

BENGAL STEEL INDUSTRIES LIMITED

BOARD OF DIRECTORS

V. N. AGARWAL
PRAKASH AGARWAL
K. K. GANERIWALA
G. K. AGARWAL

COMPANY SECRETARY

RANU DEY

AUDITORS

J. N. BANERJEE & CO.
Chartered Accountants
KOLKATA - 700 001

BANKERS

UNITED BANK OF INDIA
UCO BANK

REGISTERED OFFICE

TRINITY PLAZA, 3rd FLOOR
84/1A, TOPSIA ROAD (SOUTH)
KOLKATA – 700 046

BENGAL STEEL INDUSTRIES LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their 67th Annual Report together with the Audited Accounts of the company for the Financial year ended 31st March, 2014.

	2013 - 2014 (₹)	2012 - 2013 (₹)
FINANCIAL RESULTS		
Total Revenue	4,800,000	4,802,100
Profit before Depreciation	826,393	3,831,743
Less : Depreciation	160,215	206,528
Net Profit before Taxation	666,178	3,625,215
Less : Provision for Taxation	32,000	585,000
Net Profit after Taxation	634,178	3,040,215
Add : Balance Brought forward	38,691,295	35,651,080
Balance Carried Forward to Balance Sheet	39,325,473	38,691,295

COMPANY PERFORMANCE:

In the light of challenging business conditions, the working results of your Company during Financial year ended on 31st March, 2014 was satisfactory.

DIVIDEND:

The Directors have considered to plough back the profit in business for better financial strength and as such they have not recommended any dividend for the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review, as stipulated in clause 49 of the Listing Agreements with the Stock Exchanges is appended below:

A. BUSINESS

The Company is engaged in the business of Investment, Finance, Steel Fabrication and Allied Services. The manufacturing unit is located at Kolkata. Arrangements are in hand to diversify its line of business for the future growth and prosperity.

B. REVIEW OF OPERATIONS & FUTURE PROSPECTS

Your Directors sincerely feel that operations of your Company in the business of Investment, Finance and Other services will start showing signs of improvement. Steps are in hand to achieve further improvements in its business.

C. OPPORTUNITIES AND THREATS, RISKS AND CONCERNS

Your Company's objective is to effect Continuous improvement in its business. However, the main causes of concern of your company in the years to come are:

- i) Reduction in the industrial growth rate.
- ii) Uncertain Government policy in use.

BENGAL STEEL INDUSTRIES LIMITED

D. INTERNAL CONTROL SYSTEM

The Company has Internal control procedures commensurate with the nature of its business and size of its operations. The objectives of these procedures are to ensure efficient use and protection of Company's resources, accuracy in financial reports and due compliance of applicable statutes and Company's norms, policies and procedures.

The Internal Audit Report, the progress in implementation of recommendations contained in such reports and the adequacy of Internal Control Systems are reviewed by the Audit Committee of the Board in its periodical meetings.

E. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Industrial Relations were cordial during the year under review. At all levels, employees of the Company are fully committed to the growth of the Company and there was no loss of work due to any Industrial relation problem during the year.

CORPORATE GOVERNANCE:

The Principles of Good Corporate Governance through professionalism, accountability, transparency, trusteeship and control have always been followed by your Company and it has complied with all the applicable provisions of Corporate Governance as per clause 49 of the Listing Agreements with the Stock Exchanges.

A separate Report on Corporate Governance as prescribed by the Listing Agreements forms part of the Annual Report 2013-14 along with the Auditor's Certificate on its compliance in Annexure "A".

DIRECTORS:

Mr. V. N. Agarwal, Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956 the Directors state as follows:-

- i) That in the preparation of the Annual Accounts for the Financial year ended 31st March, 2014 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of your company at the end of the Financial year and of the profit or loss of your company for that period;
- iii) That the Directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate systems and controls for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities;
- iv) That the Directors had prepared the Annual Accounts for the Financial year ended 31st March, 2014 on a "going concern" basis.

