla Industrial Area, Phase-II Tel: +91 (11) 26812682 Email: admin@sklylinerta.com</p> <p><u>Plant Location</u></p> <p>Kalinga Nagar Industrial Complex, Khurunti, P. O. Danagadi - 755026 Dist. Jajpur, Odisha</p> <p><u>Mines Location</u></p> <p>Panchvati, P.O: Barbil Road, Barbil, Keonjhar: 758035, Odisha</p> <p><u>Other Offices</u></p> <ol style="list-style-type: none"> 1) Mesco Towers, 3915, Lewis Road, Kedar Gauri Square, Bhubaneswar-751014 2) 16, Strand Road, Diamond Heritage, 14th Floor, Room-1412, Kolkata- 700001 3) 401, Silver Pearl Opp. China Gate Restaurants, Waterfield Road Bandra (W), Mumbai - 400 050
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CHAIRPERSON SPEECH

Dear Shareholders,

It is my pleasure to be with esteemed shareholders on the occasion of 22nd Annual General Meeting of Mideast Integrated Steels Ltd. Your company has not only met the challenges of the year but also pressed ahead with its ambitious plans of expansion in capacities and capabilities. Despite the constraints in the supply of iron ore and a difficult business environment due to global and domestic factors during the year, your company has come out stronger and is now poised for a major transformational change.

In May 2014, iron ore mining operations at Roida came to a standstill on a legal issue. Against the backdrop of a sharp decline in the price of pig iron and difficulties in sourcing of iron ore, your company has delivered a robust performance.

Financial Outcomes

Financial results of the year of 2014-15 were not in line with the past performance of the company; nevertheless the company achieved sales of Rs 5583 million and was able to show some profit in a very challenging year. This drop in performance was due to closing down of iron ore mine for the most duration of the year. This year is remarkable because your company has demonstrated its resilience by making investments for the future and acquired a steel plant during the year. I can say with confidence that the next year we will show a very strong performance in terms of top line and bottom line. I am happy to inform that in July 2015, mining operations at Roida Iron Ore Mine were resumed after a gap of over 14 months.

It is worth mentioning here, that your company is in a much better position than most of the steel companies, which are facing highly stressed balance sheets due to unsustainable debts and other operational issues.

Operational Issues

Your company continued to make investments in the steel plant during the year. Work on wagon tippler and major revamp of second blast furnace were taken up. This would enable us to operate both blast furnaces with greater efficiency in the year 2015-16. The commissioning of the wagon tippler will be done the next year; this would save operating costs on material handling.

Expansion

Indian steel industry is passing through a phase of major expansion; at the same time margins are under pressure with most of the companies having unsustainable debt levels requiring corporate debt restructuring. The national goal is to reach a capacity of 300 MTPA by 2025 while the current capacity is only 110 MTPA. Clearly there is enough room for expansion because of increasing steel demand in the country over the next decade.

Your company envisages being an integrated steel player at its core with diverse businesses having synergies with the steel business. As part of its main focus the company is all set to expand its capacity to 4.50 MTPA in a phased manner. Both organic and inorganic routes of expansion are being pursued. Inorganic route i.e. acquisition of troubled steel plants can quickly add to existing capacities. Further there is a strong case for such acquisitions due to strong balance sheet of the company. I am happy to inform that your company acquired Maithan Ispat Ltd. through a debt-equity deal. With this acquisition your company now has two steel plants with capabilities to produce pig iron, billets, sponge iron and heavy sections used as structural steel.

Modernization and expansion plan of Maithan Ispat Ltd. has been drawn up. In phases, two Electric Arc Furnaces (EAF) would be set up replacing existing Induction Furnaces, along with billet castor of matching capacity. A rolling mill for TMT bars has also been planned to produce TMT bars of Fe 500, Fe500D, Fe550 and Fe550D as per IS1786 specifications.



Existing power plant capacity of 30 MW will also be raised to meet power requirement of expanded facilities. Overall plan is to make Maithan Ispat a 1.0 MTPA plant by adding DRI kilns and other plants of appropriate capacities.

Statutory clearances for expansion of MISL steel plant are being obtained. In the first phase it is proposed to set up a basic oxygen furnace along with a rolling mill as well as commencing work on the third blast furnace to take capacity of the steel plant to 3.50 MTPA.

Outlook for the Next Year

The performance of the company in 2015-16 will rebound strongly. The company shall be running both its blast furnaces so production of pig iron would increase. The Roida Iron Ore Mine has resumed production in July 2015 after a long gap of 14 months. This has eased the supply of iron ore to the steel plant and in the process will improve the bottom line. In the next year prices of iron ore and coke and other raw materials will remain relatively low but the benefit of lower raw material will not be reflected in increased profitability due to softening of prices of pig iron. It is estimated that steel demand will grow at least by 5% in the next year but the prices of steel will remain under pressure, mainly due to rising cheap imports. Surplus capacity in steel in China is behind the drop in prices of commodities and surging imports of steel in India. Overall, despite these global factors, I believe your company will turn out a very strong performance with significant increase in revenue and profits.

Corporate Social Responsibility

Your Company has always treated people living around its areas of operations as the key stakeholders of the business. An entire gamut of community welfare projects as part of Corporate Social Responsibility of your company are planned and implemented year after year. Projects on improving health and education, drinking water and sanitation, along with plantation drive, building rural infrastructure, sponsoring sports and other cultural events of the local community are the areas where your company is an active partner and participant in and around its steel plants and mines. In the year 2014-15, the company spent over ₹ 23.18 million on various CSR projects. Construction of concrete roads, cycle shed, digging bore wells to improve supply of drinking water, providing furniture in schools, organizing free health camps were some of the highlights of community welfare programs during the year.

Your company is well positioned to expand its horizons while tackling various challenges. The knowledge, energy and solidarity of employees and other stakeholders make your company admirable. I also thank my fellow board members whose wise and rational advice is of great value in taking the company forward. Very special thanks to you, our shareholders and partners, for standing with the company in a positive spirit during a very challenging year, enabling your company to come out stronger.

Thank you for your attention.

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Members of the Company will be held on Monday, 28th September, 2015 at 11:00 a.m. at LUTYENS', 222/223, New Mangla Puri, Mehrauli Gurgaon Road, New Delhi - 110 030 to transact the following businesses:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2015, the Profit and Loss Account of the Company for the year ended on that date, and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Hanumantha Rao Ravipati (DIN 00044028), Director of the Company, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
3. To ratify the appointment of the Statutory Auditors of the Company.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Gurjeet Singh Jawandha (DIN 00213573), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 28th January, 2015 under Section 161(1) of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act signifying his intention to propose the candidature of Mr. Gurjeet Singh Jawandha (DIN 00213573), for the office of Director be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or reenactment(s) thereof for the time being in force), Mr. Gurjeet Singh Jawandha (DIN 00213573), who has submitted a declaration that hhe meets the criteria of independence under Section 149(6) of the Act, and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years up to the fifth consecutive AGM of the Company to be held in the year 2020, not liable to retire by rotation.”

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 188 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authority as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to enter into contract with Maithan Ispat Limited (a subsidiary of the Company) (“MIL”), for sale of the products of the Company to MIL on the following terms and conditions:

- a) **Sale price:** The price for sale of the products of the Company shall be negotiated and agreed to by both parties based on estimated total costs and risk & return considering prevalent market conditions.

- b) **Payment Schedule:** To be agreed by both the parties on order to order basis.
- c) **Nature, material terms and particulars of the arrangement:** The contract is for sale of the products of the Company.
- d) **Duration of the contract:** The contract may be terminated by either party with prior notice to the other party.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed purchase, sale or supply of goods or materials (the "transactions"), either in part or in full, as it may, in its absolute discretion, deem appropriate, subject to the specified limits for effecting the aforesaid transactions and to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith.

RESOLVED FURTHER THAT any director of the Company be and is hereby authorized to negotiate, finalize and execute and sign the abovementioned agreements and schedules, attachments, documents, appendixes and other writings in respect thereof, including any amendment thereto for and on behalf of the Company."

6. 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 148(3) and other applicable provisions of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("the Act"), the remuneration ₹ 1,00,000 (Rupees One Lakh Only) plus applicable service tax and reimbursement of out of pocket expenses for the Financial Year ending 31st March, 2016, as approved by the Board of Directors of the Company payable to M/s S.S. Sonthalia & Co, Cost Accountants, (Firm Registration No 00167) for conducting the Cost Audit of the records maintained by the Company be and is hereby ratified;

RESOLVED FURTHER THAT directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.

By order of the Board

For and on behalf of Mideast Integrated Steels Limited

Date: 12 .08.2015

Place: New Delhi

Sandhya Sethia

Company Secretary

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company.
2. The instrument appointing proxy should be deposited at the registered office of the company not less than forty-eight hours before commencement of the meeting.
3. A person can act as proxy on behalf of not more than fifty members and holding not more than ten percent of the total share capital of the company. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder. A Proxy form is sent herewith.

4. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2015 to 28th September, 2015 (both days inclusive).
5. The Explanatory Statement for the proposed Special Resolutions pursuant to Section 102 (1) of the Companies Act, 2013, read with Section 110 of the Companies Act, 2013, setting out material facts are annexed herewith.
6. The Government took a 'Green Initiative in Corporate Governance' in 2011 by allowing the Companies to service the documents to its Members through electronic mode. Accordingly Electronic copy of the Annual Report for the financial year 2014-15 along with Notice of the 22nd Annual General Meeting of the Company indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Ballot Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. Members are requested to update their email Id's with the Company in the enclosed form for receiving the notices and other documents at their email address.
7. For members who have not registered their email address, physical copies of the Notice of the 22nd Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
8. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
9. Members may also note that the Notice of the 22nd Annual General Meeting and the Annual Report for 2015 will also be available on the Company's website www.mescosteel.co.in. The Notice of AGM shall also be available on the website of CDSL viz. www.evotingindia.com
10. The Board vide its Resolution passed on 12th August, 2015 has appointed Mr. Mohit Dahiya, Practising Company Secretary (Certificate of Practice No.: 11722), as Scrutinizer for conducting the e-voting process in accordance with the law and in a fair and transparent manner.
11. The Members/Proxies are requested to bring their copy of the Annual Report to the Meeting along with duly, filled in attendance slips for attending the Meeting.
12. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. Members are requested to dematerialise their shareholding.
14. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, ECS mandates, nominations, power of attorney, change of address/name etc. to their depository participant only and not to the Company or its Registrar and Share transfer Agent.
15. Non-Resident Indian members are requested to inform the Company's Registrars, M/s. Skyline Financial Services Private Limited, immediately of:
 - (a) The change in the residential status on return to India for permanent settlement;
 - (b) The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of Bank with Pin Code Number, if not furnished earlier.
16. Members who hold shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members are advised to avail of the nomination facility by filing Form SH-13 in their own interest. Blank forms will be supplied by the Company on request. Members holding shares in demat form may contact their respective Depository Participants for recording of nomination.
17. Shareholders are advised to encash their dividend warrants pertaining to Dividend declared by the Company for the Financial Year 2011-12 and 2012-13, 2013-14 immediately as the dividend amount remaining unclaimed/unpaid at the expiry of 7 years from the date that becomes due for payment are required to be transferred by the Company to the Investor Education and Protection Fund established.

18. Members are requested to:
- (a) Send their queries, if any, to Company's Registered Office at H-1 Zamrudpur, Community Centre, Kailash Colony, New Delhi 110048 at least 10 days before the date of the Meeting so that information can be made available at the Meeting.
 - (b) Avail the dematerialization facility and get their shareholding dematerialized by sending the Dematerialization Request Form along with the Share Certificates through their Depository Participant.
 - (c) Notify immediately any change in their address to the Company or to the Company's Registrar and Share Transfer Agent quoting their folio number and also notify their e-mail address for prompt response.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN details to Skyline Financial Services Private Limited, Registrar and Share Transfer Agent of the Company.
20. Members may please note that briefcase, bag, mobile phone and/or eatables shall not be allowed to be taken inside the hall for security reasons.
21. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Members the facility to exercise their right to vote by electronic means as an alternate mechanism. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL): for facilitating e-Voting in order to enable the Members to cast their votes electronically. Please note that e-Voting is optional.
22. The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.
23. Voting through electronic means:
- The instructions for e-voting are as under:
- (i) The voting period begins on Friday, 25th September, 2015 at 9:00 Hours and ends on Sunday, 27th September, 2015 at 17:30 Hours. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on Monday, 21st September 2015 (cut-off date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen.
- However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Mideast Integrated Steels Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xx) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date).
- (xxi) At the AGM, at the end of the discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, order voting through ballot paper for all those members who are present but have not cast their votes electronically using remote e-voting facility.
- (xxii) The Scrutinizer shall immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company.
- (xxiii) The Scrutinizer shall submit a consolidated Scrutinizers Report of the total votes cast in favour of or against, if any, not later than three (3) days after the conclusion of the AGM to the Chairman of the Company.
- (xxiv) The Chairman, or any other person authorised by the Chairman, shall declare the result if the voting forthwith.
- (xxv) The Results along with the Scrutinizer’s Report shall be placed on the Company’s website and on the website of RTA immediately after the result are declared by the Chairman or any other person authorised by the Chairman, and the same shall be communicated to the all the stock exchanges.
24. All the documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013, will be available for inspection at the Registered Office of the Company during business hours on all working days up to the date of the declaration of the result of the 22nd Annual General Meeting of the Company.

By order of the Board
For and on behalf of Mideast Integrated Steels Limited

Date: 12.08.2015
Place: New Delhi

Sandhya Sethia
Company Secretary

EXPLANATORY STATEMENT

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item Nos. 4, 5 and 6 of the accompanying Notice dated 12th August, 2015

Item No. 4:

The Board of Directors had appointed Mr. Gurjeet Singh Jawandha (DIN 00213573) as Additional Director of the Company with effect from 28th January, 2015 pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") in the category "Independent Director". In terms of the provisions of Section 161(1) of the Companies Act, 2013, Mr. Gurjeet Singh Jawandha (DIN 00213573) will hold office only upto the date of ensuing Annual General Meeting

As per the provisions of Section 149(1) of the Act and amended Clause 49 of the Listing Agreement, the Company should have atleast optimum combination of 50% of Independent Director on the Board of Directors of the Company. The said legal requirement is fulfilled by the appointment of Mr. Gurjeet Singh Jawandha (DIN 00213573) as a Director of the Company.

The Company has received a Notice in writing under the provisions of Section 160 of the Companies Act, 2013, along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Gurjeet Singh Jawandha (DIN 00213573) for the office of Director. The Company has received consent in writing to act as Director in Form DIR- 2 and intimation in Form DIR-8 to the effect that he is not disqualified u/s 164(2) to act as Director. The Company has also received declaration from him that he meets the criteria of independence as prescribed u/s 149(6) of the Companies Act, 2013. In the opinion of the Board, Mr. Gurjeet Singh Jawandha (DIN 00213573) fulfills the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Mr. Gurjeet Singh Jawandha (DIN 00213573), being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of 5 (Five) years from the date of this AGM upto the date of AGM to be held in the calendar year 2020.

Copy of the draft letter for appointment of Mr. Gurjeet Singh Jawandha (DIN 00213573), as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day till the date of AGM.

The Board of Directors of your Company recommends the resolution in relation to appointment of Mr. Gurjeet Singh Jawandha (DIN 00213573) as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Gurjeet Singh Jawandha (DIN 00213573), no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4

Item No. 5

The Company will enter into a contract with Maithan Ispat Limited (a subsidiary of the Company) for sale of the products of the Company. Maithan Ispat Limited, is a 'related party' within the meaning of Section 2 (76) of the Companies Act, 2013, and thus the approval of members by a Special Resolution is proposed under Section 188 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the stock exchanges.

The particulars of the transaction pursuant to para 3 of Explanation (1) to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under :

Sl.	Particulars
1.	Name of the related party: Maithan Ispat Limited
2.	Name of the director or Key Managerial personnel who is related: Mr. Jitendra Kumar Singh, is common director only on 30 th May 2015 between the Company and Maithan Ispat Limited. Except for this, no director or key managerial personnel is related.
3.	Nature of relationship: Maithan Ispat Limited is a subsidiary of the Company in which the Company holds 99.28% of its equity share capital.
4.	Sale price: The price for sale of the products of the Company shall be negotiated and agreed to by both parties based on estimated total costs and risk & return considering prevalent market conditions.
5.	Payment Schedule: to be agreed by both the parties on order to order basis.
6.	Nature, material Terms and particulars of the arrangement: The contract is for sale of the products of the Company
7.	Duration of the contract: The contract may be terminated by either party with prior notice to the other party.
8.	Any other information relevant or important for the members to make a decision on the proposed transaction: Since Maithan Ispat Limited is a 99.28% subsidiary of the Company, there is no conflict of interest.

Item No. 6

The Board of Directors of the Company on the recommendation of the Audit Committee, appointed M/s S.S. Sonthalia & Co, Cost Accountants, Orissa as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ended March 31, 2016 at a remuneration of ₹ 1,00,000 (Rupees One Lakh Only) plus service tax as may be applicable and out pocket expenses at actuals. The said auditors have given their eligibility certificate for appointment as Cost Auditors.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for FY 2015-16 as specified herein above for the aforesaid services to be rendered by them.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested in the said Resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE

Name of Directors	Date of Birth, No. of Equity Shares held	Qualification Relationship with other Directors	Nature of Expertise	Name of Companies In which he/she holds Directorship	Name of Committees of the Companies of which he/she holds Membership
Mr. Gurjeet Singh Jawandha	15.10.1946 NIL	Post-graduation in A.L.T.P. (Not related with any Director of the Company)	Ex Member Advisory Committee to Punjab Government on Aviation Ex-Civil Pilot A.L.T.P License. Ex Air Force Officer.	Futuristic Investments Private Limited, Jav Build Invest Pvt. Ltd., Brahma Steyr Tractors Limited.	NIL
Mr. Hanumantha Rao Ravipati	02.03.1946 NIL	B. E. Mining from Jodhpur University and M. Sc. Mining Planning from Banaras University. (Not related with any Director of the Company)	He has more than 42 years of work experience in mining. He has worked in the deepest mines of the World i.e. Kolar Gold Mines, Development of virgin limestone deposit into a producing mines of 1.8 million tonnes per annum, started Manganese Mines and River Sand Commissioned the Captive Mines of RINL/VSP and rectified the construction defects and obtaining of forest clearance etc. He was last served as Executive Director (Mines) of Rashtriya Ispat Nigam Limited.	Aastha Minmet (India) Limited, Sol Shipping & Logistics Private Limited.	NIL

DIRECTORS REPORT

To

The Members

Mideast Integrated Steels Limited

Your Directors are pleased to present 22nd Annual Report and the Statements of Accounts for the financial year ended on 31st March, 2015.

1. **FINANCIAL PERFORMANCE SUMMARY**

The Board's Report is prepared based on the stand alone financial statements of the Company. The Company's financial performance for the year under review along with previous year's figures are given hereunder:

(₹ in Mn)

Particulars	2014-15	2013-14
Income	6,396.5	8,695.64
Profit/(Loss) Before Depreciation	710.19	2,343.16
Less - Interest/ Finance Cost	83.03	18.71
Less – Depreciation	585.74	474.54
Profit After Depreciation	41.41	1,849.92
Less – Provision For Taxation	-	-
Less – Taxation relating to prior years	18.57	60.76
Less – Provision For Deferred Tax	12.67	626.94
Profit After Taxation	10.18	1,162.22
Appropriations / Adjustments		
Balance of profit / (loss) brought forward	2,467.71	1,426.47
Profit for the Year	10.18	1,162.22
Proposed Final Dividend	-	103.41
Corporate Dividend Tax (including cess and surcharge)	-	17.57
Profit carried to Balance Sheet	2,477.89	2,467.71

The turnover from the operations of the Company during the financial year under review was Rs. 5,582.78 Million as compared to Rs. 8,623.99 Million during the previous year.

The year under review was very difficult and challenging. The sales turnover of the Company for the year under review was lower than the previous year and the profitability for the year has been affected drastically.

The reasons behind the depressed profitability for the year 2014-15 is mainly due to the closure of the Company's iron ore mine at Barbil for a major part of the year.

2. **DIVIDEND**

Considering the Company's financial performance for the year under review, the Directors have not recommended any dividend for the financial year ended on 31st March, 2015.

3. MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on the Management Discussion and Analysis is provided as a separate section in the Annual Report which forms part of the Directors Report.

4. CORPORATE GOVERNANCE

A detailed report on the Corporate Governance is provided as a separate section in the Annual Report. Certificate on compliance with Corporate Governance requirements by the Company by Statutory Auditor is attached to the Report on Corporate Governance.

5. SUBSIDIARY COMPANIES

On March 31, 2015, the Company acquired 99.28% equity shareholding of Maithan Ispat Limited, a company incorporated on August 27, 2003 under the provisions of the Companies Act, 1956, primarily engaged in the business of production and sale of structural steel and billets / blooms.

6. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act 2013, your Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed with no material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit/loss of the Company for the same period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls in the Company that are adequate and are operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that these are adequate and are operating effectively.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The full particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilized as per the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements (Refer note no. 25 & 27).

8. PUBLIC DEPOSIT

The Company has not accepted any public deposits during the year under review.

9. RISK MANAGEMENT

Mideast Integrated Steels Limited follows well-established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Board. The Company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

The Senior Management assists the Board in its oversight of the Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall business risk management framework.

Pursuant to Clause 49 of the Listing Agreement and the Companies Act, 2013, the Company has constituted a Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

Our businesses are exposed to variety of risks which are inherent to an international mining and resources organization. Our risk management framework is designed to be simple, consistent and clear for managing and reporting risks from the Group's businesses to the Board. Board Level Risk Management Committee supports the Audit Committee and the Board in nurturing the risk management.

10. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL

During the year under review, your Board inducted Mr. Gurjeet Singh Jawandha as an Additional Director of the Company in the category of Independent Director with effect from 28th January, 2015 in order to comply with the requirement of Section 149(1) of the Companies Act, 2013.

In terms of Section 161 of the Companies Act, 2013 he shall hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing along with deposit pursuant to Section 160 of Companies Act, 2013, proposing the appointment of Mr. Gurjeet Singh Jawandha as Director of the Company. Your Board has recommended the appointment of Mr. Jawandha as Independent Director not liable to retire by rotation for a period of five consecutive years up to the fifth consecutive Annual General Meeting of the Company.

Pursuant to Section 152 of the Companies Act, 2013 and in terms of Article 149 of the Articles of Association of the Company, Mr. Hanumantha Rao Ravipati, Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Your Board has recommended his re-appointment.

As stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, the relevant details of Directors retiring by rotation and seeking re-appointment at the ensuing Annual General Meeting are given in the annexure to the Notice of the Annual General Meeting. Necessary resolutions relating to Directors who are seeking appointment/re-appointment are included in the Notice of Annual General Meeting.

Mr. Jitendra Kumar Singh, Whole time Director resigned from Board of Directors of the Company effective from the close of business hours of 30th May, 2015. Your Directors place on record their appreciation of the valuable services rendered by the aforesaid Director during his tenure as Director of the Company.

11. DECLARATION BY INDEPENDENT DIRECTORS AND REAPPOINTMENT IF ANY

The independent Directors of the Company, have filed their declarations with the Company at the beginning of the financial year 2015-16 affirming that all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 regarding Independence have been fulfilled so as to continue to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

12. BOARD EVALUATION

As part of good governance practice, Boards evaluate its performance. The Companies Act, 2013 and Clause 49 of the Listing Agreement has mandated the need to ensure effectiveness of the Board governance and requires a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors.

Structured questionnaires/performance evaluations forms were prepared taking into consideration inputs received from the Directors for evaluation of the Board and its Committees, their effectiveness was broadly based on parameters like Strategic and Operational Oversight, the Dynamics, Composition, Level of Expertise, Terms of Reference, Board support and processes, Governance etc.

The Directors evaluation was broadly based on parameters such as understanding of the Company's vision and objective, skills, knowledge and experience, participation and attendance in Board/ Committee meetings; governance and contribution to strategy; interpersonal skills etc.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors for the financial year ended on 31st March, 2015 was carried out by the Independent Directors vide their meeting dated 12th May, 2015. The Directors expressed their satisfaction with the evaluation process.

13. REMUNERATION POLICY

In adherence to section 178(1) of the Companies Act, 2013, the Board of Directors of the Company in its Meeting held on 21st May, 2014 approved a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided u/s 178(3), based on the recommendations of the Nomination and Remuneration Committee.

The composition, key objectives etc. of the Nomination and Remuneration Committee is provided in Corporate Governance Report which forms part of this Annual Report.

The Shareholders of the Company may visit the Company's website for the detailed Nomination & Remuneration Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178.

14. NUMBER OF BOARD MEETINGS HELD DURING THE YEAR

During the financial year 2014-2015, the Board of Directors of the Company, met 4 times during the year 2014-2015 i.e. on 21st May, 2014, 11th August, 2014, 8th November, 2014 and 6th February, 2015. The gap between two consecutive meetings did not exceed one hundred twenty days.

Further, a separate Meeting of the Independent Directors of the Company was also held on 12th May, 2015, whereat the prescribed items enumerated under Schedule IV to the Companies Act, 2013 and clause 49 of the Listing Agreement were discussed.

15. VIGIL MECHANISM

Your Company has established a robust vigil mechanism for reporting of genuine concerns through the Whistle Blower Policy of the Company. All employees and stakeholders can register their genuine concerns or grievances and the same has been uploaded on the website of the Company. The Audit Committee of the Company oversees the Vigil Mechanism.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and as such provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in Form AOC-2 is not required. Further, there were no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel.

All Related Party Transactions are placed before the Audit Committee as also to the Board for approval. As required under Clause 49 of the Listing Agreement, the Company has formulated a policy on dealing with Related Party Transactions.

17. AUDITORS

a) Statutory Auditors

The Auditors, M/s Todarwal & Todarwal, Chartered Accountants, and M/s Sangram Paul, were re-appointed as the Joint Statutory Auditors of the Company under Section 139 of the Companies Act, 2013 to hold office for a period of three years upto the conclusion of the 24th Annual General Meeting in 2017. Our Board recommends ratification of their appointment as the Statutory Auditors at the ensuing Annual General Meeting for a period up to the conclusion of the 24th Annual General Meeting of the Company. The certificate from the Auditors have been received to the effect that their reappointment, if made, would be within the prescribed limit under section 141 of the Companies Act, 2013.

Statutory Auditors' Report

The observations of Statutory Auditors in their reports on standalone and consolidated financials are self-explanatory and therefore do not call for any further comments.

b) Cost Auditors

Pursuant to the provisions of Section 141 read with Section 148 of the Companies Act, 2013 and Rules made thereunder, M/s. Sonthalia & Company, Cost Accountants (Firm Regn. No. 00167) were appointed as the cost auditors of the Company for the year ending 31st March, 2015.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, are provided in the Annexure – I to this Report.

19. PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of Companies Act, 2013 and Rules 5(2) and 5(3) of Companies (Appointment and Remuneration Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules is annexed as Annexure H to this Report. Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are annexed as Annexure II to this Report.

20. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013, is included in this Report as Annexure-III and forms an integral part of this Report

21. SECRETARIAL AUDIT

During the year under review, Mr. Yashlok Dupey, Practicing Company Secretary who was appointed as the Secretarial Auditor of the Company has issued the audit report in respect of the secretarial audit of the Company for the financial year ended March 31, 2015. The Secretarial Audit Report is annexed as Annexure IV to this Report.

22. CORPORATE SOCIAL RESPONSIBILITY

During the year under review, the Board constituted a CSR Committee consisting of three Directors, of which two are non-executive Directors. The CSR Committee at its meeting held on 11th August, 2014 recommended to the Board the CSR policy formulated by it, following which the policy document was approved by the Board. The composition, terms of reference etc. of the CSR Committee are laid out in the Corporate Governance Report which forms part of this Annual Report.

Further, the CSR policy of the Company has been uploaded on to the Company website. The Company has during the financial year under review undertaken several social and cultural initiatives intended to deepen its ties to communities local to it in line with its practices and traditions hitherto.

The coming into force of the Companies Act, 2013 relating to corporate social responsibility, however, has resulted in a re-conceptualization of the term in question by the Company in order to align it with the new legislation, as a consequence of which some part of the expenditure earlier believed to be CSR qualifies as such.

This has led to the Company not being able to meet the requirements of minimum spend of two percent of the average net profits of the Company for the three immediately preceding financial years, in pursuance of the CSR Policy of the Company, during the financial year under review. The Company shall nevertheless, channelize its CSR spends during the current financial year duly in line with its CSR Policy, formulated as it is in accordance with the provisions of the Companies Act, 2013. Annual Report on Corporate Social Responsibility (CSR) activities as required under Section 135 of the Companies Act, 2013 is annexed as Annexure -V to this Report.

23. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

Our Board of Directors in its Meeting held on 6th February, 2015, approved an investment upto 30 Crores in one or more tranches to acquire majority and controlling stake in Maithan Ispat Limited.

Subsequently, the Company has on 31st March, 2015 acquired 99.28% of equity shares and 7.72% of preference shares of Maithan Ispat Limited, thereby making Maithan Ispat Limited, subsidiary of the company.

Further, the Board of Directors in its Meeting held on 12th May, 2015, have approved corporate guarantee up to Rs. 784 Crores to be provided in favor of Consortium Lenders of Maithan Ispat Limited for availing working capital and term loan facility from the aforesaid lenders.

24. AUDIT COMMITTEE

The composition, terms of reference etc. of the Audit Committee is provided in Corporate Governance Report which forms part of this Annual Report. There have been no instances of non-acceptance of any recommendations of the Audit Committee by the Board during the financial year under review

25. ACKNOWLEDGEMENTS

The Board places on record its appreciation for the continued co-operation and support extended to the Company by customers, vendors, regulators, banks, financial institutions, stock exchanges and depositories, auditors, legal advisors, consultants, business associates and all the employees with whose help, cooperation and hard work the Company is able to achieve the results.

The Board deeply acknowledges the trust and confidence placed by the consumers of the Company and all its shareholders.

By order of the Board
For and on behalf of Mideast Integrated Steels Limited

Rita Singh
Chairperson Cum Managing Director

DIN:00082263

Date:12.08.2015

Place: New Delhi

ANNEXURE-I TO THE DIRECTOR'S REPORT

**Particulars with respect to conservation of energy, etc.
as per Companies (Accounts) Rules, 2014.**

A) Conservation Of Energy

i) Energy conservation measures taken during the year are as follows:

- Average Sinter percentage in Blast Furnace 2 burden raised to 67.5% from a level of 55.8% during the year which resulted in reducing the coke rate to 765 Kg/THM from 840 Kg/THM and improved productivity to 2.0T/M³/Day from 1.67 T/M³/Day.
- 100% utilization of solid waste generated in plant like flue dust, lime sludge, BF sludge and unused coke breeze etc. being recycled at Sinter plant improving the environmental condition and reducing the energy cost.
- Company's Captive Power Plant is truly a Green Plant. No coal or Natural gases used as fuel. All waste gas from Blast Furnace is gainfully utilized as fuel in Boilers. Only very minimal High Speed Diesel / Furnace Oil is used for start-up / support fuel. Subsequently, it will save in cost of Rs. 6 lakhs / month.
- Converted fixed speed chain belt conveyor in PCM to variable speed by using VVFD. This resulted in energy saving by 10%.
- TG-1 has been commissioned in 25.12.2014.

ii) Additional Proposals being implemented for further conservation of energy

Solar Energy or any renewable energy – N.A.

iii) Total energy consumption and energy consumption per unit of production as per Form-A

Form-A

Form for disclosure of particulars with respect to conservation of energy

SL NO	PARTICULARS	2014-15	2013-14
(A)	<u>Power and Fuel Consumption</u>		
1	Electricity Purchased		
	Units In Kwh ('000)	18,746.80	16,068.48
	Total Amount (Rs. In Mn)	122.37	102.46
	Rate/Unit (Rs)	6.53	6.38
2	Own Generation		
	Through Steam Turbine Gen.Unit		
	Units In Kwh ('000)	18,066.10	20,216.60
3	Units Exported		
	Units In Kwh('000)	5.00	78.00
4	Fuel/LDO Consumption		
	Quantity In K.Ltrs ('000)	1,250.83	1,081.36
	Total Cost (Rs In Mn)	77.07	63.83
5	Water Purchased		
	Quantity In M ³ ('000)	750.95	734.81
	Total Cost (Rs In Mn)	18.55	18.04
(B)	<u>Consumption For Production</u>		
1	Electricity		
	Units In Kwh('000)	36,807.90	36,207.08
	Total Amount (Rs In Mn)	122.37	102.46
	Costper Tonne Of Production (IN RS)	552.19	381.97
2	Fuel/LDO		
	Quantity In K.Ltrs ('000)	1,250.83	1,081.36
	Total Cost (Rs In Mn)	77.07	63.83
	Costper Tonne Of Production(In Rs)	347.78	237.97
3	Water		
	Quantity In M ³ ('000)	750.95	734.81
	Total Cost (Rs In Mn)	18.55	18.04
	Cost Per Tonne Of Production (In Rs)	83.69	67.25
4	Low Ash Met Coke		
	Quantity Consumed (In Mt)	1,72,182.00	2,07,195.00
	Total Cost (Rs In Mn)	2,397.89	3,643.47
	Cost Per Tonne Of Production (In Rs)	10,820.00	13,583.00

B. TECHNOLOGY ABSORPTION

- i) Efforts, in brief, made towards technology absorption, adaptation and innovation. – N.A.
- ii) Benefits derived as a result of the above efforts – N.A.
- iii) Details about imported technology (imported during last five years reckoned from the date of beginning of the financial year, if any.) – N. A.

C. RESEARCH AND DEVELOPMENT

1. SPECIFIC AREAS WHERE R&D WAS CARRIED OUT BY THE COMPANY

Regular R&D was carried out in the area of raw materials including coke, energy utilization, energy conservation, waste utilization, blast furnace productivity, product development and improvement in life of plant and machinery. Some of the activities being carried out are as given below:

- A localized cooling tower has been designed and installed at Compressor house, which improves the system reliability.
- In SGP, a mechanical grab bucket has been changed to Cam-Shell type grab bucket, to operate, the Telfer mechanism has been re-designed to suit the operation.
- Flare Stack automatic regulating valve has redesigned from electrical operated to pneumatic operated, resulted const . head pressure at Stack system.
- A relay logic modification done in MSDS for more reliable islanding during in-coming 132 KV grid supply problem and failure in CPP synchronization condition.
- Hot air gas from the Sinter Cooler being fed to Sinter machine bed after ignition hood, resulting coke breeze saving with higher productivity.
- To ensure correct / desired quantity of raw material to the Blast Furnace, the weigh feeder mechanism has been redesigned from constant speed unbalanced motor to variable speed.
- Automation of CPP control panels have been carried out, resulting in better control of Operational parameters thus improving efficiency.
- Used Heavy Creosote oil (HCO) in place of Furnace oil to reduce fuel expenditure at CPP.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Amount in Million)

Particulars	2014-15	2013-14
Foreign Exchange Earned	121.31	397.27
Foreign Exchange Used	1,829.48	2,160.61

ANNEXURE -II TO DIRECTORS' REPORT

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

Sl. No	Prescribed Requirement	Particulars												
(i)	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	1) Ratio of the remuneration of Mrs. Rita Singh, Chairman and Managing Director to the median remuneration of the employees – 111:1 2) Ratio of the remuneration of Mr. Jitendra Kumar Singh, Whole-time Director to the median remuneration of the employees – 98:1 3) Ratio of the remuneration of Mrs. Natasha Sinha, Whole-time Director (Finance) to the median remuneration of the employees – 59:1 4) Ratio of the remuneration of Mr. P C Sahu, Whole-time Director to the median remuneration of the employees-15:1 5) Ratio of the remuneration of Mr. P Patnaik, Whole-time Director to the median remuneration of the employees –24:1 6) Ratio of the remuneration of Mr. R.H Rao, Whole-time Director to the median remuneration of the employees- 4:1												
(ii)	Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive, Officer, Company Secretary or Manager, if any, in the financial year	No increase												
(iii)	Percentage increase in the median remuneration of employees in the financial year	No increase												
(iv)	Number of permanent employees on the rolls of company	740												
(v)	Explanation on the relationship between average increase in remuneration and company performance	NA												
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">Amount In Million</th> </tr> </thead> <tbody> <tr> <td style="width: 70%;">Aggregate remuneration of KMP in Financial Year 2014-15</td> <td style="text-align: right;">87.50</td> </tr> <tr> <td>Revenue</td> <td style="text-align: right;">5582.78</td> </tr> <tr> <td>Remuneration of KMPs (as % of revenue)</td> <td style="text-align: right;">1.57</td> </tr> <tr> <td>Profit before Tax (PBT)</td> <td style="text-align: right;">41.41</td> </tr> <tr> <td>Remuneration of KMPs ((as % of PBT)</td> <td style="text-align: right;">Not comparable due to majority of the year mines being closed</td> </tr> </tbody> </table>	Amount In Million		Aggregate remuneration of KMP in Financial Year 2014-15	87.50	Revenue	5582.78	Remuneration of KMPs (as % of revenue)	1.57	Profit before Tax (PBT)	41.41	Remuneration of KMPs ((as % of PBT)	Not comparable due to majority of the year mines being closed
Amount In Million														
Aggregate remuneration of KMP in Financial Year 2014-15	87.50													
Revenue	5582.78													
Remuneration of KMPs (as % of revenue)	1.57													
Profit before Tax (PBT)	41.41													
Remuneration of KMPs ((as % of PBT)	Not comparable due to majority of the year mines being closed													

Sl. No	Prescribed Requirement	Particulars
(vii)	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.	At Present the shares of the company are not traded.
(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	NIL
(ix)	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	Already covered in (vi)
	Key parameters for any variable component of remuneration availed by the directors	<ul style="list-style-type: none"> • Financial and operating performance of the Company • Industry/ sector trends for the remuneration paid to executive directorate • Remuneration to Non-Executive Directors involve sitting fees for attending meetings of the Board/Committees and commission.
	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	No employee received remuneration in excess of the Chairperson and Managing Director
	Affirmation that the remuneration is as per the remuneration policy of the company	Yes

ANNEXURE-III TO DIRECTORS' REPORT

FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March, 2015

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

I) REGISTRATION AND OTHER DETAILS:

- i) CIN:- L74899DL1992PLC050216
- ii) Registration Date: 07/09/1992
- iii) Name of the Company: Mideast Integrated Steels Limited
- iv) Category/Sub Category of the Company:
 - a) Category of the company: Public Company
 - b) Sub Category of the Company: Company Limited by shares
- v) Address of the Registered office: H-1, ZAMRUPUR COMMUNITY CENTRE, KAILASH COLONY NEW DELHI 110048
- vi) contact details: 011-41587085
- vii) Whether listed company Yes / No: Yes
- viii) Name, Address and Contact details of Registrar and Transfer Agent, if any: Skyline Financial Services Private Limited, D-153A, Okhla Industrial Area, Phase-I New Delhi

II) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Pig Iron	271	93.35

III) PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name and address of the Company	Cin/Gln	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1	Maithan Ispat Limited, Diamond Heritage, 14 th Floor, Room No. 1402, 16 th Strand Road, Kolkata	U27109WB2003PLC096854	Subsidiary	99.28%	Section 2(87) of Companies Act, 2013

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
Individual/ HUF	89,500	4,18,430	5,07,930	0.36	2,99,500	2,13,530	5,13,030	0.37	0.01
Central Govt	-	-	-	-	-	-	-	-	-
State Govt (s)	-	-	-	-	-	-	-	-	-
Bodies Corp.	3,08,26,500	5,90,21,940	8,98,48,440	65.16	3,08,26,500	5,90,21,940	8,98,48,440	65.17	
Banks/FI	-	-	-	-	-	-	-	-	-
Any Other.	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	3,09,16,000	5,94,40,370	9,03,56,370	65.53	3,11,26,000	5,92,35,470	9,03,61,470	65.54	0.01
2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	3,09,16,000	5,94,40,370	9,03,56,370	65.53	3,11,26,000	5,92,35,470	9,03,61,470	65.54	0.01
Total Shareholding of Promoter (A) = (A (1)+(A)(2)									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B) Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	3,00,600	15,100	3,15,700	0.23	3,00,600	15,100	3,15,700	0.23	
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	3,00,600	15,100	3,15,700	0.23	3,00,600	15,100	3,15,700	0.23	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	6,12,680	1,63,55,600	1,69,68,280	12.31	5,77,240	1,43,50,800	1,49,28,040	10.83	(1.48)
ii) Overseas	0	27,500	27,500		0	20,27,500	20,27,500	1.47	1.47

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual share-holders holding nominal share capital upto Rs. 1 lakh	8,86,545	2,45,75,805	2,54,62,350	18.47	11,83,451	2,41,72,855	2,53,56,306	18.39	(0.08)
ii) Individual share-holders holding nominal share capital in excess of Rs 1 lakh	12,79,650	8,17,300	20,96,950	1.52	15,46,400	7,16,000	22,62,400	1.64	0.12
c) Others (NRI&HUF)	93,750	25,54,100	26,47,850	1.94	86,084	25,37,500	26,23,584	1.90	(0.04)
Sub-total (B)(2)	28,72,625	4,43,30,305	4,72,02,930	34.24	33,93,175	4,38,04,655	4,71,97,830	34.23	0.01
Total Public Shareholding (B) = (B)(1) + (B)(2)	31,73,225	4,43,45,405	4,75,18,630	34.47	36,93,775	4,38,19,755	4,75,13,530	34.46	0.01
C) Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	3,40,89,225	10,37,85,775	13,78,75,000	100	3,48,19,775	10,30,55,225	13,78,75,000	100	