AUDITORS:

M/s J. N. Banerjee & Co., Chartered Accountants, Auditors of the Company, hold office till the conclusion of this Annual General Meeting. They have expressed their willingness to continue as the Statutory Auditors of the Company, if so reappointed and have furnished to the Company the requisite certificate to the effect that their re-appointment if effected would be within the limits prescribed under section 224(1B) of the Companies Act, 1956. Accordingly, approval of the Shareholders will be sought at the ensuing Annual General Meeting of the Company to the re-appointment of and remuneration payable to M/s J. N. Banerjee & Co., Chartered Accountants, as Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting.

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COMMENTS ON AUDITORS OBSERVATIONS:

As regards the observations made by the Statutory Auditor's in their Report your Directors are of the opinion that:

- i) Value of Land & Building could not be segregated in absence of adequate details and without incurring huge expenses.
- ii) As per Management opinion, there is no impairment loss, due to discontinuation of operation and disposal of fixed assets of ingot plant.
- iii) In the opinion of the Management, diminution in market value of investments held at costs are temporary in nature.

PUBLIC DEPOSIT:

The provisions of Section 58A of the Companies Act, 1956 and the rules framed thereunder in respect of acceptance of deposits are not applicable to your Company.

PARTICULARS OF EMPLOYEES:

Disclosures in terms of sub-section (2A) of section 217 of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not applicable to your Company.

INFORMATION AS TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 in respect of Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo are not applicable during the year under review.

CODE OF CONDUCT:

Your Company has formulated Code of Conduct which applies to Board Members and Senior Management Personnel of the Company. Confirmations towards adherence to the Code during the Financial year 2013-14 have been obtained from all the Board members and Senior Management Personnel in terms of the requirements of Clause 49 of the Listing Agreement and a declaration relating to compliance of this code during the year under review by all Board members and Senior Management Personnel has been given by the Director of the Company which accompanies this report.

ACKNOWLEDGEMENT:

Your Directors would like to thank shareholders, bankers and all other business associates for the continuous support given by them to the Company and their confidence in its management.

FOR AND ON BEHALF OF THE BOARD

Place: Kolkata
Date: 30th May, 2014

V. N. AGARWAL
K. K. GANERIWALA
DIRECTORS

BENGAL STEEL INDUSTRIES LIMITED

ANNEXURE “A”

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance :

1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good Governance practices stem from culture and mind set of the organization. As stakeholders across the country evidence keen interest in the practices and performance of Companies, Corporate Governance has emerged on the centre stage.

The Company has always believed in conducting its affairs in a fair and transparent manner and in maintaining the highest ethical standards in its dealings with all its constituents. It aims to constantly review its systems and procedures at all levels to achieve the highest level of Corporate Governance in the overall interest of all the Shareholders.

In terms of Clause 49 of the Listing Agreements with the Stock Exchanges, the details of compliances made by the Company for the year ended 31st March, 2014 are as follows:

2) BOARD OF DIRECTORS

The Board of Directors is the apex body constituted by the shareholders for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that long term interests of the shareholders are being served.

The Board of Directors of your Company comprises of Non-Executive and Independent Directors. As on 31st March 2014, the Board consists of Four Directors out of which one is Non-Executive Independent Director. Directors are persons with experience and expertise in Business, Industry, Finance and Law.

Mr. K. K. Ganeriwala is the Independent Director of the Company.

The Composition of the Board and the category of Directors as on 31.03.2014 are as follows:-

Sl. No.	Category	No. of Directors	% of Total No. of Directors
1.	Non-Executive Director & Promoter	2	50.00
2.	Non-Executive & Independent Director	1	25.00
3.	Non-Executive Director	1	25.00
	TOTAL	4	100.00

The further details relating to the Composition of the Board as on 31.03.2014 are as follows :

Sl. No.	Name of the Board Members	Category	No. of other Directorships (including all Indian and Foreign Companies)	No. of other Board Committee(s) of which he is a Member	No. of other Board Committees of which he is a Chairperson
1.	Mr. V. N. Agarwal	Non - Executive Director & Promoter	14	6	2
2.	Mr. Prakash Agarwal	Non - Executive Director & Promoter	22	7	—
3.	Mr. K.K. Ganeriwala	Non - Executive Independent Director	21	9	4
4.	Mr. G.K. Agarwal	Non - Executive & Director	6	—	—

Mr. Prakash Agarwal is the son of Mr. V.N. Agarwal.