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	Rita Singh	1,02,810	0.07	-	1,07,910	0.08	-	0.01
2	Mideast (India) Ltd	3,25,49,940	23.61	80.79	3,25,49,940	23.61	80.79	
3	J K Singh	10	-	-	10	-	-	
4	D K Singh	10	-	-	10	-	-	
5	Shipra Singh	4,02,800	0.29	-	4,02,800	0.29	-	
6	Natasha Sinha	2,300	-	-	2,300	-	-	
7	Mesco Kalinga Steel Limited	1,00,00,000	7.25	-	1,00,00,000	7.25	-	
8	Mesco Mining Limited	1,70,00,000	12.33	-	1,70,00,000	12.33	-	
9	Mesco Logistics Limited	1,21,51,700	8.81	-	1,21,51,700	8.81	-	
10	Mesco Steels Limited	1,31,46,800	9.53	-	1,31,46,800	9.53	-	
11	Mesco Hotels Limited	50,00,000	3.63	-	50,00,000	3.63	-	
	Total	9,03,56,370	65.53	80.79	9,03,61,470	65.54	80.79	0.01

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

SI No.	Shareholder's Name	Shareholding at the beginning of the year		Transactions Details			Cumulative Shareholding during the year		Reason
		No. of Shares	% of total Shares of the company	Sale	Purchase	Date	No. of Shares	% of total Shares of the company	
1	Rita Singh	1,02,810	0.07	-	5,100	31/10/2014	1,07,910	0.08	Transfer
2	Mideast (India) Ltd	3,25,49,940	23.61	-	-	-	3,25,49,940	23.61	No Change
3	J K Singh	10	-	-	-	-	10	-	No Change
4	D K Singh	10	-	-	-	-	10	-	No Change
5	Shipra Singh	4,02,800	0.29	-	-	-	4,02,800	0.29	No Change
6	Natasha Sinha	2,300	-	-	-	-	2,300	-	No Change
7	Mesco Kalinga Steel Limited	1,00,00,000	7.25	-	-	-	1,00,00,000	7.25	No Change
8	Mesco Mining Limited	1,70,00,000	12.33	-	-	-	1,70,00,000	12.33	No Change
9	Mesco Logistics Limited	1,21,51,700	8.81	-	-	-	1,21,51,700	8.81	No Change
10	Mesco Steels Limited	1,31,46,800	9.53	-	-	-	1,31,46,800	9.53	No Change
11	Mesco Hotels Limited	50,00,000	3.63	-	-	-	50,00,000	3.63	No Change
	Total	9,03,56,370	65.53	-	-	-	9,03,61,470	65.54	

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	STEMCOR INDIA PVT.LTD	1,37,87,500	10.00	1,37,87,500	10.00
2	CHINA METALLURGICAL IMPORT & EXPORT	20,00,000	1.45	20,00,000	1.45
3	MAHENDRA GIRDHARILAL	4,34,800	0.32	4,34,800	0.32
4	3 A FINANCIAL SERVICES LTD	2,33,500	0.17	2,46,600	0.18
5	D JAYACHANDRA REDDY	2,23,900	0.16	2,42,100	0.18
6	PUNJAB NATIONAL BANK	2,00,400	0.15	2,00,400	0.15
7	DEEN BANDHU	-	-	1,30,000	0.09
8	3A FINANCIAL SERVICES LTD	40,380	0.03	1,24,340	0.09
9	BHARAT HYDRO POWER CORPORATION LTD	1,07,700	0.08	1,07,700	0.08
10	RADHIKA BERIA	1,06,200	0.08	1,06,200	0.08

V) Change in Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl No.	Shareholder's Name	Shareholding at the beginning of the year		Transactions Details			Cumulative Shareholding during the year		Reason
		No. of Shares	% of total Shares of the company	Sale	Purchase	Date	No. of Shares	% of total Shares of the company	
1	Stemcor India Pvt Ltd	1,37,87,500	10	-	-	-	1,37,87,500	10	No Change
2	China Metallurgical Import & Export	20,00,000	1.45	-	-	-	20,00,000	1.45	No Change
3	Mahendra Girdharilal	4,34,800	0.32	-	-	-	4,34,800	0	No Change
4	3 A Financial Services Ltd	2,33,500	0.17						
					800	09/05/2014	2,34,300	0.17	Transfer
					300	16/05/2014	2,34,600	0.17	Transfer
					900	13/06/2014	2,35,500	0.17	Transfer
					900	11/07/2014	2,36,400	0.17	Transfer
					100	25/07/2014	2,36,500	0.17	Transfer
					1,000	15/08/2014	2,37,500	0.17	Transfer
					100	10/10/2014	2,37,600	0.17	Transfer
					500	24/10/2014	2,38,100	0.17	Transfer
					8,300	23/01/2015	2,46,400	0.18	Transfer
					100	27/03/2015	2,46,500	0.18	Transfer
					100	31/03/2015	2,46,600	0.18	Transfer
5	D Jayachandra Reddy	2,23,900	0.16						
					300	25/04/2014	2,24,200	0.16	Transfer
					500	30/06/2014	2,24,700	0.16	Transfer
					400	01/08/2014	2,25,100	0.16	Transfer
					1,300	22/08/2014	2,26,400	0.16	Transfer
					400	29/08/2014	2,26,800	0.16	Transfer

Sl No.	Shareholder's Name	Shareholding at the beginning of the year		Transactions Details			Cumulative Shareholding during the year		Reason
		No. of Shares	% of total Shares of the company	Sale	Purchase	Date	No. of Shares	% of total Shares of the company	
					4,200	12/09/2014	2,31,000	0.17	Transfer
					400	19/09/2014	2,31,400	0.17	Transfer
					3,500	10/10/2014	2,34,900	0.17	Transfer
					1,800	24/10/2014	2,36,700	0.17	Transfer
					2,700	14/11/2014	2,39,400	0.17	Transfer
					500	28/11/2014	2,39,900	0.17	Transfer
					300	05/12/2014	2,40,200	0.17	Transfer
					600	09/01/2015	2,40,800	0.17	Transfer
					600	06/02/2015	2,41,400	0.18	Transfer
					100	20/02/2015	2,41,500	0.18	Transfer
					600	20/03/2015	2,42,100	0.18	Transfer
6	Punjab National Bank	2,00,400	0.15				2,00,400	0.15	No Change
7	Deen Bandhu	-	-		1,30,000	31/12/2014	1,30,000	0.09	No Change
8	3 A Financial Services Ltd	40,380	0.03		2,000	02/05/2014	42,380	0.03	Transfer
					4,600	16/05/2014	46,980	0.03	Transfer
					5,400	23/05/2014	52,380	0.04	Transfer
					2,400	30/05/2014	54,780	0.04	Transfer
					1,100	30/06/2014	55,880	0.04	Transfer
					1,000	18/07/2014	56,880	0.04	Transfer
					600	15/08/2014	57,480	0.04	Transfer
					2,600	05/09/2014	60,080	0.04	Transfer
					25,300	12/09/2014	85,380	0.06	Transfer
					36,895	30/09/2014	1,22,275	0.09	Transfer

Sl No.	Shareholder's Name	Shareholding at the beginning of the year		Transactions Details			Cumulative Shareholding during the year		Reason
		No. of Shares	% of total Shares of the company	Sale	Purchase	Date	No. of Shares	% of total Shares of the company	
					100	10/10/2014	1,22,375	0.09	Transfer
					398	14/11/2014	1,22,773	0.09	Transfer
					400	21/11/2014	1,23,173	0.09	Transfer
					100	28/11/2014	1,23,273	0.09	Transfer
				10		31/12/2014	1,23,263	0.09	Transfer
					100	16/01/2015	1,23,363	0.09	Transfer
					1,000	30/01/2015	1,24,363	0.09	Transfer
				23		27/03/2015	1,24,340	0.09	Transfer
9	Bharat Hydro Power Corporation Ltd	1,07,700	0.08				1,07,700	0.08	No Change
10	Radhika Beria	1,06,200	0.08				1,06,200	0.08	No Change
	Total	1,71,34,380	12.43	0	0	0	1,73,79,640	12.61	.18

vi) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	J K Singh	10	-	10	0.00
2	Rita Singh	1,02,810	0.07	1,07,910	0.08
3.	Natasha Sinha	2,300	-	2,300	-

V) INDEBTEDNESS

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

₹ In Mn

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4.93	295.46	-	300.39
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.05	-	-	0.05
Total (i+ii+iii)	4.98	295.46	-	300.44
Change in Indebtedness during the financial year				
• Addition	12.92	156.48	-	169.40
• Reduction	5.52	-	-	5.52
Net Change	7.40	156.48	-	163.88
Indebtedness at the end of the financial year				
i) Principal Amount	12.33	451.94	-	464.27
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.06	-	-	0.06
Total (i+ii+iii)	12.39	451.94	-	464.33

₹ In Min

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

A) Remuneration of KMP

Sl. No.	Particulars of Remuneration	Key Managerial Personnel								Total		
		Mr. Jitendra Kumar Singh	Mrs. Rita Singh	Mrs. Natasha Sinha	Mr. Priyabrata Patnaik	Mr. Purna Chandra Sahu	Mr. Hanumantha Ravipati Rao	Ms. Sandhya Sethia (*)	Mr. Anil Rustgi (**)			
1	Gross salary											
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	26.40	26.40	14.12	6.75	4.32	1.20	0.15	1.40			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.62	4.00	2.14	-	-	-	-	-			87.50
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961											
2	Stock Option											
3	Sweat Equity											
4	Commission											
	- as % of profit											
	- others, specify											
5	Others, please specify											
	Total	27.02	30.40	16.26	6.75	4.32	1.20	0.15	1.40			87.50

*Ms. Sandhya Sethia has been appointed as Company Secretary of the Company w.e.f 2nd February, 2015.

** Mr. Anil Rustgi ceased to be Company Secretary of the Company w.e.f 31st October, 2014.

B) Remuneration to other directors:

Particulars of Remuneration	Name of Directors						Total Amount
	Mr. Nandanandan Mishra	Mr. Sanjiv Batra	Mr. Madhukar	Mr. Debi Prasad Bagchi	Mr. Dipak Chatterjee	Mr. Gurjeet Singh Jawandha	
Independent Directors							
• Fee for attending board committee meetings	0.3	0.24	0.16	0.22	0.06	-	0.98
• Commission	-	-	-	-	*0.50	-	0.50
• Others, please specify							
Total (1)	0.3	0.24	0.16	0.22	0.56	-	1.48
Other Non-Executive Directors							
• Fee for attending board committee meetings							
• Commission							
• Others, please specify							
Total (2)							
Total (B) = (1 + 2)	0.3	0.24	0.16	0.22	0.56	-	1.48
Total Managerial Remuneration							1.48
Overall Ceiling as per the Act	11% of the net profits of the company						

*Commission Paid to Mr. Dipak Chatterjee pertains for financial year 2013-14.

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	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

ANNEXURE –IV TO DIRECTOR REPORT SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST March, 2015

[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,

Mideast Integrated Steel Limited

R.O. H-1, Zamrudpur, Kailash Colony,

New Delhi-110048

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mideast Integrated Steel Limited (hereinafter called the Company or MISL). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by MISL for the financial year ended on 31st March, 2015 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. 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 Borrowings;
5. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
6. Other Laws specifically applicable to the Company as per the representation made by the Company.

I have also examined Compliance with the following:

- i) The Listing Agreements entered into by the Company with Stock Exchanges.
- ii) Secretarial Standards SS-1 and SS-2 issued by The Institute of Company Secretaries of India. Not applicable in current audit period.

I further report that during the year under review there were no actions or events in pursuance of the following:

- i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- iii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- v) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

On the basis information provided by the Company and on the basis of representation and explanation made by the management I report that during the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned subject to following observations:

1. The Company is required to spend INR 25.99 Million during the period of audit in pursuance of section 135 of the Companies Act 2013 in Corporate Social Activity however Company has spent only INR 23.18 Million and unspent amount is INR 2.81 Million.
2. In terms of Securities and Exchange Board of India Circular No. Cir/ISD/3/2011, the 100 percent Promoter's holding is to be in dematerialised form. Dematerialised promoter holding is not in 100% Demat form.
3. Delay in filling of Form DIR 12 for Notice of appointment of Ms. Sandhya Sethia, Mr. Hanumantrao Ravi Pati and Ms. Natasha Sinha and Form MR-1 return of appoint for appointment of Company Secretary Ms. Sandhya and for appointment of Ms. Natasha Sinha as Chief Financial Officer of the Company has been filled with after 30 days along with additional fees and form 23AC and ACA for filling annual accounts were also filled after the expiry of 30 days.

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

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

I, further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. Except the following:

- i) The Company has made investment in 181,029,798 Equity Shares and 30,000,000 Preference Shares of the Maithan Ispat Limited.
- ii) The Board of Director has approved the Corporate Guarantee amounting to Rs. 7840 Million to be provided to Maithan Ispat Limited.

Sd/-

ACS YASHLOK DUBEY

Practicing Company Secretary

CP NO. 14742

Date: 12.08.2015

Place: New Delhi

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.

To,

The Members

Mideast Integrated Steels Limited

R.O. H-1, Zamrudpur, Kailash Colony,
New Delhi-110048

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
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 the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-

ACS YASHLOK DUBEY

Practicing Company Secretary

CP NO. 14742

Date: 12.08.2015

Place: New Delhi

ANNEXURE-V TO DIRECTORS' REPORT
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)
ACTIVITIES FOR THE FINANCIAL YEAR 2014-2015

1. **A brief outline of the Company's CSR policy, including overview of the projects or programmes proposed to be undertaken and a reference to the weblink to the CSR Policy and projects or programme.**

Your company is naturally inclined to improve the health of the general public at large and the Company is well known for its quality and reliability for over 2 and half decades. The present CSR initiatives focus on two main recognized activities mentioned in Schedule VII of the Companies Act, 2013, namely promoting education and promoting preventive health care. The CSR policy is available on the website of the Company and the web link is as under:

<http://mescosteel.com/social-responsibility.php>

2. **Composition of the CSR Committee**

Name of Director	Chairman/Member
Mr. Debiprasad Bagchi	Chairman
Mr. Nandanadan Mishra	Member
Mrs. Natasha Sinha	Member
Mr. Priyabrata Patnaik	Member

3. **Average net profit of the Company for the last three Financial Years:**

Average net profit: Rs. 1,299.40 Million

4. **Prescribed CSR expenditure (two percent of the amount as in item 3 above).**

The Company is required to spend Rs. 25.99 Million towards CSR activities in the Financial Year 2014-2015.

5. **Details of amount spent on CSR activities for the Financial Year.**

- a) Total amount to be spent for the Financial Year: Rs. 25.99 Million
 b) Total amount spent for the Financial Year: Rs. 23.18 Million
 c) Amount unspent, if any: Rs. 2.81 Million

6. **In case the Company has failed to spend the two percent of the average net profit of the last three Financial Years or any part thereof, the Company shall provide the reasons for not spending the amount in the Directors' Report.**

The Company has not spent two percent of the average net profit of the last three Financial Years as stipulated in the Companies Act, 2013 as the Company's profits/ earnings were inadequate and minimum as compared to previous Financial Years and the mines were closed for majority part of the year

7. **The Chairman of the CSR Committee has given a responsibility statement on behalf of the CSR Committee that the implementation and monitoring of the CSR policy is in compliance with CSR objectives and policy of the Company**

MANAGEMENT DISCUSSION & ANALYSIS

1. Business Review

The year 2014-15 began on a challenging note but before coming to the end, the clouds of uncertainty hanging on the fate of mining got cleared. At the close of the year, your company has every reason to be upbeat about the future.

For almost 11 months during the year, the Roida Iron Ore Mine remained closed along with most of the iron ore mines in Odisha due to legal issue on the second renewal of mining leases. The poor supply of iron ore forced the company to operate only one blast furnace during the year. Making full use of the opportunity, the capital revamp of the shutdown blast furnace was taken up with an investment of Rs 450 Million. It may be recalled that the currently operational blast furnace was revamped in the preceding year. Ending a year of uncertainty in the mining sector, the amended MMDR Act has allowed your company to operate Roida Iron Ore Mine till March 2020. It is worth mentioning here that having made right strategic moves several years ago, the iron ore security of your company will not be compromised beyond 2020, as your company will have secure access to iron ore from the Malangtoli Mine, which would be operational well before 2020.

Financial results of the year of 2014-15 were not in line with the past performance of the company; nevertheless, the company achieved sales of Rs. 5,583 Million and was able to show marginal profit in a very challenging year. This drop in performance was due to closing down of iron ore mine for the most duration of the year. This year is remarkable because your company has demonstrated its resilience by making capital investments and acquisition of a steel plant during the year. The company will see rebound in sales growth and profit in the year 2015-16 due to right strategic moves made in the previous years. Further your company is having a strong balance sheet unlike several other steel companies in the country, which are finding it difficult to sustain themselves.

Another noteworthy development was that your company acquired Maithan Ispat Ltd (This Steel Plant is now christened as Mesco-II) adding capabilities of producing sponge iron, billets and heavy sections to its existing portfolio of pig iron. This acquisition is a big advantage to your company as Mesco-II can consume up to 30% of the pig iron produced at Mesco-I (Steel Plant of MISL is now known as Mesco-I) in manufacturing billets and rolling into structural sections i.e. heavy beam. Mesco-II, the second steel plant of the company, will be modernized and expanded to produce premium products like structural steel sections i.e. heavy beams, and high quality TMT bars. With this brownfield expansion, the company is poised to achieve 2.20 MTPA capacity in near future.

2. Industry Structure & Development

With the enactment of amended Mines and Minerals Development and Regulations Act, uncertainty in the supply of iron ore in the country has ended. This has placed Indian steel industry in a better position than in the past. The total steel capacity in the country is estimated at 110 million ton in the year 2014-15 while production of 88 million ton was achieved. The net addition in the capacity during the year stood at 9.0 million ton. Indian steel industry is passing through a phase of major expansion, at the same time steel industry is in general showing low levels of profitability and high indebtedness requiring corporate debt restructuring.

With the growing emphasis on infrastructure and housing the demand for steel will increase on a consistent basis. Of late there is a strong growth in the import of steel, primarily due to price differential and liberal import regime in the country. In view of this, global cost competitiveness is critical for the development of the steel

industry in the country. For achieving ambitious goal of 300 million ton capacity by 2025, the financial viability of steel manufacturing has to be achieved. This would require renewed focus on achieving higher productivity and reducing costs and some innovative means of financing steel plants and restructuring of existing loans.

3. Opportunities and Threats

Given the strong growth in steel demand over the next several years in the country, there is ample opportunity to generate economic value by investing in steel manufacturing. Your company is ideally placed to take part in this growth story on the strength of its expertise in project execution, security of raw materials mainly high quality iron ore, location advantage in the steel hub of India along with proximity to port and iron ore mines, ample land at existing steel plant for expansion and already developed infrastructure in the form of private railways siding, water supply system, and other common facilities.

The challenges mainly arise from falling commodity prices globally as a result of this the profitability of operations gets impacted as the realization from sales also goes down since costs other than raw materials are essentially fixed in nature and in fact tend to go up every year. Another challenge is increasing imports of steel products in the country due to focus of customers on getting the cheapest price, giving rise to increased flow of global trade in steel. The surplus capacity in steel globally has virtually blocked the export option for the indigenous steel industry. The rising finance costs continue to be a major issue for the steel industry in general. Several steel plants are not in a position to sustain them and are being put on the block by their lenders or are under Corporate Debt Restructuring. This provides an opportunity to your company to scout for value creating acquisition having good synergy.

4. Outlook

The growth rate of Gross Domestic Product (GDP) at constant (2011-12) market prices is estimated at 7.3 per cent in 2014-15 (Provisional Estimates). The growth of Gross Value Added (GVA) at basic prices for agriculture & allied sectors, industry sector and services sector are estimated at 0.2 per cent, 6.1 per cent and 10.2 per cent respectively in 2014-15 as compared to the corresponding rates of 3.7 per cent, 4.5 per cent and 9.1 per cent respectively in 2013-14.

The IMF has project global growth at 3.3 percent in 2015, marginally lower than 3.4% growth in 2014. It has predicted a gradual pickup in advanced economies and a slowdown in emerging market and developing economies. In 2016, growth is expected to strengthen to 3.8 percent.

In emerging market economies, the continued growth slowdown reflects several factors, including lower commodity prices and tighter external financial conditions, structural bottlenecks, rebalancing in China, and economic distress related to geopolitical factors.

Global growth will receive a boost from lower oil prices, which reflect to an important extent higher supply. But this boost is projected to be more than offset by negative factors, including investment weakness as adjustment to diminished expectations about medium-term growth continues in many advanced and emerging market economies.

Growth in emerging market and developing economies is projected to slow from 4.6 percent in 2014 to 4.2 percent in 2015. The slowdown reflects the dampening impact of lower commodity prices and tighter external financial conditions—particularly in Latin America and oil exporters, the rebalancing in China, and structural bottlenecks, as

well as economic distress related to geopolitical factors—particularly in the Commonwealth of Independent States and some countries in the Middle East and North Africa.

India has achieved saleable steel production of 75 million ton in 2014-15. The demand is expected to grow by 5 %. Initiatives of the Government in the areas of housing, infrastructure and manufacturing will lead to higher demand for steel in the country. Country will see significant increase in capacity addition of steel manufacturing led by both private and public sector. The ambitious goal of achieving 300 million ton by 2025 may be distant but growth in steel capacity will be there. Your company is poised to take benefit of this situation. The long-term strategic goal is to achieve capacity of 4.50 million ton per annum.

Surplus steel making capacity in China and lack of global demand will keep prices of raw materials like coke and iron ore as well as steel products under pressure. Due to weak demand globally, the prices of all commodities would remain lower than in the previous year. The lower prices of pig iron and billets will lower profitability margins of primary steel manufacturers, though lower prices of coal, iron ore and coke, to some extent, will neutralize the impact of lower realization on pig iron and billet. Uninterrupted supply of iron ore, dolomite and limestone will be a positive for your company during the next year.

5. INTERNAL CONTROLS & SYSTEMS

The Company has proper and adequate systems of internal controls to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported correctly and to ensure compliance with policies, statutes and Code of Conduct. The company emphasizes on continued review of internal control & systems. The internal control system provides for well-documented policies, guidelines, authorizations and approval procedures. The Company also discusses with the Company's statutory auditors to ascertain their views on the adequacy of the internal control systems in the Company and their observations on the financial reports. An Independent Audit Committee of the Board has been recently formed.

6. RISK MANAGEMENT

The Company is conscious of the fact that steel Industry is subject to both systematic and non-systematic risks. Systematic risk that common to all units in the sector that is facing raw material shortage is abated by positioning the company uniquely with secure source for supply of raw materials. Non-systematic risk particular to the company is controlled by forming risk management team for timely risk management and solution. Specific identified risks are covered by Insurance.

7. ENVIRONMENT MANAGEMENT

The Company is continuously striving to minimize process waste, controlling noise pollution, optimization of recovery and recycling of waste material and wastewater, phasing out old and outdated units and installation of state-of-the-art equipment for improving the environment. Though environment management is a continuous and ongoing process, the company has also taken new initiatives during the years for improving environment during the year. For example planting more trees in the plant premises, setting up additional monitoring stations, and improving various processes.

Elaborate system is in place for controlling fugitive dust using ducting and bag filters as well as an elaborate network of water sprinkling units. All conveyors and pouring points of cast house have been covered to avoid blow up of dust due to wind. The clean air is discharged outside through chimney. Dust generated from the blast

furnace is collected and treated in Gas Cleaning Plant (GCP). The cleaned blast furnace gas is used as fuel in the sinter plant, Blast Furnace Stoves for preheating the air blast and for power generation in CPP. Systems are in place to ensure smokeless flaring and full combustion of carbon monoxide. Electro-static precipitators of appropriate capacities are installed for de-dusting of waste gases before entering the main exhausters in sinter plant. Cleaned gas from ESP is exhausted by means of chimney. Through proper encasing and housing of noise making equipment, noise pollution is kept under acceptable norms at the plant.

Processes are designed to ensure zero discharge and entire quantity of wastewater is treated for recycling. Blow-down water is reused as make-up water for GCP. Water from internal drains and other services is being collected in a series of settling tank and reused for slag granulation. Hot Slag is granulated in slag granulation plant using high-speed water jet spray. The solid wastes generated from blast furnace like dust from dust catcher and sludge from GCP contains considerable amount of iron. The solid wastes are being reused in sinter plant. The dust collected from ESP of sinter plant is reused back for sinter making. The slag from the blast furnace is granulated in the Slag Granulation Plant and sold to cement makers.

Continuous monitoring of ambient air quality is done at five stations inside the plant premises as per norms. Recently four numbers of AAQMS and two numbers of CEMS stations have been set up as per the guidelines.

8. INDUSTRIAL RELATIONS AND HUMAN RESOURCE MANAGEMENT

Industrial relations remained normal at all locations and there were no significant labour issues outstanding or remaining unresolved during the year. The Board of Directors and the Management appreciates the efforts of employees and workers during a challenging year.

9. CAUTIONARY STATEMENT

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

CORPORATE GOVERNANCE REPORT

1. CORPORATE GOVERNANCE PHILOSOPHY

The Company is committed to good Corporate Governance. The Company fully realizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company provides detailed information on various issues concerning the Company's business and financial performance, to its shareholders. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its stakeholders. The Company is committed to transparency in all its dealings and places emphasis on business ethics.

The aim of "Good Corporate Governance" is to ensure commitment of the board in managing the company in a transparent manner for maximizing long-term value of the company for its shareholders and all other partners

The Company's Corporate Governance philosophy is reflected in the following key areas of the Company's approach to business and its stakeholders:

- Experienced and diverse board of directors, with expertise across global finance, banking, administrative services and consulting;
- Adoption of transparent procedures and practices and arriving at decisions on the strength of adequate information;
- Ensuring compliance with regulatory and fiduciary requirements in letter and spirit;
- High levels of disclosures for dissemination of corporate, financial and operational information to all its stakeholders;
- Adoption of policy on tenure of directors, rotation of auditors and a code of conduct for directors and senior management;
- Well defined corporate structure that establishes checks and balances and delegates decision making to appropriate levels in the organization , though the board remains in effective control of the affairs of the Company at all times

2. BOARD OF DIRECTORS

1. Composition and Category of Directors

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. The size and composition of the Board of Directors suffices the requirement of Listing Agreement. All the Independent Directors meet the independence criteria as required under Clause 49 of the Listing Agreement. Table 1.1 gives the composition of the Board of Directors of the Company with the details of the number of meetings attended by them, the Directorship and membership in other companies.

2. Details of Board Meetings held during the year:

Minimum four Board meetings are held every year. Additional meetings are held to address specific needs of the Company. In case of any exigency/ emergency, resolutions are passed by circulation. The Board of Directors met four times during the year on 21st May 2014, 11th August 2014, 8th November 2014 and 6th February 2015.

The maximum gap between any two meetings was less than four months, as stipulated under Clause 49. The necessary quorum was present for all the meeting.

3. Directors' Attendance Record And Directorships:

The Name and categories of the Directors on the Board, their attendance at Board Meetings during the year and the number of Directorship and chairmanships/memberships of committee of each Director held in other public companies and Attendance at last Annual General Meeting are shown below in Table 1.1

Name of Director	Category	Board Meetings attended	Attendance at the Last AGM	Directorship in other Cos.	Committee positions held in other Cos.	
					Chairman	Member
*Jitendra Kumar Singh (DIN:00090649)	Whole Time Director	4	Yes	11	NIL	NIL
Rita Singh (DIN: 00082263)	Managing Director	4	Yes	7	NIL	NIL
Natasha Sinha (DIN: 00812380)	Whole Time Director	3	Yes	6	NIL	NIL
Priyabrata Patnaik (DIN: 01709955)	Whole Time Director	3	Yes	2	NIL	NIL
Purna Chandra Sahu (DIN: 01262687)	Whole Time Director	3	Yes	0	NIL	NIL
Hanumantha Rao Ravipati (DIN: 00044028)	Whole Time Director	2	No	2	NIL	NIL
Nandanadan Mishra (DIN: 00031342)	Independent non-executive	4	No	5	NIL	5
Debiprasad Bagchi (DIN: 00061648)	Independent non-executive	4	No	7	1	3
Madhukar (DIN: 00558818)	Independent non-executive	4	Yes	9	4	1
Sanjiv Batra (DIN: 00602669)	Independent non-executive	4	No	1	NIL	NIL
Dipak Chatterjee (DIN: 03048625)	Independent non-executive	3	No	2	NIL	1
**G S Jawandha (DIN: 00213573)	Independent non-executive	0	NA	3	NIL	NIL

Other than Mr. Jitendra Kumar Singh who holds 10 shares, Mrs. Rita Singh who holds 1,07,910 shares and Mrs. Natasha Sinha who holds 2,300 shares no other directors hold any shares in the Company.

*Mr. Jitendra Kumar Singh, whole time director of the company have resigned from the board with effect from close of business hours of 30th May, 2015.

**Mr. G.S Jawandha was appointed in the meeting of board of directors held on 6th February 2015

3. COMMITTEES OF THE BOARD

Your Company has 5 (Five) Board level committees:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

1. AUDIT COMMITTEE

The Company's Audit Committee comprises of five members out of whom four are Independent Non-Executive Directors. Mr. Madhukar, Independent Non-Executive Director having a financial management expertise, acts as the Chairman of the Committee.

The Audit Committee also complies with the requirements of Section 177 of the Companies Act, 2013 & Clause 49 of the Listing Agreement. Members of the Audit Committee possess financial/accounting exposure.

The Audit Committee met four times during the year ended 31st March, 2015 i.e. on 21st May, 2014, 11th August, 2014, 8th November, 2014 and 6th February, 2015. Composition of the Committee and attendance of the members at the meetings is as under:

Table 1.2 gives the constitution and attendance record

Name of the Member	Status	No of Meetings Held	No of Meetings Attended
Mr. Madhukar	Chairman	4	4
Mr. Debiprasad Bagchi	Member	4	4
Mr. Nandanadan Mishra	Member	4	4
Mr. Sanjiv Batra	Member	4	4
Mrs. Natasha Sinha	Member	4	3

The Director responsible for the finance function, managing director, the head of internal audit and the representative of the statutory auditors, internal auditors, financial controller are permanent invitees to the Audit Committee. All the members of the committee are eminent professionals and draw upon their experience and expertise across a wide spectrum of functional areas such as finance and corporate strategy. Minutes of each of the audit committee meetings are placed before the Board Meeting for their consideration.

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by the Management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.

The powers and role of the Audit Committee is in accordance with the provisions of Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013, and includes oversight of the Company's financial process, reviewing the financial statements, review of significant related party transactions, adequacy of internal audit and look into such matters as mandated under the Listing Agreement as amended from time to time.

2. Stakeholders Relationship Committee

Pursuant to provisions of Section 178(5) of the Companies Act, 2013 and Listing Agreement, Stakeholders Relationship Committee of the Board was constituted replacing the 'Shareholders'/ Investors 'grievance Committee. The Stakeholders Relationship Committee comprises of two Non-Executive Directors and one Executive Director. Mr. Nandanadan Mishra, the Non-Executive Independent Director of the Company, acts as the Chairman of the Committee.

The Stakeholders Relationship Committee met four times during the year ended 31st March, 2015 i.e. on 21st May, 2014, 11th August, 2014, 8th November, 2014 and 6th February, 2015. Composition of the Committee and attendance of the members at the meetings is as under:

Table 1.3 gives the constitution and attendance record

Name of the Member	Designation	No. of Meetings	Meetings attended
Mr. Nandanadan Mishra	Chairman	4	4
Mr. Sanjiv Batra	Member	4	4
Mrs. Rita Singh	Member	4	4

The Committee is entrusted with the responsibility of addressing the shareholders' and investors' complaints with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend, etc. and ensuring an expeditious share transfer process in line with the proceedings of the Share Transfer Committee. The Committee also evaluates performance and service standards of the Registrar and Share Transfer Agent of the Company and also provides continuous guidance to improve the service levels for the investors

Number of complaints regarding shares for the year ended 31st March, 2015 as enumerated below in Table 1.4

Particulars	Status
Complaints outstanding as on 1 st April, 2014	5
Complaints received during the year ended 31 st March, 2015	51
Complaints resolved during the year ended 31 st March, 2015	55
Complaints Outstanding as on 31 st March, 2015	1

3. Nomination and Remuneration Committee:

The Board of Directors of the Company has reconstituted Remuneration Committee to Nomination and Remuneration Committee comprising three Non-Executive Independent Directors and one Executive Promoter Director. Mr. Debiprasad Bagchi, the Non-Executive Independent Director of the Company, acts as the Chairman of the Committee.

The Nomination and Remuneration Committee met once during the year ended 31st March, 2015 i.e. on 21st May, 2014. Composition of the Committee and attendance of the members at the meetings is as under:

Table 1.5 gives the constitution and attendance record

Name of the Member	Status	No of Meetings Held	No of Meetings Attended
Mr. Debiprasad Bagchi	Chairman	1	1
Mr. Nandanadan Mishra	Member	1	1
Mr. Sanjiv Batra	Member	1	1
Mrs. Natasha Sinha	Member	1	1

Besides having access to all required information within the Company, the Committee may investigate any activity within its terms of reference, seek information from any employee, secure attendance of outsiders with relevant expertise, or obtain legal or other professional advice from external sources, whenever required.

The Committee shall act in accordance with the terms of reference, which shall, inter alia, include;

- i) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;
- ii) Formulation of criteria for evaluation of Independent Directors and the Board;
- iii) Devising a policy on Board diversity;
- iv) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- v) Evaluation of every Director's performance.

The Company has formulated a Nomination and Remuneration Policy and the same has been uploaded on the website of the Company

REMUNERATION OF DIRECTORS

- i) **Non-executive Directors:** The Company has no pecuniary relationship or transaction with its Non-executive Directors other than payment of sitting fees to them for attending Board and Committee meetings and profit linked commission
- ii) **Executive Directors:** The remuneration policy is directed towards rewarding performance. It is aimed at attracting and retaining high caliber talent. The Company does have an incentive plan which is linked to performance and achievement of the Company's objectives.

Table 1.6 illustrates details of remuneration paid to the Directors of the Company during the year ended 31st March, 2015:

₹ In Mn

Name of Director	Sitting Fees	Salaries & Perquisites	Commission	Total
Mrs. Rita Singh	–	30.40	–	30.40
Mr. Jitendra Kumar Singh	–	27.02	–	27.02
Mrs. Natasha Sinha	–	16.26	–	16.26
Mr. Purna Chandra Sahu	–	4.32	–	4.32
Mr. Hanumantha Rao	–	1.20	–	1.20
Mr. Priyabrata Patnaik	–	6.75	–	6.75
Mr. Nandanadan Mishra	0.30	–	–	0.30
Mr. Debiprasad Bagchi	0.22	–	–	0.22
Mr. Madhukar	0.16	–	–	0.16
Mr. Sanjiv Batra	0.24	–	–	0.24
Mr. Dipak Chatterjee(*)	0.06	–	0.50	0.56
Mr. G S Jawandha(**)	–	–	–	–

*Commission Paid to Mr. Dipak Chatterjee pertains to the Financial Year 2013-2014.

**Mr. G.S Jawandha was appointed in the board meeting held on 6th February, 2015.

4. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been formed on 14th November, 2013 pursuant to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act, to recommend the amount of expenditure to be incurred on such activities and to monitor the Corporate Social Responsibility Policy of the company from time to time.

Further, the Board of Directors of your Company has also adopted the CSR Policy of the Company as approved by the Corporate Social Responsibility Committee in their meeting held on 11th August, 2014. The Corporate Social Responsibility Policy of the Company is available on the website of the Company.

The Corporate Social Responsibility Committee met three times during the year ended 31st March, 2015 i.e. on 11th August, 2014, 8th November, 2014 and 6th February, 2015.

Table 1.7 gives the constitution and attendance record

Name of the Member	Status	No of Meetings Held	No of Meetings Attended
Mr. Debiprasad Bagchi	Chairman	3	3
Mr. Nandanadan Mishra	Member	3	3
Mrs. Natasha Sinha	Member	3	2
Mr. Priyabrata Patnaik	Member	3	3

The Committee shall act in accordance with the terms of reference, which shall, inter alia, include;

- Formulate and recommend to the Board, Corporate Social Responsibility (CSR) Policy of the Company listing out the CSR activities of the Company.
- Identify Key Social Responsibility issues that may affect the business operations, brand image or reputation of the Company and review the implementation of Status thereof.
- Collaborate with Non-profit Organizations, NGOs, Societies, Government bodies and institutions for undertaking CSR initiatives within the framework of the CSR Policy of the Company.

5. Risk Management Committee

The role of the Enterprises Risk Management Committee is to identify the risks impacting the Company's business and formulate and administer policies/ strategies aimed at risk minimization and risk mitigation as part of risk management.

The Committee is chaired by an Independent Director with half its members being Non-Executive and Independent. During the period under review no meeting took place.

Table 1.8 gives the constitution of Risk Management Committee as on 31st March, 2015:

Name of the Member	Status
Mr. Nandanadan Mishra	Chairman
Mr. Debiprasad Bagchi	Member
Mrs. Rita Singh	Member
Mrs. Natasha Sinha	Member

4. GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as under in Table 1.9

Year	Venue	Date	Time	Special Resolution
2013-14	Auditorium I, Siri fort Cultural Complex, August Kranti Marg, New Delhi -110049	20 th September, 2014	10.30 A.M.	No Special resolution passed
2012-13	LUTYENS', 222/223, New Mangla Puri, Mehrauli Gurgaon Road, (Near Metro Pillar No.13), New Delhi -110030	30 th September, 2013	10.30 A.M	<ol style="list-style-type: none"> 1. Revision of terms of appointment and remuneration of Mrs. Rita Singh 2. Revision of terms of appointment and remuneration of Mrs. Natasha Sinha 3. Revision of terms of appointment and remuneration of Mr. Jitendra Kumar Singh 4. Appointment of Mr. H.R. Rao at a office or place of profit
2011-12	Siri fort Auditorium, Hall No. 1, ASIAD Village, New Delhi -110049	26th September, 2012	10.30 A.M	<ol style="list-style-type: none"> 1. Shifting of registered office of the company 2. To Appoint Mrs. Shipra Singh as General Manager- Procurement & Materials 3. Payment of Remuneration to independent directors

Postal Ballot

For the year ended March 31, 2015, there has been no ordinary or special resolution passed by the Company's shareholders through postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to be passed through postal ballot.

5. DISCLOSURES

- (i) The Board has received disclosures from the Senior Management relating to material, financial and commercial transactions, where they and / or their relatives have personal interest. There are no materially significant related party transactions of the Company, which have potential conflict with the interest of the Company at large; however, transactions with related parties as per requirements of Accounting Standard – 18 are disclosed under notes to accounts.
- (ii) All transactions with related party, as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement, during the year were in ordinary course of business & at arm's length basis and do not attract provisions of Section 188 of the Companies Act, 2013. The Board has approved a policy on dealing with related party transactions, and the same has been uploaded on the Company's website.
- (iii) There have been no instances of any penalties or strictures imposed on the Company on any matter relating to the capital market, either by Stock Exchange, SEBI or any statutory authority during the last three years.
- (iv) The Company has adopted and complied with mandatory requirements as per Clause 49 of the Listing Agreement.
- (v) A Code of Conduct for the Board Members and Senior Management of the Company has been formulated which is posted on the Company's website. Requisite annual affirmations of compliance with the code have been made by the Directors and Senior Management of the Company. The declaration of the Executive Director is annexed herewith as part of Annual Report.
- (vi) The CEO and CFO Certification of the financial statements for the year, is enclosed at the end of the report.
- (vii) The Company has in place a Vigil Mechanism/ Whistle Blower Policy. The policy provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct policy. The mechanism provides for adequate safeguards against victimization of employees to avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

6. MEANS OF COMMUNICATION

The quarterly unaudited financial results were published in the Business Line, Mint, Economic Times and Haribhoomi. The results were also displayed on the Company's web-site. The shareholders can access the Company's web-site for financial information, shareholding information etc.

No presentations have been made to institutional investors/analysts during the financial year.

The Management Discussion and Analysis report is provided separately as a part of this Annual Report.

7. GENERAL SHAREHOLDER INFORMATION

Company Registration Details

The Company is registered in the State of Delhi, India. Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is **L74899DL1992PLC050216**.

Annual General Meeting:

Date and Time: Monday, 28th September, 2015 at 11:00 A.M.

Venue : LUTYENS', 222/223, New Mangla Puri, Mehrauli Gurgaon Road, New Delhi - 110 030

Financial Year :

The Financial year of the Company starts from 1st April of a year and ends on 31st March of the following year

Financial Calendar :

Financial Reporting For	Tentative Time Period
Quarter ending 30th June, 2015	By 14 th August, 2015
Quarter ending 30th September, 2015	By 15 th November, 2015
Quarter ending 31st December, 2015	By 14 th February, 2016
Year ending 31st March, 2016	By 30 th May, 2016

Note: The above dates are indicative and subject to change.