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3) DETAILS OF BOARD MEETINGS AND ANNUAL GENERAL MEETING HELD AND ATTENDED BY THE DIRECTORS AND REMUNERATION PAID TO THEM DURING THE FINANCIAL YEAR 2013-2014

(i) During the Financial Year 2013-14 Four Board Meetings were held on:-

15th May, 2013, 8th August, 2013, 7th November, 2013 and 31st January, 2014.

(ii) Details of Attendance record of the Directors at the Board Meetings and the last Annual General Meeting are as follows:

Name of the Board Members	No. of Board Meetings Attended	Attendance at the last AGM held on 26th July, 2013
Mr. V.N. Agarwal	4	Yes
Mr. Prakash Agarwal	4	Yes
Mr. K.K. Ganeriwala	4	Yes
Mr. G.K. Agarwal	4	Yes

(iii) REMUNERATION PAID TO DIRECTORS

Details of remuneration paid/payable to Directors are as under:-

- No Commission is payable to any Director.
- Apart from sitting fees no other remuneration is paid/payable to the Non-Executive Directors.
- Sitting fees paid/payable to Non-Executive Directors during the Financial year ended 31.03.2014 are as follows:-

Name of the Director	Sitting Fees paid
Mr. V. N. Agarwal	Rs. 4,000/-
Mr. Prakash Agarwal	Rs. 4,000/-
Mr. K. K. Ganeriwala	Rs. 4,000/-
Mr. G. K. Agarwal	Rs. 4,000/-

4) BOARD MEETINGS

- The Company's Governance policy requires the Board to meet at least four times in a year with a time gap between any two Board Meetings not exceeding four months.
- In terms of Company's Corporate Governance Policy, all statutory, significant and material information are placed before the Board to enable it to discharge its responsibility.
- The Internal Guidelines for Board Meetings facilitate the decision making process at the Meeting of the Board in an informed and efficient manner.

5) BOARD AGENDA

Meetings are governed by structured Agenda. The Board Members in consultation with the Chairman may bring up any matter for the consideration of the Board.

6) INFORMATION PLACED BEFORE THE BOARD

Apart from the items that are required to be placed before the Board for its approval, both under the statutes and the Governance policy, the following are also tabled for the Board's periodic review and information.

- i) Quality performance against plan
- ii) Treasury Policy
- iii) Internal Audit Findings
- iv) Status of business risk exposure and its management
- v) Write offs/disposals
- vi) Significant Court judgment and order
- vii) Terms of reference of Board Committees

7) BOARD PROCEDURE

- (i) The Members of the Board have been provided with the requisite information as required by Annexure 1A to Clause 49 of the Listing Agreements well before the Board Meetings and the same were dealt with appropriately.
- (ii) All Directors who are in various committees are within the permissible limits as stipulated in Clause 49(IC) of the Listing Agreements. The Directors have intimated from time to time about their Memberships/ Chairmanships in various Committees in other Companies.

8) POST-MEETING FOLLOW UP SYSTEM

The Governance process in the Company includes an effective post-meeting follow up, review and reporting process for action taken/pending on decision of the Board/Board Committees.

9) COMMITTEES OF THE BOARD

Currently there are two Board Committees – the Audit Committee and Investors Grievance Committee. The Terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board Committee are convened by the respective Committee Chairman. Signed minutes of Board Committee meetings are placed at the Board Meetings for the information of the Board.

i) AUDIT COMMITTEE

Audit Committee of the Board, inter alia provides re-assurance to the Board on the existence of an effective internal control environment that ensures:

- (a) Overseeing the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statements are correct, sufficient and creditable.
- (b) Compliance with Stock Exchange formalities and legal requirements concerning financial statements.
- (c) Recommending to the Board the appointment/re-appointment of Statutory Auditors, fixation of their Audit Fees and approving payments made for any other services rendered by them.
- (d) Reviewing with the Management the Quarterly and the Annual Financial Statements before submission to the Board for approval.
- (e) Reviewing with the management the performance of the Statutory Auditors and the adequacy of internal control function.
- (f) Reviewing the internal audit function and the progress in the implementation of recommendations contained in the Internal Audit Report.
- (g) Efficiency and effectiveness of operations.
- (h) Safeguarding of the assets and adequacy of provision for all liabilities.
- (i) Reliability of financial and other management information and adequacy of disclosures.
- (j) Compliance with all relevant statutes.
- (k) Discussion with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
- (l) Reviewing of the Statement of Related Party transactions as submitted by the Management.

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The Composition of the Audit Committee and the Attendance of the Members at the Audit Committee Meetings during the Financial year ended 31.03.2014 are furnished below:-

Name of the Director	No. of meetings attended	Chairman/ Member	Category
Mr. K. K. Ganeriwala	4	Chairman	Non-Executive & Independent
Mr. V. N. Agarwal	4	Member	Non-Executive & Promoter
Mr. G. K. Agarwal	4	Member	Non-Executive

ii) INVESTORS' GRIEVANCE COMMITTEE

The Investors' Grievance Committee oversees redressal of Shareholders/ Investor grievances relating to transfer of shares, non-receipt of Balance Sheet etc.

The Investors' Grievance Committee consists of Mr. K. K. Ganeriwala and Mr. Prakash Agarwal of which Mr. K. K. Ganeriwala is the Chairman.

Ms. Ranu Dey, Company Secretary acts as the Compliance Officer of the Company.

During the year ended 31st March 2014, no complaints/queries were received and no complaint/query was pending to be resolved as on 31st March, 2014. There were no transfer of shares pending for registration as on 31st March 2014 and all transfers had been effected within a period of 15 days from the date of their lodgement.

10) GENERAL MEETINGS

i) Details of Annual General Meeting (AGM) held in the last three years are as under :

Financial Year	Location	Date	Time
2012 - 2013	Registered Office at : Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata-700046.	26th July, 2013	11.00 a.m.
2011 - 2012	Registered Office at : Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata-700046.	31st August, 2012	11.00 a.m.
2010 - 2011	Registered Office at : Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata-700046.	16th September, 2011	11.00 a.m.

- ii) Whether any Special Resolutions were passed in the previous Three AGMs : No
- (iii) Whether Special Resolutions were put through Postal Ballot last year : No
- (iv) Are Special Resolutions proposed to be put through Postal Ballot this year : No
- (v) Procedure to be followed for Postal Ballot (if applicable) : In accordance with the provisions of Section 192A of the Companies Act, 1956 read with the Rules made thereunder and guidelines issued by the Institute of Company Secretaries of India.

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11) DISCLOSURES

- i) There are no materially significant transactions with the Related Parties viz. Promoters, Directors or the Management, their Subsidiaries or Relatives etc. that may have potential conflict with the interests of the Company at large.
- ii) No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to the capital markets, during the last three years.
- iii) Your Company has a well laid out Code of Conduct and Business Ethics for the Board of Directors and Senior Management Personnel. It is one of the best means for increasing the transparency in the working of the Companies. The Board Members and the Senior Management Personnel of the Company adhere to this principle and compliance with the same is affirmed by each of them annually.
- iv) The Company is in compliance with the requirements of the Corporate Governance, which reflects in this report. The Company can assure to adopt the non-mandatory requirements in the coming years. The details of compliance status are given herein under:

Particulars	Clause of Listing Agreement	Compliance Status (Yes/No)	Remarks
I. Board of Directors	Clause 49 (I)		
(A) Composition of Board	Clause 49 (IA)	Yes	
(B) Non-Executive Directors' Compensation & Disclosures	Clause 49 (IB)	N.A.	
(C) Other provisions as to Board and Committees	Clause 49 (IC)	Yes	
(D) Code of Conduct	Clause 49 (ID)	Yes	Declaration as necessary has been made in the Directors Report
II. Audit Committee	Clause 49 (II)		
(A) Qualified & Independent Audit Committee	Clause 49 (IIA)	Yes	
(B) Meeting of Audit Committee	Clause 49 (IIB)	Yes	
(C) Powers of Audit Committee	Clause 49 (IIC)	Yes	
(D) Role of Audit Committee	Clause 49 (IID)	Yes	
(E) Review of Information by Audit Committee	Clause 49 (IIE)	Yes	
III. Subsidiary Companies	Clause 49 (III)	N.A.	The Company does not have any Subsidiary Company
IV. Disclosures	Clause 49 (IV)		
(A) Basis of related party transactions	Clause 49 (IVA)	Yes	
(B) Disclosure of Accounting Treatment	Clause 49 (IVB)	Yes	Not required as there is no deviation from Accounting Standards
(C) Board Disclosures	Clause 49 (IVC)	Yes	

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(D) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.	Clause 49 (IVD)	N.A.	The Company has not made any such issue in the recent past
(E) Remuneration of Directors	Clause 49 (IVE)	Yes	Disclosures as necessary have been made in the Corporate Governance Report forming part of Annual Report
(F) Management	Clause 49 (IVF)	Yes	Management Discussion and Analysis Report forms part of respective year's Directors' Report
(G) Shareholders	Clause 49 (IVG)	Yes	
V. CEO/CFO Certification	Clause 49 (V)	Yes	The Certificate as required has been provided to the Board for the year ended 31st March, 2014
VI. Report on Corporate Governance	Clause 49 (VI)	Yes	Report on Corporate Governance forms part of the Annual Report
VII. Compliance	Clause 49 (VII)	Yes	Certificate regarding compliance with the conditions of Corporate Governance forms part of the Annual Report

12) MEANS OF COMMUNICATIONS

- (i) **Quarterly Results** : Quarterly Results were announced within a period of 45 days from the end of the relevant Quarter (except the last quarter) and were published in The Financial Express (English) and the Dainik Statesman (Bengali) Newspapers. In place of the results for the last quarter, the Company opted to submit the Audited Financial results for the entire financial year.
- (ii) **Annual Reports** : Annual Reports containing, inter alia Audited Annual Accounts, Directors' Report, Auditors' Report and other important information are circulated to members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report.
- (iii) **Website** : The Quarterly Results are not displayed on the Website of the Company.
- (iv) **Official News Releases** : Official News Releases, if any, are not displayed on the Website of the Company.
- (v) **Displays, Presentations etc** : Displays, presentations etc are not made to Institutional Investors/ Analysts and hence not displayed on the Company's Website.

13) GENERAL SHAREHOLDERS' INFORMATION

(i) Company Registration Details

The Company is registered in the State of West Bengal. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is **L70109WB1947PLC015087**.

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(ii) Annual General Meeting to be held – Day, Date, Time and Venue :

Sl. No.	Particulars	Remarks
A.	Day	Saturday
B.	Date	27th September, 2014
C.	Time	11.00 a.m.
D.	Venue	Registered Office at : Trinity Plaza, 3rd Floor, 84/1A, Topsia Road (South), Kolkata-700046.

(iii) Calendar for Financial Results for the Financial Year 2014-2015:

Sl. No.	Particulars	Remarks
A.	1st Quarter ending 30th June, 2014	Before 14th August, 2014
B.	2nd Quarter and Half-year ending 30th September, 2014	Before 14th November, 2014
C.	3rd Quarter ending 31st December, 2014	Before 14th February, 2015
D.	4th Quarter and Annual Results for the year ending 31st March, 2015	Before 30th May, 2015

(iv) Dates of Book Closure : 25th September, 2014 to 27th September, 2014 (Both days inclusive for the purpose of AGM)

(v) Dividend payment date : Not applicable since no dividend has been recommended for the year ended 31st March, 2014.