Book Closure Date :

The Company's Share Transfer Books and Register of Members of equity shares shall remain closed from 23rd September, 2015 to 28th September, 2015 (both days inclusive) as annual book closure for the Annual General Meeting.

Dividend :

The Company has not declared in this financial year owing to inadequate profits.

Listing of Equity Shares on Stock Exchange :

The Equity Shares of the Company are listed on following Stock Exchange namely

1. Bhubaneswar Stock Exchange
2. Madras Stock Exchange
3. Ahmedabad Stock Exchange
4. Calcutta Stock Exchange

The requisite listing fees have been paid to all the Stock Exchanges up to March 31, 2015.

ISIN Code: **INE170N01016**

Registrars and Transfer Agents :

Skyline Financial Services Private Limited

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

Phase-I, New Delhi - 110020.

Tel.: +91 11 26812682-83, 647326181-88

Fax: +91 11 26812682

Email: admin@skylinerta.com

Website: www.skylinerta.com

Share Transfer System :

Share Transfers in physical form can be lodged with the Company's Registrar and Share Transfer Agents. The Company in order to improve the quality of services to investors, process share transfer requests within the stipulated time and for reasons of convenience, has given powers to its Registrar and Share Transfer Agents to approve and effect the transmission/transfer/transposition of shares and give effect to dematerialization requests.

Shares held in dematerialized form are traded electronically in the Depositories. As at March 31, 2015 no equity shares were pending for transfer.

As per the requirement of Clause 47 (c) of the Listing Agreement with the stock exchanges, the Company has obtained the half yearly certificates from a Company Secretary in Practice for due compliance of share transfer formalities.

The Company conducts a Reconciliation of Share Capital Audit on a quarterly basis in accordance with the Securities and Exchange Board of India (SEBI) requirements. The audit reports for the financial year under report have been filed with the stock exchanges within one month of the end of each quarter

Distribution of Shareholding as on 31 March, 2015

No. of equity shares	No. of Shareholders	% of Shareholders	No. of Shares	% to Total
Upto 500	1,87,077	98.23	2,35,73,805	17.10
501 – 1000	2,142	1.12	17,01,450	1.23
1001 – 2000	729	0.38	10,74,325	0.78
2001 – 3000	193	0.10	4,80,900	0.35
3001 – 4000	79	0.04	2,87,050	0.21
4001 – 5000	48	0.03	2,23,200	0.16
5001 – 10000	86	0.05	6,05,150	0.44
10001 and above	92	0.05	10,99,29,120	79.73
TOTAL	1,90,509	100.00	13,78,75,000	100.00

8. CATEGORY-WISE SUMMARY OF SHAREHOLDING AS ON 31ST MARCH, 2015

Category	No of Shares	% of Holding
Promoters Shareholding	9,03,61,470	65.54
Non-promoters holding		
Mutual funds and UTI	-	-
Banks, Financial Institutions, Insurance Companies, Clearing Member	3,15,700	0.23
Foreign institutional investor		
Foreign Venture Capital Investor		
Bodies Corporate	1,49,28,040	10.83
India Public	2,76,18,706	20.03
Non-resident Indians	25,64,200	1.86
Trusts	-	-
Others	20,86,884	1.51
Grand Total	13,78,75,000	100

9. DEMATERIALIZATION OF SHARES

25.25% of the Paid-up Equity Share Capital is held in Dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited as on March 31, 2015.

Particulars	No. of shares	%
Shares in Demat Form		
NSDL	3,43,09,406	24.88
CDSL	5,10,369	0.37
Shares in Physical Form	10,30,55,225	74.75
Total	13,78,75,000	100

10. OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS

There were no outstanding GDRs/ ADRs/ Warrants or any convertible instruments as at end 31 March 2015.

11. LOCATIONS

Factory :

- Kalinga Nagar Industrial Complex, Khurunti, P. O. Danagadi - 755026 Dist. Jajpur, Odisha

Mines :

- Panchvati, P.O: Barbil Road, Barbil Keonjhar: 758035, Odisha

12. ADDRESS FOR INVESTOR CORRESPONDENCE

All shareholders' correspondence should be forwarded to M/s Skyline Financial Services Private Limited, the Registrar and Transfer Agent of the Company or to the Investor Service Department at the Registered Office of the Company at the addresses mentioned below. An exclusive e-mail ID, investor@mescosteel.com for redressal of investor complaints has been created and the same is available on our website.

(i) **Registered Office & For Correspondence:**

Mideast Integrated Steels Limited
 Mesco Tower
 H -1, Zamrudpur Community Centre,
 Kailash Colony, New Delhi – 110 048.
 Ph. No.- 011- 41587085, 011- 29241099,

13. STATUS OF COMPLIANCE WITH NON MANDATORY REQUIREMENTS

Clause 49 of the Listing Agreement also requires disclosures of adoption by the Company of non-mandatory requirements specified in the said clause, the implementation of which is discretionary on the part of the Company. Accordingly, the adoption of non-mandatory requirements is given below:-

- **The Board:** An office with required facilities for the non-executive Chairman is not provided and maintained by the Company.
- **Shareholders Rights:** The half yearly financial results are not sent to the shareholders as the same are posted on the web-site of the Company.
- **Audit Qualifications:** During the year under review, there were no audit qualifications in the financial statements.
- **Reporting of Internal Auditor:** The Internal Auditor reports directly to the Audit Committee.

14. DECLARATION

As provided under Clause 49 of the Listing Agreement with Stock Exchanges, the Board Members and the Senior Management Team have confirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2015

By order of the Board

For and on behalf of Mideast Integrated Steels Limited

Date: 12.08.2015
 Place: New Delhi

Rita Singh
 Chairperson Cum Managing Director
 DIN:00082263

**CERTIFICATE BY MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO)
PURSUANT TO CLAUSE 49(V) OF THE LISTING AGREEMENT**

We hereby certify that Financial Results for the financial year ended on 31st March 2015, on the basis of the review of the financial statements and to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit to state a material fact or contain statement that might be misleading.
- These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- To the best of our knowledge and belief, no transactions entered into by the Company during the above said period are fraudulent, illegal or violate of the Company's Code of Conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company.
- We further certify that :-
 - a) There have been no significant changes in internal control over financial reporting during the period.
 - b) There have been no significant changes in accounting policies during the period.
 - c) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

By order of the Board

For and on behalf of Mideast Integrated Steels Limited

Date: 12.08.2015
Place: New Delhi

Rita Singh
Chairperson Cum Managing Director
DIN:00082263

Natasha Sinha
Director-Finance & CFO
DIN: 00812380

REPORT OF AUDITORS ON CORPORATE GOVERNANCE

To the Members of Mideast Integrated Steels Limited,

We have examined the compliance of conditions of Corporate Governance by Mideast Integrated Steels Limited for the year ended March 31, 2015, as stipulated in Clause 49 of the listing agreement entered into with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For Todarwal & Todarwal
Chartered Accountants
(Registration No. 104184W)

Arun Todarwal
Partner
Membership No. 032822

Place: New Delhi
Date: 30th May, 2015

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MIDEAST INTEGRATED STEELS LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Mideast Integrated Steels Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence, on a test basis, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control system relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on 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 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required, give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the 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, 2015 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - a) We have sought & obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013; and
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25;
 - ii) As per the information and explanation given to us, there are no material foreseeable losses on long-term contracts of the company
 - iii) As per the information and explanation given to us, no amount is required to be transferred to the Investor Education and Protection Fund.

For Sangram Paul & Company

Chartered Accountants
ICAI Reg No. 308001E

S.K. Paul

Proprietor
M. No :13015

Place : New Delhi
Date : May 30, 2015

For Todarwal &Todarwal

Chartered Accountants
ICAI Reg No 111009W

Arun Todarwal

Partner
M No 32822

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in above of the Independent Auditor's Report of even date to the Members of Mideast Integrated Steels Limited on the standalone Financial Statements for the year ended 31st March 2015]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As per the information and explanation given to us, the fixed assets are physically verified by the management according to a phased program designed to cover all the locations which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, the management during the year physically verified the fixed assets at certain locations and no material discrepancies were noticed on such verification.
- (ii) (a) Inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information & explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) According to information and explanation given to us, the Company has not granted any secured or unsecured loans to any parties covered in the register maintained under Section 189 of the Act. Hence the provisions of clause 4(iii) (a) and (b) are not applicable to the company.
- (iv) In our opinion and according to information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) According to the information and explanation given to us, the company has not accepted any deposits from the public within the meaning of Section 73 and 74 of the Act and the rules framed there under. Hence the provisions of paragraph 3 clause 5 of the Order are not applicable to the company.
- (vi) We have broadly reviewed the books of accounts maintained by the company, where, pursuant to the rules made by the Central Government of India, the maintenance of Cost Records have been prescribed under sub-section 1 of section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, and other material statutory dues, as applicable, with the appropriate authorities. *Subject to income tax of Rs. 257.65 million which was outstanding for more than 6 months as on the balance sheet date.*
 - (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of excise duty, service tax and sales tax as at 31st March 2015 which have not been deposited on account of a dispute, are as follows:

Statute and Nature of Dues	Amount Not Deposited (In Millions Rs.)	Forum where dispute is pending
Excise Duty	121.98	Various Authorities
Service Tax	74.54	Various Authorities
Sales Tax	263.74	Various Authorities
Total	460.26	

- (c) As per the information and explanation given to us, there are no amounts required to be transferred to investor education and protection fund hence provisions of 4(vii) (c) are not applicable to the company
- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanation given to us and the books of accounts verified by us, the company has not defaulted in repayment of dues to a financial institution or bank as at the balance sheet date.
- (x) In our opinion and according to the information and the explanations given to us, the Company has given guarantee for loans taken by others from banks or financial institutions, the terms and conditions whereof are not prejudicial to the interest on the Company.
- (xi) In our opinion and according to the information and explanation given to us, the term loans have been applied by the company during the year for the purposes for which they were obtained.
- (xii) During the course of our examination of the books of account carried in accordance with the generally accepted auditing standards in India, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For Sangram Paul & Company
Chartered Accountants
ICAI Reg No. 308001E

S.K. Paul
Proprietor
M. No :13015
Place : New Delhi
Date : May 30, 2015

For Tadarwal &Tadarwal
Chartered Accountants
ICAI Reg No 111009W

Arun Tadarwal
Partner
M No 32822

Balance Sheet as at 31 March, 2015

₹ in Mn

Particulars	Note No.	As at 31 March, 2015	As at 31 March, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	1,378.75	1,378.75
Reserves and surplus	3	4,798.20	4,788.02
Non-current liabilities			
Long-term borrowings	4	458.54	298.05
Deferred tax liabilities (net)	26.5	681.93	669.26
Other long-term liabilities	5	5,141.36	5,885.46
Long-term provisions	6	37.12	28.15
Current liabilities			
Trade payables	7	749.55	893.28
Other current liabilities	8	1,739.81	1,900.63
Short-term provisions	9	346.25	495.18
TOTAL		15,331.50	16,336.79
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets			
Tangible assets	10	9,152.29	9,349.85
Capital work-in-progress		312.22	280.98
Non-current investments	11	320.89	20.07
Long-term loans and advances	12	2,964.49	3,003.49
Other non-current assets	13	144.62	122.04
Current assets			
Inventories	14	1,425.72	2,111.61
Trade receivables	15	3.54	51.11
Cash and cash equivalents	16	433.37	683.12
Short-term loans and advances	17	560.87	696.00
Other current assets	18	13.48	18.52
TOTAL		15,331.50	16,336.79
Notes forming part of the financial statements	1 - 29		

The accompanying notes are an integral part of the financial statement.
As per our report of even date

For Sangram Paul & Company
Chartered Accountants
ICAI Reg No. 308001E

For Todarwal & Todarwal
Chartered Accountants
ICAI Reg No 111009W

For and on behalf of the Board of Directors

S.K. Paul
Proprietor
M. No. :13015

Arun Todarwal
Partner
M. No. 32822

J.K. Singh
Director
DIN: 00090649

Rita Singh
CMD
DIN: 00082263

Place : New Delhi
Date : May 30, 2015

Natasha Sinha
Director Finance & CFO
DIN: 00812380

Sandhya Sethia
Company Secretary

Statement of Profit and Loss for the year ended 31 March, 2015

₹ in Mn

Particulars	Note No.	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Revenue from operations (net)	19	5,582.78	8,623.99
Other income	20	813.72	71.65
Total revenue		6,396.50	8,695.64
Expenses			
Cost of materials consumed	21a	3,614.88	4,550.43
Changes in inventories of finished goods, work-in-progress and stock-in-trade	21b	557.41	(471.46)
Employee benefits expense	22	423.89	414.69
Finance costs	23	83.03	18.71
Depreciation and amortisation expense	10	585.74	474.54
Other expenses	24	1,090.13	1,858.81
Total expenses		6,355.08	6,845.71
Profit before tax		41.41	1,849.92
Tax expense:			
Current tax		19.05	387.76
(Less): MAT credit		(19.05)	(387.76)
Tax expense relating to prior years		(18.57)	(60.76)
Deferred tax		(12.67)	(626.94)
Profit for the year		10.18	1,162.22
Earnings per Equity share (of Rs. 10/- each)			
Basic & Diluted (Rs.)		0.07	8.43
Notes forming part of the financial statements	1 - 29		

The accompanying notes are an integral part of the financial statement.
As per our report of even date

For Sangram Paul & Company
Chartered Accountants
ICAI Reg No. 308001E

For Tadarwal & Tadarwal
Chartered Accountants
ICAI Reg No 111009W

For and on behalf of the Board of Directors

S.K. Paul
Proprietor
M. No. :13015

Arun Tadarwal
Partner
M. No. 32822

J.K. Singh
Director
DIN: 00090649

Rita Singh
CMD
DIN: 00082263

Place : New Delhi
Date : May 30, 2015

Natasha Sinha
Director Finance & CFO
DIN: 00812380

Sandhya Sethia
Company Secretary

Cash Flow Statement for the year ended March 31, 2015

₹ in Mn

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		41.41		1,849.92
<i>Adjustments for:</i>				
Depreciation and amortisation	585.74		474.54	
Finance costs	83.03		18.71	
Interest income	(72.10)		(52.65)	
Rental income	(0.17)		-	
(Profit) / loss on sale / write off of assets	-		(10.77)	
Liabilities / provisions no longer required written back	(728.46)		0.00	
Net unrealised exchange (gain) / loss	18.93		39.87	
		(113.03)		469.70
Operating profit / (loss) before working capital changes		(71.62)		2,319.62
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	685.89		(594.45)	
Trade receivables	47.57		9.23	
Short-term loans and advances	174.43		(333.18)	
Long-term loans and advances	39.00		(697.47)	
Other non-current assets	(22.59)		(122.04)	
Other current assets	5.04		(18.52)	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	(143.73)		(902.81)	
Other current liabilities	(160.82)		(501.81)	
Other long-term liabilities	(34.57)		1,264.67	
Short-term provisions	61.86		383.74	
Long-term provisions	8.96		1.12	
		661.06		(1,511.52)
Cash generated from operations		589.44		808.10
<i>Net income tax (paid) / refunds</i>		(108.38)		(346.79)
Net cash flow from / (used in) operating activities (A)		481.06		461.31

Cash Flow Statement for the year ended March 31, 2015 (Contd.)

₹ in Mn

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
B. Cash flow from investing activities				
Purchase of fixed assets including capital advance	(398.73)		(474.37)	
Proceeds from sale of fixed assets	-		10.77	
Investment in subsidiaries and joint ventures	(300.82)		(0.96)	
Inter-corporate deposits	(60.00)		60.00	
Rental receipt	0.17		0.00	
Interest received	72.10		52.65	
		(687.28)		(351.91)
Net cash flow from / (used in) investing activities (B)		(687.28)		(351.91)
C. Cash flow from financing activities				
Repayment of long-term borrowings	-		(54.21)	
Proceeds from long-term borrowings	160.49		-	
Finance cost	(83.03)		(18.71)	
Dividends paid	(103.41)		(103.41)	
Tax on dividend	(17.57)		(17.57)	
		(43.53)		(193.90)
Net cash flow from / (used in) financing activities (C)		(43.53)		(193.90)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(249.75)		(84.50)
Cash and cash equivalents at the beginning of the year		683.12		767.62
Cash and cash equivalents at the end of the year		433.37		683.12

The accompanying notes are an integral part of the financial statement.
As per our report of even date

For Sangram Paul & Company
Chartered Accountants
ICAI Reg No. 308001E

For Todarwal & Todarwal
Chartered Accountants
ICAI Reg No 111009W

For and on behalf of the Board of Directors

S.K. Paul
Proprietor
M. No. :13015

Arun Todarwal
Partner
M. No. 32822

J.K. Singh
Director
DIN: 00090649

Rita Singh
CMD
DIN: 00082263

Place : New Delhi
Date : May 30, 2015

Natasha Sinha
Director Finance & CFO
DIN: 00812380

Sandhya Sethia
Company Secretary

Notes forming part of the financial statements

Note 1 : Significant accounting policies

a) Basis of accounting and preparation of financial statements

The financial statements are prepared under the historical cost convention, on an accrual basis and in accordance with the Generally Accepted Accounting Principles in India, the applicable mandatory Accounting Standards as notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014. The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year except for the change in accounting policy explained below.

b) Use of estimates

The preparation of the financial statements in conformity with Indian GAPP requires the management to make judgments, estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the managements' best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

c) Inventories

Inventories are valued at the lower of cost on weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Excise duty related to finished goods stock is included under change in inventories of finished goods, work-in-progress and stock-in-trade.

d) Depreciation and amortisation

Depreciation of tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under, based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Class of assets	Years
Plant and Machinery	8 to 35 years
Leasehold Assets are amortised over the duration of the lease.	

e) Revenue recognition

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Other income is accounted on accrual basis. Dividend income is accounted for when the right to receive income is established.

f) Tangible fixed assets

"Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Notes forming part of the financial statements

Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

g) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

h) Foreign currency transactions and translations

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Year end balances of foreign currency monetary item is translated at the year end rates. Exchange differences arising on settlement of foreign currency monetary items of the Company are recognised as income or expense in the Statement of Profit and Loss. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

i) Investments

Long-term investments are carried at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried at the lower of cost and fair value.

j) Employee benefits

Employee benefits of short term nature are recognised as expense as and when these accrue. Long term employee benefits and post employment benefits, whether funded or otherwise, are recognised as expenses based on actuarial valuation at year end using the projected unit credit method. For discounting purpose, market yield of Government Bonds, at the balance sheet date, is used. Actuarial gains or losses are recognised immediately in the statement of Profit and Loss.

k) Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised. Other borrowing costs are recognised as expenses in the period in which they are incurred. In determining the amount of borrowing costs eligible for capitalisation during the period, any income earned on the temporary investment of those borrowings is deducted from the borrowing cost incurred.

l) Leases

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

m) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Notes forming part of the financial statements

n) **Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

o) **Research and development expenses**

Expenditure incurred during research and development phase is charged to the Statement of Profit and Loss when no intangible asset arising from such research.

p) **Segment reporting**

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Allocation of common costs

Common allocable costs are allocated to each segment on case to case basis by applying the ratio, appropriate to each relevant case. Revenue and expenses which relates to the enterprise as a whole and are not allocable to segments on a reasonable basis, are included under the head "Unallocated – Common"

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

q) **Impairment of assets**

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognised as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The Impairment loss recognised in prior accounting period is reversed if there has been an improvement in recoverable amount.

r) **Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

Notes forming part of the financial statements

Note 2 Share capital

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
Authorised		
140,000,000 (P.Y. 140,000,000) Equity shares of Rs.10/- each	1,400.00	1,400.00
Issued, Subscribed and Paid up		
137,875,000 (P.Y. 137,875,000) Equity shares of Rs.10/- each	1,378.75	1,378.75
Total	1,378.75	1,378.75

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

	As at 31 March, 2015		As at 31 March, 2014	
	Numbers	₹ in Mn	Numbers	₹ in Mn
Equity Shares:				
Opening Balance	137,875,000	1,378.75	137,875,000	1,378.75
Changes during the year	-	-	-	-
Closing Balance	137,875,000	1,378.75	137,875,000	1,378.75

B) Shareholders holding more than 5% of the ordinary shares in the company

	As at 31 March, 2015		As at 31 March, 2014	
	Numbers	%	Numbers	%
Equity Shares:				
Mideast (India) Ltd	32,549,940	23.61	32,549,940	23.61
Mesco Mining Limited	17,000,000	12.33	17,000,000	12.33
Stemcor India Private Ltd.	13,787,500	10.00	13,787,500	10.00
Mesco Steels Ltd.	13,146,800	9.54	13,146,800	9.54
Mesco Logistics Ltd.	12,151,700	8.81	12,151,700	8.81
Mesco Kalinga Steels Ltd.	10,000,000	7.25	10,000,000	7.25
Total	98,635,940	71.54	98,635,940	71.54

C) Right, preferences and restrictions attached to equity shares

The company has one class of equity shares having par value of Rs. 10 each, rank pari passu in all respects including voting rights and entitlement to dividend.

Notes forming part of the financial statements

Note 3 Reserves and surplus

₹ in Mn

Particulars	As at 31 March, 2015		As at 31 March, 2014	
a) Capital Reserve				
Opening balance		1,642.61		1,642.61
Add: Changes during the year		-		-
Closing balance		1,642.61		1,642.61
b) Securities premium account				
Opening balance		677.70		677.70
Add : Premium on shares issued during the year		-		-
Closing balance		677.70		677.70
c) Surplus / (Deficit) in Statement of Profit and Loss				
Opening balance		2,467.71		1,426.47
Add: Profit / (Loss) for the year		10.18		1,162.22
Less: Proposed Dividend on Equity Shares		-		103.41
Less: Tax on Proposed Dividend		-		17.57
Closing balance		2,477.89		2,467.71
Total		4,798.20		4,788.02

Note 4 Long-term borrowings

₹ in Mn

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Non-Current	Current	Non-Current	Current
Secured				
Term loans from Banks (refer note i)	1.22	4.07	0.27	1.73
Term loans from Other Parties (refer note i)	5.38	1.66	2.32	0.61
	6.60	5.73	2.59	2.34
Unsecured				
From Promoters	295.46	-	295.46	-
From Banks (refer note ii)	156.48	-	-	-
	451.94	-	295.46	-
Total	458.54	5.73	298.05	2.34

Notes forming part of the financial statements

Notes:

- (i) Details of terms of repayment for the secured long-term borrowings and security provided in respect of the secured long-term borrowings: ₹ in Mn

Particulars	Terms of repayment and security	As at 31 March, 2015		As at 31 March, 2014	
		Non-Current	Current	Non-Cur-rent	Current
Term loans from banks:					
ICICI Bank Limited	Vehicle loan of ₹ 5.01 Mn (PY ₹ 1.54 Mn) are secured by first charge by way of hypothecation of the respective vehicles. Number of balance EMI payable is 16.	1.16	3.86	-	1.54
Axis Bank, Kolkata	Vehicle loan of ₹ 0.27 Mn (PY ₹ 0.46 Mn) is secured by first charge by way of hypothecation of the vehicle. Number of balance EMI payable is 15.	0.06	0.21	0.27	0.19
Total - Term loans from banks		1.22	4.07	0.27	1.73
Term loans from other parties:					
Daimler Financial Services Pvt. Ltd.	Vehicle loan of ₹ 7.04 Mn (PY ₹ 2.93 Mn) are secured by first charge by way of hypothecation of the respective vehicles. Number of balance EMI payable is 38.	5.38	1.66	2.32	0.61
Total - Term loans from other parties		5.38	1.66	2.32	0.61

- (ii) Details of long-term borrowings guaranteed by directors or others. ₹ in Mn

Particulars	Terms of repayment	As at 31 March, 2015		As at 31 March, 2014	
		Non-Current	Current	Non-Current	Current
Banyantree Bank Ltd, Mauritius	External Commercial Borrowing (ECB) of USD 2.5 Mn (PY NIL) is payable in 8 equitable installments starting June 2016.	156.48	-	-	-

Note 5 Other long-term liabilities

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
Trade payables	548.50	1,192.43
Advances from customers	4,592.85	4,693.03
Total	5,141.36	5,885.46

Notes forming part of the financial statements

Note 6 Long-term provisions

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Provision for employee benefits:		
(i) Provision for gratuity	29.37	24.51
(ii) Provision for leave encashment	7.74	3.64
Total	37.12	28.15

Note 7 Trade payables

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
Micro, Small & Medium enterprises	-	-
Others	749.55	893.28
Acceptances	-	-
Total	749.55	893.28

Note 8 Other current liabilities

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
Current maturities of long-term debt	5.73	2.34
Interest accrued and not due on borrowings	0.06	0.05
Unclaimed dividends	33.87	21.12
Statutory Dues	79.07	135.32
Payables against purchase of fixed assets	25.78	23.46
Trade / security deposits received	33.74	26.07
Advances from customers	1,509.03	1,645.59
Employee related liabilities	52.53	46.68
Total	1,739.81	1,900.63

Note 9 Short term provisions

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Provision for employee benefits:		
(i) Provision for gratuity	3.55	1.00
(ii) Provision for leave encashment	0.48	2.24
(b) Provision - Others:		
(i) Provision for tax (net of advance tax)*	342.22	370.96
(ii) Proposed equity dividend	-	103.41
(iii) Tax on proposed dividend	-	17.57
Total	346.25	495.18

* Includes MAT liability and interest thereon of ₹ 329.24 Mn pertaining to the financial year 2013/2014

Notes forming part of the financial statements

Note 10 Fixed Assets

₹ in Mn

Particulars	Gross Block			Depreciation			Net Block	
	As at March 31, 2014	Additions	Deductions	As at 31 March, 2015	As at March 31, 2014	During the year	Deductions	As at 31 March, 2015
Land (Free hold)	25.55	-	-	25.55	-	-	-	25.55
Land and Site Development	331.74	-	-	331.74	-	6.90	-	324.84
Building	1,361.47	24.89	-	1,386.36	166.04	64.06	-	1,156.26
Plant and Machinery	9,243.15	324.72	-	9,567.87	2,230.64	428.14	-	6,909.09
Furniture and Fixtures	135.73	5.17	-	140.90	34.23	18.17	-	88.50
Office Equipment	16.61	3.64	-	20.25	3.64	7.06	-	9.55
Computer	72.24	5.01	-	77.25	63.73	5.92	-	7.60
Vehicles	60.36	21.02	-	81.38	15.10	13.05	-	53.23
V Sat	0.82	-	-	0.82	0.18	0.49	-	0.15
Railway Siding	677.48	3.72	-	681.20	61.74	41.94	-	577.52
Total	11,925.15	388.17	-	12,313.32	2,575.30	585.74	-	9,152.28
Previous Year	10,677.78	1,264.90	17.53	11,925.15	2,118.28	474.54	17.53	9,349.85

Notes forming part of the financial statements

Note 11 Non-current investments

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
Investments (At cost):		
Trade and Unquoted		
a) Investment in equity shares		
'Subsidiaries'		
(i) Maithan Ispat Ltd*	300.82	-
181,029,798 (PY NIL) equity shares of ₹ 10 each fully paid up of others		
'Others'		
(ii) Keonjhar Infrastructure Development Company Ltd	0.07	0.07
7,200 (PY 7,200) equity shares of ₹ 10 each fully paid up		
b) Investment in preference shares of subsidiaries		
(i) Maithan Ispat Ltd	-	-
30,000,000 (PY NIL) 10% cumulative redeemable preference shares of rupees 10 each fully paid up of others		
(ii) Keonjhar Infrastructure Development Company Ltd	20.00	20.00
2,000,000 (PY 2,000,000) 6% cumulative redeemable preference shares of rupees 10 each fully paid up		
Total	320.89	20.07

*Out of which 51% i.e., 92,994,101 number of equity shares have been agreed to be pledged with the lenders of Maithan Ispat Ltd.

Note 12 Long-term loans and advances (Unsecured considered good unless stated otherwise)

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
Capital advances	37.86	58.55
Security deposits	57.12	41.93
Loans and advances to related parties	1,993.97	2,046.52
MAT credit entitlement	875.55	856.49
Total	2,964.49	3,003.49

*Note :For securing long term future supply of Iron Ore

Notes forming part of the financial statements

Note 13 Other non-current assets

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
Non-current bank balances	128.95	110.85
Interest accrued on deposits	15.67	11.19
Total	144.62	122.04

Note 14 Inventories

(At lower of cost and net realisable value)

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
Raw materials	405.73	572.58
Work-in-progress	53.18	49.56
Finished goods	834.51	1,437.70
Goods-in-transit- CG	4.10	-
Stores and spares	128.20	51.78
Total	1,425.72	2,111.61

Note 15 Trade receivables

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	2.83	3.35
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
	2.83	3.35
Other Trade receivables		
Unsecured, considered good	0.71	47.76
Less: Provision for doubtful trade receivables	-	-
	0.71	47.76
Total	3.54	51.11

Notes forming part of the financial statements

Note 16 Cash and cash equivalents

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Cash on hand	65.43	100.71
(b) Cheques, drafts on hand	0.71	-
(c) Balances with banks		
(i) In current accounts	74.28	77.27
(ii) In deposit accounts	259.07	484.02
(iii) In earmarked accounts		
- Unclaimed dividend accounts	33.87	21.12
Total	433.37	683.12

Note 17 Short-term loans and advances (Unsecured considered good unless stated otherwise)

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
Loans and advances to Suppliers	81.08	99.90
Loans and advances to employees	5.24	1.14
Prepaid expenses	8.21	72.39
Balances with government authorities	456.34	450.56
Inter-corporate deposits	-	60.00
Others Receivables	10.00	12.00
Total	560.87	696.00

Note 18 Other current assets (Unsecured, considered good unless stated otherwise)

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
Interest accrued on deposits	13.48	18.52
Total	13.48	18.52

Note 19 Revenue from operations

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Sale of products	6,212.25	9,253.71
Less: Excise duty	629.48	629.73
Total	5,582.78	8,623.99

Notes forming part of the financial statements

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Sale of products comprises:		
Manufactured goods		
Pig Iron	5,211.85	5,537.17
Minerals	370.93	3,086.81
Total - Sale of manufactured goods	5,582.78	8,623.99

Note 20 Other income

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Interest income (Refer note 1 below)	72.10	52.65
Rental Income	0.17	-
Liabilities / provisions no longer required written back	728.46	
Others (Refer note 2 below)	12.99	19.00
Total	813.72	71.65

Note : 1

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Interest income comprises:		
Interest from banks deposits	68.05	51.74
Interest from others	4.05	0.91
Total	72.10	52.65

Note : 2

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Other income comprises:		
Insurance claim	11.27	2.69
Duty draw back	1.55	5.18
Profit on sale of fixed asset	-	10.77
Others	0.17	0.36
Total	12.99	19.00

Notes forming part of the financial statements

Note 21.a Cost of materials consumed

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Opening stock	572.58	503.21
Add: Purchases	3,448.04	4,619.79
Less: Closing stock	405.73	572.58
Cost of material consumed	3,614.88	4,550.43
Material consumed comprises:		
Raw material -Iron ore	847.61	535.62
Raw material - Coke	2,457.89	3,794.86
Other items	309.38	219.95
Total	3,614.88	4,550.43

Note 21.b Changes in inventories of finished goods, work-in-progress and stock-in-trade

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
<i>Inventories at the end of the year:</i>		
Finished goods	834.51	1,437.70
Work-in-progress	53.18	49.56
	887.69	1,487.26
<i>Inventories at the beginning of the year:</i>		
Finished goods	1,437.70	963.76
Work-in-progress	49.56	18.61
	1,487.26	982.38
Less: Excise duties on increase / (decrease) of finished goods*	(42.16)	33.42
Net increase / (decrease)	(557.41)	471.46

*Excise duty & cess on inventories represents differential excise duty and cess on opening and closing stock of finished goods.

Note 22 Employee benefits expense

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Salaries and wages	393.59	394.02
Contributions to provident and other funds	15.56	14.04
Provision for gratuity	8.15	0.33
Provision for leave	2.99	1.31
Staff welfare expenses	3.61	4.99
Total	423.89	414.69

Notes forming part of the financial statements

Note 23 Finance costs

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Interest expense on:		
Borrowings	25.09	11.70
Trade payables	0.08	-
Interest on delayed/deferred payment of statutory dues	57.64	7.01
Other borrowing cost	0.23	-
Total	83.03	18.71

Note 24 Other expenses

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Consumption of stores and spare parts	111.63	84.45
Mining cost	102.89	858.82
Power and fuel	214.68	198.04
Water	18.73	18.71
Rent & plot hiring charges	86.76	29.10
Repairs and maintenance - Buildings	1.87	10.10
Repairs and maintenance - Machinery	32.47	26.03
Insurance	15.57	9.44
Rates and taxes	12.47	17.47
Communication	4.88	5.71
Travelling and conveyance	61.81	79.46
Selling and Distribution	124.15	217.73
Donations and contributions	16.39	12.14
Legal and professional	80.57	96.40
Net loss on foreign currency transactions and translation	18.93	40.13
Payments to auditors (Refer Note (i) below)	1.49	1.30
Miscellaneous expenses	184.84	153.80
Total	1,090.13	1,858.81

Note: i

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	1.47	1.28
For taxation matters	0.02	0.02
Total	1.49	1.30

Notes forming part of the financial statements

Note 25 Additional information to the financial statements

Note 25.1 Contingent liabilities (to the extent not provided for)

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Claims against the company not acknowledged as debt		
(i) Central excise, customs and service tax	236.63	768.86
(ii) Sales tax and entry tax	326.60	326.60
(b) Guarantee agreed to provide in respect of obligations of a subsidiary	7,840.00	-
(c) Liability on account of interest on Debentures issued to Industrial Promotion & Investment Corporation of Orissa Limited (IPICOL) has not provided in the books of accounts as the case is pending with Honorable High Court of Odisha. Principal amount of Rs. 170 millions and interest of Rs. 40 millions has been paid in the financial year 2012-2013		
(d) The company has given counter guarantees to banks against bank guarantees issues to various authorities / parties to the extent of Rs. 67.90 millions.		

Note 25.2 Capital commitments

₹ in Mn

Particulars	As at 31 March, 2015	As at 31 March, 2014
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	136.81	154.78

Note 25.3 Other commitments

As per the terms of acquisition of Maithan Ispat Limited (MIL), the Company will infuse an aggregate amount of ₹1,200 millions as its contribution towards equity of MIL to the tune of ₹ 50 millions per month for the period of two years starting from April 2015.

Note 25.4 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Company has not received intimation from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Consequently the amount paid/payable to these parties is nil.

Note 25.5 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

There are no loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties.

Note 25.6 Details on unhedged foreign currency exposures

l) The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

As at 31 March, 2015		As at 31 March, 2014	
Receivable/(Payable) ₹ in Mn	Receivable/(Payable) USD in Mn	Receivable/(Payable) ₹ in Mn	Receivable/ (Payable) USD in Mn
(585.60)	(9.36)	(412.05)	(6.86)

Notes forming part of the financial statements**Note 25 Additional information to the financial statements (contd.)****Note 25.7 Value of imports calculated on CIF basis**

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Raw materials	1,808.28	2,136.37
Spare parts	0.39	1.72
Capital goods	12.95	-

Note 25.8 Expenditure in foreign currency

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Interest	1.16	-
Travelling	6.70	22.52

Note 25.9 Details of consumption of imported and indigenous items

Particulars	For the year ended 31 March, 2015	
	₹ in Mn	%
Imported		
Raw Materials	2125.89	55.73%
	(1749.91)	37.27%
Spare parts	0.39	0.01%
	(1.72)	0.04%
Indigenous		
Raw materials	1564.98	41.03%
	(2800.52)	59.65%
Spare parts	123.14	3.23%
	(143.03)	3.05%
Total	3814.39	100.00%
	(4695.18)	100.00%

Note: Figures / percentages in brackets relates to the previous year**Note 25.10 Earnings in foreign exchange**

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Export of goods calculated on FOB basis	121.31	397.27

Notes forming part of the financial statements

Note 26 Disclosures under Accounting Standards

Note 26.1 Employee benefit plans

Note 26.1.a Defined contribution plans

The Company makes Provident Fund contribution to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefit. The Company recognised ₹15.56 Mn (Year ended 31 March, 2014 ₹14.04 Mn) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to the plan by the Company is at rate specified in the rules of the scheme.

Note 26.1.b Defined benefit plans

The following table sets out the provision for gratuity and leave amount recognised in the financial statements:

₹ in Mn

Particulars	Year ended 31 March, 2015		Year ended 31 March, 2014	
	Gratuity	Leave	Gratuity	Leave
Components of employer expense				
Current service cost	3.68	1.01	3.37	0.46
Interest cost	2.28	0.43	2.10	0.38
Past service cost	-	-	-	0.09
Actuarial losses/(gains)	2.19	1.54	(5.13)	0.37
Total expense recognised in the Statement of Profit and Loss	8.15	2.98	0.34	1.30
Actual contribution and benefit payments for year				
Actual benefit payments	0.74	0.64	0.71	0.09
Actual contributions	-	-	-	-
Net asset / (liability) recognised in the Balance Sheet				
Present value of defined benefit obligation	(32.92)	(8.23)	(25.50)	(5.89)
Fair value of plan assets	-	-	-	-
Unrecognised past service costs	-	-	-	-
Net asset / (liability) recognised in the Balance Sheet	(32.92)	(8.23)	(25.50)	(5.89)

Notes forming part of the financial statements

Note 26 Disclosures under Accounting Standards (Contd.)

Note 26.1.b Defined benefit plans (Contd.)

Particulars	Year ended 31 March, 2015		Year ended 31 March, 2014	
	Gratuity	Leave	Gratuity	Leave
Change in defined benefit obligations (DBO) during the year				
Present value of DBO at beginning of the year	25.51	5.89	25.88	4.68
Current service cost	3.68	1.01	3.37	0.46
Interest cost	2.28	0.43	2.10	0.38
Actuarial (gains) / losses	2.19	1.54	(5.13)	0.37
Past service cost	-	-	-	0.09
Benefits paid	(0.74)	(0.64)	(0.71)	(0.09)
Present value of DBO at the end of the year	32.92	8.23	25.51	5.89
Actuarial assumptions				
Discount rate	7.80%	7.80%	9.10%	9.10%
Salary escalation	6%	6%	6%	6%
Mortality tables	IALM (2006-08) Ult	IALM (2006-08) Ult	IALM (2006-08) Ult	IALM (2006-08) Ult

26.2 Segment information

The Company's business activity primarily falls within a single business segment i.e. Iron and steel business and hence there are no disclosures to be made under Accounting Standard (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India.

Notes forming part of the financial statements

Note 26 Disclosures under Accounting Standards (contd.)

Note 26.3 Related party transactions:

Note 26.3. a Details of related parties:

Description of relationship	Names of related parties
Subsidiaries	Maithan Ispat Limited
Key Management Personnel (KMP)	Mr. Jitendra Kumar Singh (Director) Mrs. Rita Singh (Chairperson cum Managing Director) Mrs. Natasha Sinha (Director Finance) Mr. Purna Chandra Sahu (Director) Mr. Ravipati Hanumantha Rao (Director) Mr. Priyabrata Patnaik (Director)
Relatives of KMP	Mrs. Shipra Singh Rana
Company in which KMP / Relatives of KMP can exercise significant influence	a) Mesco Steels Limited b) Mesco Logistics Limited c) Mesco Kalinga Steels Limited d) Mesco Mining Limited e) Mideast India Limited f) Mesco Pharmaceuticals Limited g) Mesco Hotels Limited h) Mesco Aerospace Limited i) Mesco Laboratories Limited j) Mescos Shoes Limited k) Twenty First Century Finance Limited l) Mesco India Limited m) Chhindwara Coal Washing Private Limited n) Doab Dairy Products Private Limited o) Forrester Foods Private Limited p) Chhindwara Energy Limited q) Chhindwara Power Limited r) Gondwana Energy Limited s) SAARC Helicopters Private Limited t) Mesco Magic Cement Ltd

Note: Related parties have been identified by the Management.

Notes forming part of the financial statements

Note 26 Disclosures under Accounting Standards (contd.)

Note 26.3. b Details of related party transactions during the year ended 31st March, 2015 and balances outstanding as at 31st March, 2015:

₹ in Mn

Transaction during the year	Subsidiary	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence
Rentals paid				
Mesco Steels Limited				0.36 (0.60)
Mesco Logistics Limited				0.60 (0.63)
Mesco Hotels Limited				0.72 (0.72)
Mesco Kalinga Steels Limited				0.72 (0.72)
Mrs. Rita Singh		6.00 (6.00)		
Mrs. Natasha Sinha		6.00 (6.00)		
Mrs. Shipra Singh Rana			0.60 (0.60)	
Remuneration*:				
Mr. Jitendra Kumar Singh		27.02 (26.44)		
Mrs. Rita Singh		30.40 (44.77)		
Mrs. Natasha Sinha		16.26 (26.84)		
Mrs. Shipra Singh Rana			8.47 (8.49)	
Mr. Purna Chandra Sahu		4.32 (3.96)		
Mr. Ravipati Hanumantha Rao		1.20 (1.20)		
Mr. Priyabrata Patnaik**		6.75 (NIL)		

Notes forming part of the financial statements

Note 26 Disclosures under Accounting Standards (Contd.)

Note 26.3. b Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31st March, 2015 (Contd.) ₹ in Mn

Transaction during the year	Subsidiary	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence
Advances given				
Mesco Steels Limited				(NIL) (357.07)
Advances repaid				
Mesco Steels Limited				52.82 (NIL)
Investment in shares				
Maithan Ispat Limited	300.82 (NIL)			
Corporate guarantees agreed to be given				
Maithan Ispat Limited	7,840.00 (NIL)			
Balances outstanding at the end of the year				
Advances:				
Mesco Steels Limited				1,994.06 (2,046.52)
Payables:				
Mr. Jitendra Kumar Singh		3.90 (0.97)		
Mrs. Rita Singh		10.19 (7.40)		
Mrs. Natasha Sinha		5.82 (5.55)		
Mrs. Shipra Singh Rana			0.25 (1.18)	
Maithan Ispat Limited	0.37 (NIL)			
Guarantees outstanding:				
Mrs. Rita Singh	156.48 (NIL)			

* Remuneration includes perquisites computed as per Income Tax Act.

** With effect from July 01, 2014

Note: Figures in bracket relates to the previous year

Notes forming part of the financial statements

Note 26 Disclosures under Accounting Standards (contd.)

26.4 Earnings per share

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Basic & Diluted		
Net profit / (loss) for the year attributable to the equity shareholders	10.18	1,162.22
Weighted average number of equity shares	137,875,000	137,875,000
Par value per share (Rs.)	10	10
Earnings per share (Rs.)	0.07	8.43

26.5 Deferred tax (liability) / asset

₹ in Mn

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	(695.92)	(700.66)
Tax effect of items constituting deferred tax liability	(695.92)	(700.66)
Tax effect of items constituting deferred tax assets		
Provision for compensated leaves, gratuity and disallowances under Income Tax	13.99	31.40
Tax effect of items constituting deferred tax assets	13.99	31.40
Net deferred tax (liability) / asset	(681.93)	(669.26)



Notes forming part of the financial statements

Note 27 Acquisition of Maithan Ispat Limited

As per the "Share Purchase Agreement" (SPA) dated March 31, 2015 entered into between the Company, Maithan Ispat Limited (MIL) and Shareholders of MIL, the Company has acquired 181,029,798 equity shares of ₹10 each fully paid (99.28% of the total paid-up capital) of MIL and thus MIL became Subsidiary of the Company with effect from March 31, 2015. Further, the Company acquired 30,000,000, 10% Cumulative Redeemable Preference Shares (CRPS) of ₹ 10 each fully paid of MIL.

As per the terms of acquisition, the Company agreed to provide an irrevocable and unconditional guarantee (Corporate Guarantee) in favour of lenders of MIL to the tune of ₹7,840 millions within 45 days from the date of acquisition. Further, the Company will pledge 51% of paid up equity share capital of MIL, present and future, with the lenders of MIL as a security. Further, the Company will infuse an aggregate amount of ₹1,200 Millions as its contribution towards equity of MIL to the tune of ₹50 millions per month for the period of two years starting April 2015

Note 28 Depreciation on Fixed Asset

Pursuant to the Companies Act 2013 (the Act), becoming effective from April 01, 2014, the Company has reworked depreciation with reference to the estimated useful lives of fixed assets prescribed under schedule II of the Act or useful life of fixed assets as per technical evaluation. As a result the charge for depreciation is higher by ₹ 70.21 Millions for the year ended March 31, 2015.

Pursuant to the transition provisions prescribed in schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 01, 2014 and charged an amount of ₹ 23.08 millions to the Statement of Profit and Loss account for the year ended March 31, 2015.

Note 29 Previous year's figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

The accompanying notes are an integral part of the financial statement.
As per our report of even date

For Sangram Paul & Company
Chartered Accountants
ICAI Reg No. 308001E

For Tadarwal &Tadarwal
Chartered Accountants
ICAI Reg No 111009W

For and on behalf of the Board of Directors

S.K. Paul
Proprietor
M. No. :13015

Arun Tadarwal
Partner
M. No. 32822

J.K. Singh
Director
DIN: 00090649

Rita Singh
CMD
DIN: 00082263

Place : New Delhi
Date : May 30, 2015

Natasha Sinha
Director Finance & CFO
DIN: 00812380

Sandhya Sethia
Company Secretary

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF MIDEAST INTEGRATED STEELS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Mideast Integrated Steels Limited ("the Company"), which comprise the consolidated Balance Sheet as at March 31, 2015, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence, on a test basis, about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control system relevant to the Company's preparation and fair presentation of the consolidated financial statements 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 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 consolidated 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 consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2015;

For Sangram Paul & Company

Chartered Accountants
ICAI Reg No. 308001E

S.K. Paul

Proprietor
M. No. :13015
Place : New Delhi
Date : May 30, 2015

For Todarwal &Todarwal

Chartered Accountants
ICAI Reg No. 111009W

Arun Todarwal

Partner
M. No. 32822

Consolidated Balance Sheet as at 31 March, 2015

₹ in Mn

Particulars	Note No.	As at 31 March, 2015
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	3	1,378.75
Reserves and surplus	4	4,798.20
Minority Interest		3,528.79
Non-current liabilities		
Long-term borrowings	5	4,847.83
Deferred tax liabilities (net)	24.6	681.93
Other long-term liabilities	6	5,142.24
Long-term provisions	7	42.15
Current liabilities		
Short-term borrowings	8	344.48
Trade payables	9	1,216.88
Other current liabilities	10	1,917.60
Short-term provisions	11	349.16
TOTAL		24,248.01
ASSETS		
Non-current assets		
Fixed assets	12	
Tangible assets		13,881.89
Intangible assets		-
Capital work-in-progress		395.46
Deferred tax asset (net)	24.6	-
Goodwill on consolidation		3,552.44
Non-current investments	13	20.07
Long-term loans and advances	14	3,023.48
Other non-current assets	15	154.61
Current assets		
Inventories	16	1,985.61
Trade receivables	17	65.30
Cash and cash equivalents	18	541.22
Short-term loans and advances	19	612.85
Other current assets	20	15.08
TOTAL		24,248.01
Notes forming part of the financial statements	1- 31	

The accompanying notes are an integral part of the consolidated financial statement.
As per our report of even date

For Sangram Paul & Company
Chartered Accountants
ICAI Reg No. 308001E

S.K. Paul
Proprietor
M. No. :13015

Place : New Delhi
Date : May 30, 2015

For Tadarwal & Tadarwal
Chartered Accountants
ICAI Reg No 111009W

Arun Tadarwal
Partner
M. No. 32822

For and on behalf of the Board of Directors

J.K. Singh
Director
DIN: 00090649

Natasha Sinha
Director Finance & CFO
DIN:00812380

Rita Singh
CMD
DIN:00082263

Sandhya Sethia
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31 March, 2015

₹ in Mn

Particulars	Note No.	For the year ended 31 March, 2015
Revenue from operations (net)	19	5,582.78
Other income	20	813.72
Total revenue		6,396.50
Expenses		
Cost of materials consumed	21a	3,614.88
Changes in inventories of finished goods, work-in-progress and stock-in-trade	21b	557.41
Employee benefits expense	22	423.89
Finance costs	23	83.03
Depreciation and amortisation expense	10	585.74
Other expenses	24	1,090.13
Total expenses		6,355.08
Profit before tax		41.41
Tax expense:		
Current tax		19.05
(Less): MAT credit		(19.05)
Tax expense relating to prior years		(18.57)
Deferred tax		(12.67)
Profit for the year		10.18
Earnings per Equity share (of Rs. 10/- each)		
Basic & Diluted (Rs.)		0.07
Notes forming part of the financial statements	1 - 31	

The accompanying notes are an integral part of the consolidated financial statement.
As per our report of even date

For Sangram Paul & Company
Chartered Accountants
ICAI Reg No. 308001E

For Tadarwal &Tadarwal
Chartered Accountants
ICAI Reg No 111009W

For and on behalf of the Board of Directors

S.K. Paul
Proprietor
M. No. :13015

Arun Tadarwal
Partner
M. No. 32822

J.K. Singh
Director
DIN: 00090649

Rita Singh
CMD
DIN:00082263

Place : New Delhi
Date : May 30, 2015

Natasha Sinha
Director Finance & CFO
DIN:00812380

Sandhya Sethia
Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2015

₹ in Mn

Particulars	For the year ended 31 March, 2015	
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax		41.41
<i>Adjustments for:</i>		
Depreciation and amortisation	585.74	
Finance costs	83.03	
Interest income	(72.10)	
Rental income	(0.17)	
Liabilities / provisions no longer required written back	(728.46)	
Net unrealised exchange (gain) / loss	18.93	
		(113.03)
Operating profit / (loss) before working capital changes		(71.62)
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	685.89	
Trade receivables	47.57	
Short-term loans and advances	174.43	
Long-term loans and advances	39.00	
Other non-current assets	(22.59)	
Other current assets	5.04	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	(143.73)	
Other current liabilities	(93.36)	
Other long-term liabilities	(102.03)	
Short-term provisions	61.86	
Long-term provisions	8.96	
		661.06
Cash generated from operations		589.44
<i>Net income tax (paid) / refunds</i>		(108.38)
Net cash flow from / (used in) operating activities (A)		481.06
B. Cash flow from investing activities		
Purchase of fixed assets including capital advance	(398.73)	
Investment in subsidiaries and joint ventures	(300.82)	
Inter-corporate deposits	(60.00)	
Rental receipt	0.17	
Interest received	72.10	
		(687.28)
Net cash flow from / (used in) investing activities (B)		(687.28)

Consolidated Cash Flow Statement for the year ended March 31, 2015 (Contd.)

₹ in Mn

Particulars	For the year ended 31 March, 2015	
C. Cash flow from financing activities		
Proceeds from long-term borrowings	160.49	
Finance cost	(83.03)	
Dividends paid	(103.41)	
Tax on dividend	(17.57)	
		(43.53)
Net cash flow from / (used in) financing activities (C)		(43.53)
Net increase/(decrease) in Cash and cash equivalents (A+B+C)		(249.75)
Cash and cash equivalents at the beginning of the year		683.12
Cash and cash equivalents at the end of the year - Parent		433.37
Cash and cash equivalents at the end of the year - subsidiary*		107.86
Consolidated cash and cash equivalents at the end of the year		541.22

* As the subsidiary is acquired on March 31, 2015, the cash and cash equivalents of subsidiary as at March 31, 2015 have been added.

The accompanying notes are an integral part of the consolidated financial statement.
As per our report of even date

For Sangram Paul & Company
Chartered Accountants
ICAI Reg No. 308001E

For Todarwal & Todarwal
Chartered Accountants
ICAI Reg No 111009W

For and on behalf of the Board of Directors

S.K. Paul
Proprietor
M. No. :13015

Arun Todarwal
Partner
M. No. 32822

J.K. Singh
Director
DIN: 00090649

Rita Singh
CMD
DIN:00082263

Place : New Delhi
Date : May 30, 2015

Natasha Sinha
Director Finance & CFO
DIN:00812380

Sandhya Sethia
Company Secretary

Notes Forming Part of the Consolidated Financial Statements

Note 1 Group Information

Mideast Integrated Steels Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company along with its subsidiaries (collectively referred as the Group) is primarily engaged in the business of production and sale of pig iron and iron ore, structural steel and billets / blooms.

Note 2 Significant Accounting Policies

a) Principles of Consolidation

- i) The Consolidated Financial Statements (CFS) present the consolidated accounts of the Company and its subsidiaries.

The subsidiary companies considered for consolidation in the financial statements are as follows:

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership / Interest
Maithan Ispat Limited	India	99.28%

- ii) The financial statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses in accordance with Accounting Standard 21 "Consolidated Financial Statements" after fully eliminating intra-group balances, intra-group transactions and any unrealized profits/losses. The excess of the cost of investments over the proportionate value of interest in the subsidiaries has been recognised as "Goodwill"
- iii) The consolidated financial statement have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's' standalone financial statements.

b) Basis of preparation

The consolidated financial statements of the Company have been prepared under the historical cost convention, on an accrual basis and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) , the applicable mandatory Accounting Standards as notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013.

The consolidated financial statements of the Company have been prepared excluding profit and loss and cash flow of the subsidiary as the subsidiary was acquired on March 31, 2015 and the closing balances of assets and liabilities of subsidiary is added where ever necessary.

c) Use of estimates

The preparation of the consolidated financial statements in conformity with Indian GAPP requires the management to make judgments, estimates and assumptions that affect the reported amount of assets, liabilities and the disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the managements' best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

Notes Forming Part of the Consolidated Financial Statements

d) Inventories

Inventories are valued at the lower of cost on weighted average basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Excise duty related to finished goods stock is included under change in inventories of finished goods, work-in-progress and stock-in-trade

e) Depreciation and amortisation

Depreciation of tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under, based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Class of assets	Years
Plant and Machinery	8 to 35 years
Leasehold Assets are amortised over the duration of the lease.	
Computer software are amortized over a period of three years on straight line basis.	

f) Revenue recognition

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Other income is accounted on accrual basis. Dividend income is accounted for when the right to receive income is established.

g) Tangible fixed assets

Tangible fixed assets, are carried at cost less accumulated depreciation and impairment, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

h) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

Notes Forming Part of the Consolidated Financial Statements

i) Foreign currency transactions and translations

Transactions in foreign currencies are accounted at the exchange rates prevailing on the date of the transaction. Year end balances of foreign currency monetary item is translated at the year end rates. Exchange differences arising on settlement of foreign currency monetary items are recognised as income or expense in the Consolidated Statement of Profit and Loss. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

j) Investments

Long-term investments are carried at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried at the lower of cost and fair value.

k) Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised. Other borrowing costs are recognised as expenses in the period in which they are incurred. In determining the amount of borrowing costs eligible for capitalisation during the period, any income earned on the temporary investment of those borrowings is deducted from the borrowing cost incurred.

l) Employee benefits

Employee benefits of short term nature are recognised as expense as and when these accrue. Long term employee benefits and post employment benefits, whether funded or otherwise, are recognised as expenses based on actuarial valuation at year end using the projected unit credit method. For discounting purpose, market yield of Government Bonds, at the balance sheet date, is used. Actuarial gains or losses are recognised immediately in the Consolidated Statement of Profit and Loss.

m) Leases

Assets leased by the group in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Consolidated Statement of Profit and Loss on a straight-line basis.

n) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

o) Taxes on income

Current tax is determined on the basis of taxable income and tax credits computed for each of entities in the group in accordance with the provisions of the Income Tax Act, 1961.

Notes Forming Part of the Consolidated Financial Statements

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Consolidated Financial Statement when it is probable that future economic benefit associated with it will flow to the entity.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities and advance income tax are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

p) Segment reporting

The Groups's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Common allocable costs are allocated to each segment on case to case basis by applying the ratio, appropriate to each relevant case. Revenue and expenses which relates to the enterprise as a whole and are not allocable to segments on a reasonable basis, are included under the head "Unallocated – Common"

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

q) Research and development expenses

Expenditure incurred during research and development phase is charged to the Consolidated Statement of Profit and Loss when no intangible asset arising from such research.

r) Impairment of assets

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognised as an expense in the Consolidated Statement of Profit and Loss in the year in which an asset is identified as impaired. The Impairment loss recognised in prior accounting period is reversed if there has been an improvement in recoverable amount.

s) Provisions and contingencies

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

Notes Forming Part of the Consolidated Financial Statements

Note 3 Share capital

₹ in Mn

Particulars	As at 31 March, 2015
Authorised 140,000,000 (P.Y. 140,000,000) Equity shares of ₹ 10/- each	1,400.00
Issued, Subscribed and Paid up 137,875,000 (P.Y. 137,875,000) Equity shares of ₹10/- each	1,378.75
Total	1,378.75

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

Particulars	As at 31 March, 2015	
	Numbers	₹ in Mn
Equity Shares:		
Opening Balance	137,875,000	1,378.75
Changes during the year	-	-
Closing Balance	137,875,000	1,378.75

B) Shareholders holding more than 5% of the ordinary shares in the company

Particulars	As at 31 March, 2015	
	Numbers	%
Equity Shares:		
Mideast (India) Ltd	32,549,940	23.61
Mesco Mining Ltd.	17,000,000	12.33
Stemcor India Private Ltd.	13,787,500	10.00
Mesco Steels Ltd.	13,146,800	9.54
Mesco Logistics Ltd.	12,151,700	8.81
Mesco Kalinga Steels Ltd.	10,000,000	7.25
Total	98,635,940	71.54

C) Right, preferences and restrictions attached to equity shares

The company has one class of equity shares having par value of ₹ 10 each, rank pari passu in all respects including voting rights and entitlement to dividend.

Note 4 Reserves and surplus

₹ in Mn

Particulars	As at 31 March, 2015
(a) Capital Reserve	
Opening balance	1,642.61
Add: Changes during the year	-
Closing balance	1,642.61

Notes Forming Part of the Consolidated Financial Statements

Particulars	As at 31 March, 2015
(b) Securities premium account	
Opening balance	677.70
Add : Premium on shares issued during the year	-
Closing balance	677.70
(c) Surplus / (Deficit) in Statement of Profit and Loss	
Opening balance	2,467.71
Add: Profit / (Loss) for the year	10.18
Closing balance	2,477.89
Total	4,798.20

Note 5 Long-term borrowings

₹ in Mn

Particulars	As at 31 March, 2015	
	Non-Current	Current
Secured		
Term loans from Banks	4,390.51	70.91
Term loans from Other Parties	5.38	1.66
	4,395.89	72.57
Unsecured		
From Promoters	295.46	-
From Banks	156.48	-
	451.94	-
Total	4,847.83	72.57

Note 6 Other long-term liabilities

₹ in Mn

Particulars	As at 31 March, 2015
Trade payables	548.50
Advances from customers	4,592.85
Interest accrued and not due on borrowings	0.89
Total	5,142.24

Note 7 Long-term provisions

₹ in Mn

Particulars	As at 31 March, 2015
(a) Provision for employee benefits:	
(i) Provision for gratuity	34.41
(ii) Provision for leave encashment	7.74
Total	42.15

Notes Forming Part of the Consolidated Financial Statements

Note 8 Short-term borrowings

₹ in Mn

Particulars	As at 31 March, 2015
Working capital facilities from banks, repayable on demand (secured)	344.48
Total	344.48

Note 9 Trade payables

₹ in Mn

Particulars	As at 31 March, 2015
Acceptances	209.73
Other than Acceptances*	1,007.15
Total	1,216.88

*Includes amount due to Micro and Small Enterprise identified in terms of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for ₹ 10.43 millions.

Note 10 Other current liabilities

₹ in Mn

Particulars	As at 31 March, 2015
Current maturities of long-term debt	72.57
Interest accrued and due on borrowings	1.44
Interest accrued and not due on borrowings	0.87
Unclaimed dividends	33.87
Statutory Dues	120.54
Payables against purchase of fixed assets	45.18
Trade / security deposits received	33.74
Advances from customers	1,546.84
Employee related liabilities	62.55
Total	1,917.60

Note 11 Short term provisions

₹ in Mn

Particulars	As at 31 March, 2015
(a) Provision for employee benefits:	
(i) Provision for gratuity	4.76
(ii) Provision for leave encashment	2.18
(b) Provision - Others:	
(i) Provision for tax (net of advance tax)	342.22
Total	349.16

Notes Forming Part of the Consolidated Financial Statements

Note 12 Fixed Assets

₹ in Mn

Particulars	Gross Block				Depreciation				Net Block			
	As at March 31, 2014	Subsidiary*	Additions	Deductions	As at 31 March, 2015	As at March 31, 2014	Subsidiary*	During the Year	Deductions	As at 31 March, 2015	As at March 31, 2014	As at 31 March, 2015
Tangible Assets:												
Land (Free hold)	25.55	-	-	-	25.55	-	-	-	-	-	25.55	25.55
Land and Site Development	331.74	53.63	-	-	385.37	-	5.93	6.90	-	12.83	331.74	372.54
Building	1,361.47	1,024.25	24.89	-	2,410.61	166.04	194.04	64.06	-	424.14	1,195.43	1,986.47
Plant and Machinery	9,243.15	5,704.03	324.72	-	15,271.90	2,230.64	1,863.68	428.14	-	4,522.46	7,012.51	10,749.44
Furniture and Fixtures	135.73	21.23	5.17	-	162.13	34.23	12.15	18.17	-	64.55	101.50	97.58
Office Equipment	16.61	4.47	3.64	-	24.72	3.64	3.80	7.06	-	14.50	12.97	10.22
Computer	72.24	13.75	5.01	-	91.00	63.73	13.38	5.92	-	83.03	8.51	7.97
Vehicles	60.36	5.59	21.02	-	86.97	15.10	4.36	13.05	-	32.51	45.26	54.46
V Sat	0.82	-	-	-	0.82	0.18	-	0.49	-	0.67	0.64	0.15
Railway Siding	677.48	-	3.72	-	681.20	61.74	-	41.94	-	103.68	615.74	577.52
Total (A)	11,925.15	6,826.95	388.17	-	19,140.27	2,575.30	2,097.34	585.74	-	5,258.38	9,349.85	13,881.89
Previous Year	10,677.78	-	1,264.90	17.53	11,925.15	2,118.28	-	474.54	17.53	2,575.30	8,559.50	9,349.85
Intangible Assets:												
Computer Software	-	5.52	-	-	5.52	-	5.52	-	-	5.52	-	-
Total (B)	-	5.52	-	-	5.52	-	5.52	-	-	5.52	-	-
Previous Year	-	-	-	-	-	-	-	-	-	-	-	-
Total (A+B)	11,925.15	6,832.47	388.17	-	19,145.79	2,575.30	2,102.86	585.74	-	5,263.90	9,349.85	13,881.89
Previous Year	10,677.78	-	1,264.90	17.53	11,925.15	2,118.28	-	474.54	17.53	2,575.30	8,559.50	9,349.85

*As the subsidiary is acquired on March 31, 2015, the gross value and accumulated depreciation on fixed assets as on that date have been considered for consolidation

Notes Forming Part of the Consolidated Financial Statements

Note 13 Non-current investments

₹ in Mn

Particulars	As at 31 March, 2015
Investments (At cost):	
Trade and Unquoted - others	
a) Investment in equity shares	0.07
b) Investment in preference shares	20.00
Total	20.07

Note 14 Long-term loans and advances (Unsecured considered good unless stated otherwise)

₹ in Mn

Particulars	As at 31 March, 2015
Capital advances	43.97
Security deposits	84.29
Loans and advances to related parties	1,993.97
Balances with government authorities	22.08
Advance income tax of subsidiary	3.62
MAT credit entitlement	875.55
Total	3,023.48

Note 15 Other non-current assets

₹ in Mn

Particulars	As at 31 March, 2015
Non-current bank balances	138.14
Interest accrued on deposits	16.47
Total	154.61

Note 16 Inventories

₹ in Mn

Particulars	As at 31 March, 2015
<i>(At lower of cost and net realisable value)</i>	
Raw materials	626.24
Work-in-progress	53.18
Finished goods	857.73
Goods-in-transit- CG	4.10
Stores and spares	413.77
<i>(At estimated net realisable value)</i>	
By-products	30.59
Total	1,985.61

Notes Forming Part of the Consolidated Financial Statements

Note 17 Trade receivables

₹ in Mn

Particulars	As at 31 March, 2015
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	
Unsecured, considered good	5.51
Doubtful	1.83
Less: Provision for doubtful trade receivables	(1.83)
	5.51
Other Trade receivables	
Unsecured, considered good	59.79
Less: Provision for doubtful trade receivables	-
	59.79
Total	65.30

Note 18 Cash and cash equivalents

₹ in Mn

Particulars	As at 31 March, 2015
a) Cash on hand	65.50
b) Cheques, drafts on hand	0.71
c) Balances with banks	
(i) In current accounts	172.67
(ii) In deposit accounts	259.07
(iii) In earmarked accounts	
- Unclaimed dividend accounts	33.87
d) Other bank balances	
- Margin money deposit	9.40
Total	541.22

Notes Forming Part of the Consolidated Financial Statements

Note 19 Short-term loans and advances (Unsecured considered good unless stated otherwise) ₹ in Mn

Particulars	As at 31 March, 2015
Loans and advances to Suppliers	80.71
Loans and advances to employees	5.30
Prepaid expenses	10.69
Balances with government authorities	489.53
Security deposits	2.57
Others Receivables	
Unsecured, considered good	24.05
Doubtful	7.66
Less: Provision for doubtful loans and advances	(7.66)
Total	612.85

Note 20 Other current assets (Unsecured, considered good unless stated otherwise) ₹ in Mn

Particulars	As at 31 March, 2015
Interest accrued on deposits	15.08
Total	15.08

Note 21 Revenue from operations ₹ in Mn

Particulars	For the year ended 31 st March, 2015
Sale of products	6,212.25
Less: Excise duty	629.48
Total	5,582.78
Sale of products comprises:	
<i>Manufactured goods</i>	
Pig Iron	5,211.85
Minerals	370.93
Total - Sale of manufactured goods	5,582.78

Notes Forming Part of the Consolidated Financial Statements

Note 22 Other income

₹ in Mn

Particulars	For the year ended 31 st March, 2015
Interest income (Refer note 1 below)	72.10
Rental Income	0.17
Liabilities / provisions no longer required written back	728.46
Others (Refer note 2 below)	12.99
Total	813.72

Note : 1

₹ in Mn

Particulars	For the year ended 31 st March, 2015
Interest income comprises:	
Interest from banks deposits	68.05
Interest from others	4.05
Total	72.10

Note : 2

₹ in Mn

Particulars	For the year ended 31 st March, 2015
Other income comprises:	
Insurance claim	11.27
Duty draw back	1.55
Others	0.17
Total	12.99

Note 23. a Cost of materials consumed

₹ in Mn

Particulars	For the year ended 31 st March, 2015
Opening stock	572.58
Add: Purchases	3,448.04
Less: Closing stock	405.73
Cost of material consumed	3,614.88
Material consumed comprises:	
Raw material -Iron ore	847.61
Raw material - Coke	2,457.89
Other items	309.38
Total	3,614.88

Notes Forming Part of the Consolidated Financial Statements

Note 23. b Changes in inventories of finished goods, work-in-progress and stock-in-trade ₹ in Mn

Particulars	For the year ended 31 st March, 2015
Inventories at the end of the year:	
Finished goods	834.51
Work-in-progress	53.18
	887.69
Inventories at the beginning of the year:	
Finished goods	1,437.70
Work-in-progress	49.56
	1,487.26
Less: Excise duties on increase / (decrease) of finished goods	(42.16)
Net increase / (decrease)	(557.41)

Note 24 Employee benefits expense ₹ in Mn

Particulars	For the year ended 31 st March, 2015
Salaries and wages	393.59
Contributions to provident and other funds	15.56
Provision for gratuity	8.15
Provision for leave	2.99
Staff welfare expenses	3.61
Total	423.89

Note 25 Finance costs ₹ in Mn

Particulars	For the year ended 31 st March, 2015
Interest expense on:	
Borrowings	25.09
Trade payables	0.08
Interest on delayed / deferred payment of statutory dues	57.64
Other borrowing cost	0.23
Total	83.03

Notes Forming Part of the Consolidated Financial Statements

Note 26 Other expenses

₹ in Mn

Particulars	For the year ended 31 st March, 2015
Consumption of stores and spare parts	111.63
Mining cost	102.89
Power and fuel	214.68
Water	18.73
Rent & plot hiring charges	86.76
Repairs and maintenance - Buildings	1.87
Repairs and maintenance - Machinery	32.47
Insurance	15.57
Rates and taxes	12.47
Communication	4.88
Travelling and conveyance	61.81
Selling and Distribution	124.15
Donations and contributions	16.39
Legal and professional	80.57
Net loss on foreign currency transactions and translation	18.93
Payments to auditors (Refer Note (i) below)	1.49
Miscellaneous expenses	184.84
Total	1,090.13

Note: (i)

₹ in Mn

Particulars	For the year ended 31 st March, 2015
Payments to the auditors comprises (net of service tax input credit, where applicable):	
As auditors - statutory audit	1.47
For taxation matters	0.02
Total	1.49

Notes Forming Part of the Consolidated Financial Statements

Note 27 Additional information to the consolidated financial statements

Note 27.1 Contingent liabilities (to the extent not provided for)

₹ in Mn

Particulars	As at 31 st March, 2015
Claims against the company not acknowledged as debt	
(i) Central excise, customs and service tax	588.76
(ii) Sales tax and entry tax	343.77
(iii) Income tax	3.76
(iv) Electricity duty	94.74
(v) Others	14.77
(vi) Liability on account of interest on Debentures issued to Industrial Promotion & Investment Corporation of Orissa Limited (IPICOL) has not provided in the books of accounts as the case is pending with Honorable High Court of Odisha. Principal amount of Rs. 170 millions and interest of Rs. 40 millions has been paid in the financial year 2012-2013	
(vii) The group has given counter guarantees to banks against bank guarantees issues to various authorities / parties to the extent of Rs. 67.90 millions.	

Note 27.2 Capital commitments

₹ in Mn

Particulars	As at 31 st March, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	156.95

Note 27.3 Other commitments

As per the terms of acquisition approved by the lenders of Maithan Ispat Limited (MIL), the Company will infuse an aggregate amount of ₹ 1,200 millions as its contribution towards equity of MIL to the tune of ₹ 50 millions per month for the period of two years starting from April 2015.

Note 27.4 Details on unhedged foreign currency exposures

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	As at 31 st March, 2015	
	₹ in Mn	USD in Mn
Payables	788.24	12.60

Notes Forming Part of the Consolidated Financial Statements

Note 27 Additional information to the consolidated financial statements (Contd.)

Note 27.5 Arrears of fixed Cumulative Redeemable Preference Shares (CRPS)

₹ in Mn

Particulars	As at 31 st March, 2015
Arrear Dividend (including taxes) on 10% Cumulative Redeemable	
Preference Shares (CRPS)	91.80

Note 28 Disclosures under Accounting Standards

Note 28.1 Employee benefit plans

Note 28.1.a Defined contribution plans*

The Group makes Provident Fund contribution to defined contribution plans for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefit. The Group recognised ₹ 15.56 Mn (Year ended 31 March, 2014 ₹14.04 Mn) for Provident Fund contributions in the Consolidated Statement of Profit and Loss. The contributions payable to the plan by the Group is at rate specified in the rules of the scheme.

*As the Subsidiary is acquired on March 31, 2015, Provident fund contribution does not include contribution made by the subsidiary.

Note 28.1.b Defined benefit plans

The following table sets out the provision for gratuity and leave amount recognised in the financial statements: ₹ in Mn

Particulars	Year ended 31 st March, 2015	
	Gratuity	Leave
Components of employer expense		
Current service cost	3.68	1.01
Interest cost	2.28	0.43
Actuarial losses/(gains)	2.19	1.54
Total expense recognised in the Consolidated Statement of Profit and Loss	8.15	2.98
Actual contribution and benefit payments for year		
Actual benefit payments	0.74	0.64
Actual contributions	-	-

Notes Forming Part of the Consolidated Financial Statements

Note 28 Disclosures under Accounting Standards (Contd.)

Note 28.1.b Defined benefit plans (Contd.)

₹ in Mn

Particulars	Year ended 31 st March, 2015	
	Gratuity	Leave
Net asset/(liability) recognised in the Consolidated Balance Sheet		
Present value of defined benefit obligation	(32.92)	(8.23)
Present value of defined benefit obligation - Subsidiary	(6.24)	(1.71)
Fair value of plan assets	-	-
Unrecognised past service costs	-	-
Net asset / (liability) recognised in the Consolidated Balance Sheet	(39.16)	(9.94)
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	25.51	5.89
Current service cost	3.68	1.01
Interest cost	2.28	0.43
Actuarial (gains) / losses	2.19	1.54
Benefits paid	(0.74)	(0.64)
Present value of DBO at the end of the year	32.92	8.23
Add: present value of DBO of Subsidiary at the end of the year	6.24	1.71
Present value of Consolidated DBO at the end of the year	39.16	9.94
Actuarial assumptions		
Discount rate	7.80%	7.80%
Salary escalation	6%	6%
Mortality tables	IALM (2006-08) Ult	IALM (2006-08) Ult

Note 28.2 Segment information

The group's business activity primarily falls within a single business segment i.e. Iron and steel business and hence there are no disclosures to be made under Accounting Standard (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India.

Notes Forming Part of the Consolidated Financial Statements**Note 28 Disclosures under Accounting Standards (contd.)****Note 28.3 Related party transactions****Note 28.3 a Details of related parties**

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mr. Jitendra Kumar Singh Mrs. Rita Singh Mrs. Natasha Sinha Mr. Purna Chandra Sahu Mr. Ravipati Hanumantha Rao Mr. Priyabrata Patnaik Mrs. Shipra Singh Rana
Company in which KMP / Relatives of KMP can exercise significant influence	a) Mesco Steels Limited b) Mesco Logistics Limited c) Mesco Kalinga Steels Limited d) Mesco Mining Limited e) Mideast (India) Limited f) Mesco Pharmaceuticals Limited g) Mesco Hotels Limited h) Mesco Aerospace Limited i) Mesco Laboratories Limited j) Mescos Shoes Limited k) Twenty First Century Finance Limited l) Mesco India Limited m) Chhindwara Coal Washing Private Limited n) Doab Dairy Products Private Limited o) Forrester Foods Private Limited p) Chhindwara Energy Limited q) Chhindwara Power Limited r) Gondwana Energy Limited s) SAARC Helicopters Private Limited t) Mesco Magic Cement Ltd

Note: Related parties have been identified by the Management.

Notes Forming Part of the Consolidated Financial Statements

Note 28 Disclosures under Accounting Standards (contd.)

Note 28.3 b Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015:

Rs. in Mn		
Transaction during the year	KMP	Entities in which KMP / relatives of KMP have significant influence
Rentals paid		
Mesco Steels Limited		0.36
Mesco Logistics Limited		0.60
Mesco Hotels Limited		0.72
Mesco Kalinga Steels Limited		0.72
Mrs. Rita Singh	6.00	
Mrs. Natasha Sinha	6.00	
Mrs. Shipra Singh Rana	0.60	
Remuneration*:		
Mr. Jitendra Kumar Singh	27.02	
Mrs. Rita Singh	30.40	
Mrs. Natasha Sinha	16.26	
Mrs. Shipra Singh Rana	8.47	
Mr. Purna Chandra Sahu	4.32	
Mr. Ravipati Hanumantha Rao	1.20	
Mr. Priyabrata Patnaik**	6.75	

Notes Forming Part of the Consolidated Financial Statements

Note 28 Disclosures under Accounting Standards (contd.)

Note 28.3 b Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015 (contd.)

Rs. in Mn		
Transaction during the year	KMP	Entities in which KMP / relatives of KMP have significant influence
Advances repaid		
Mesco Steels Limited		52.82
Personal guarantees obtained		
Mr. Jitendra Kumar Singh	5,012.60	
Mrs. Rita Singh	156.48	
Balances outstanding at the end of the year		
Advances:		
Mesco Steels Limited		1,994.06
Payables:		
Mr. Jitendra Kumar Singh	3.90	
Mrs. Rita Singh	10.19	
Mrs. Natasha Sinha	5.82	
Mrs. Shipra Singh Rana	0.25	
Guarantees outstanding		
Mr. Jitendra Kumar Singh	5,012.60	
Mrs. Rita Singh	156.48	

* Remuneration includes perquisites computed as per Income Tax Act.

** With effect from July 01, 2014

Notes Forming Part of the Consolidated Financial Statements

Note 28 Disclosures under Accounting Standards (contd.)

Note 28.4 Earnings per share

₹ in Mn

Particulars	As at 31 March, 2015
Basic & Diluted	
Net profit / (loss) for the year attributable to the equity shareholders	10.18
Weighted average number of equity shares	137,875,000
Par value per share (₹)	10
Earnings per share (₹)	0.07

Note 28.5 Deferred tax (liability) / asset*

₹ in Mn

Particulars	As at 31 March, 2015
Tax effect of items constituting deferred tax liability	
On difference between book balance and tax balance of fixed assets	(695.92)
Tax effect of items constituting deferred tax liability	(695.92)
Tax effect of items constituting deferred tax assets	
Provision for compensated leaves, gratuity and disallowances under Income Tax	13.99
Tax effect of items constituting deferred tax assets	13.99
Net deferred tax (liability) / asset	(681.93)

*Net deferred tax assets (DTA) of ₹1296.01 Mn of the subsidiary as at March 31, 2015 has not been recognised in the accounts as a matter of prudence and in terms of the accounting policy indicated in Note No 2(o).

Note 29 Depreciation on fixed asset*

Pursuant to the Companies Act 2013 (the Act), becoming effective from April 01, 2014, the Group has reworked depreciation with reference to the estimated useful lives of fixed assets prescribed under schedule II of the Act or useful life of fixed assets as per technical evaluation. As a result the charge for depreciation is higher by ₹70.21 Mn for the year ended March 31, 2015.

Pursuant to the transition provisions prescribed in schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 01, 2014 and charged an amount of ₹ 23.08 Mn to the Consolidated Statement of Profit and Loss account for the year ended March 31, 2015.

*As the Subsidiary is acquired on March 31, 2015, the impact of depreciation of the subsidiary has not been included.

Notes Forming Part of the Consolidated Financial Statements

Note 30 Additional information as required under Schedule III of the Companies Act, 2013

₹ in Mn

Name of the Entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or (loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
a) Parent				
Mideast Integrated Steels Limited	61.87	6,176.95	100.00	10.18
b) Subsidiary				
Maithan Ispat Limited	2.78	277.48	-	-
c) Minority Interest in subsidiary	35.35	3,528.79	-	-

Note 31 Previous year's figures

Previous year figures are not provided as this is the first occasion consolidated financial statements are presented.

For Sangram Paul & Company

Chartered Accountants
ICAI Reg No. 308001E

For Todarwal & Todarwal

Chartered Accountants
ICAI Reg No 111009W

For and on behalf of the Board of Directors

S.K. Paul

Proprietor
M. No. : 13015

Arun Todarwal

Partner
M. No. : 32822

J.K. Singh

Director
DIN: 00090649

Rita Singh

CMD
DIN:00082263

Place : New Delhi
Date : May 30, 2015

Natasha Sinha
Director Finance & CFO
DIN:00812380

Sandhya Sethia
Company Secretary

Form AOC - I

Sailent features of Subsidiaries as required under first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of the Companies (Accounts) Rules, 2014

PART A: Subsidiaries*

	₹ in Mn
a. Name of the subsidiary	Maithan Ispat Limited
b. Reporting currency	Indian Rupees
c. Share capital	5,677.94
d. Reserves & surplus	(5,400.96)
e. Total assets	5,665.58
f. Total Liabilities	5,388.10
g. Investments	-

*As the subsidiary is acquired on March 31, 2015, profit and loss of the subsidiary has not been considered.



Mideast Integrated Steels Limited

CIN: L74899DL1992PLC050216

Registered Office: H-1, Zamrudpur Community Centre, Kailash Colony, New Delhi-110048

Ph. No: 011-29241099, 40587085, 40587083. W: www.mescosteel.com

ATTENDANCE SLIP

(To be presented at the entrance)

**22nd Annual General Meeting of the Company Held on Monday,
28th September, 2015 At 11:00 A.M. at Lutyens, 222/223, New Mangla Puri,
Mehrauli Gurgaon Road, New Delhi -110030**

DP ID*	
Client id*	

Folio No.	
No. of Shares	

Name of the Shareholder:

Address of the Shareholder:

.....

.....

I hereby record my presence at the **22nd Annual General Meeting** of the Company held on Monday, 28th September, 2015 at 11:00 a.m. at LUTYENS, 222/223, New Mangla Puri, Mehrauli Gurgaon Road, New Delhi -110030 and at any adjournment thereof.

*Applicable for investors holding shares in electronic form.

Signature of Shareholder/Proxy

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.



MESCO STEEL
Partnering Progress

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PROXY FORM

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

Name of the Shareholder		Folio No:	
		Client ID:	
		DP ID:	
Registered address		E-mail id:	

I/We, being the member(s) of _____ Shares of Mideast Integrated Steels Limited, hereby appoint:

- of having e-mail id or failing him
- of having e-mail id or failing him
- of having e-mail id

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the **22nd Annual General Meeting** of the Company held on Monday, 28th September, 2015 at 11:00 a.m. at LUTYENS', 222/223, New Mangla Puri, Mehrauli Gurgaon Road, New Delhi -110030.

S.No.	Resolutions	For	Against
1	To receive, consider and adopt the Audited Balance Sheet of the Company as at 31 st March, 2015, the Profit and Loss Account of the Company for the year ended on that date, and the Reports of the Auditors and Directors thereon		
2	To re-appoint Mr. Hanumantha Rao Ravipati (DIN 00044028), who retires by rotation		
3	To ratify the appointment of Statutory Auditors		
4	To appoint Mr. Gurjeet Singh Jawandha (DIN 00213573) as an Independent Director		
5	To approve related party transaction under Section 188 of Companies Act, 2013		
6	To approve the remuneration of the Cost Auditor		

*Applicable for investors holding shares in electronic form

Affix
Revenue
Stamp of
Re. 1

Signed this day of 2015

.....
Signature of Shareholder

.....
Signature of the 1st Proxy Holder

.....
Signature of 2nd Proxy holder

.....
Signature of 3rd Proxy holder

Notes:

- This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- A Proxy need not be a member of the Company.**
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for other person or shareholder.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In case of jointholders, the signatures of any holder will be sufficient, but names of all jointholders should be stated.