(vi) Name of the Stock Exchanges at which Equity Shares are listed and Scrip Code assigned to the Company's shares at the respective Stock Exchanges :

The Equity Shares of the Company are listed at the following Stock Exchanges :

1. The Calcutta Stock Exchange Limited (CSE)
7, Lyons Range, Kolkata – 700001
Scrip Code: 012156
2. The Bombay Stock Exchange Limited (BSE)
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001
Scrip Code: 512404

The listing fees are being paid to both the Stock Exchanges for the Financial Year 2014-15.

(vii) Market Price Data :

There was no trading of the shares of the Company at the BSE and CSE during the year ended 31st March, 2014.

(viii) Registrars and Share Transfer Agents :

M/s Link Intime India Private Limited are the Registrar and Share Transfer Agents (RTA) of the Company.

Shareholders may address all their correspondences/queries relating to Dematerialization of Shares, transfer/transmission of physical securities, change of address, or any other query relating to the Shares of the Company to them at the below mentioned Address :

BENGAL STEEL INDUSTRIES LIMITED

LINK INTIME INDIA PRIVATE LIMITED

Fort Burlow
59C, Chowringhee Road, 3rd Floor
Room No. 5, Kolkata - 700020.
Tel : 033 2289 0540
Fax No: 033 2289 0539
E-mail ID : kolkata@linkintime.co.in
Contact Person: Mr. S. Biswas

(ix) Share Transfer System:

All work relating to transfer of Physical Shares are processed by the Company's RTA at their above mentioned Address.

The same are registered and returned within a period of 30 days from the date of receipt if the documents are clear in all respects.

In terms of the requirement of Clause 47(c) of the Listing Agreements with Stock Exchanges, the Company obtains half yearly Certificates from a Company Secretary in practice for due compliance of share transfer formalities.

(x) Distribution Schedule:

The Distribution Pattern of the Equity Shares of the Company as on 31st March, 2014 is given below:

Sl. No.	No. of Equity Shares held	No. of Holders	% of total holders	No. of Shares	% of Shareholding
1.	1 – 10000	659	94.01	1,34,107	2.74
2.	10001 – above	42	5.99	47,65,893	97.26
	Total	701	100.00	49,00,000	100.00

(xi) Shareholding Pattern as on 31st March, 2014 :

Sl. No.	Category	No. of Equity Shares held	% of Shareholding
A.	Promoters' holding :		
	1. Promoters		
	— Indian Promoters	3,571,998	72.90
	— Foreign Promoters	—	—
	2. Persons acting in concert	—	—
	Sub - Total	3,571,998	72.90
B.	Non-Promoters' holding :		
	1. Institutional Investors	—	—
	2. Others :		
	— Private Corporate Bodies	278,500	5.68
	— Indian Public	1,049,502	21.42
	Sub - Total	1,328,002	27.10
	GRAND TOTAL	4,900,000	100.00

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(xii) Dematerialization of Equity Shares :

As on 31st March, 2014, 100% of the Company's total shares representing 4,900,000 equity shares were held in physical form.

(xiii) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion dates and like impact on Equity:

NOT APPLICABLE [The Company has not issued any GDRs/ADRs/Warrants or any other Convertible Instruments]

(xiv) Plant Locations:

180/176, Upen Banerjee Road, Kolkata – 700 060.

(xv) Address for correspondence:

The investors should address their correspondence to the Company's RTA at their above mentioned address or to the Secretarial Department of the Company at the following address:

BENGAL STEEL INDUSTRIES LIMITED

"Trinity Plaza", 3rd Floor,
84/1A, Topsia Road (South),
Kolkata-700046
Tel : (033) 30216800/6808
Fax No: (033) 30216863
E-mail ID : hulho@hul.net.in

The above report has been placed before the Board at its Meeting held on 30.05. 2014 and the same was approved.

Place: Kolkata
Date: 30th May, 2014

V. N. AGARWAL
K.K. GANERIWALA
Directors

BENGAL STEEL INDUSTRIES LIMITED

DECLARATION BY THE DIRECTOR ON THE CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the Members of the Board and the Senior Management Personnel, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Senior Management Personnel in respect of the Financial Year 2013-2014.

For Bengal Steel Industries Limited

Place: Kolkata
Date: 30th May, 2014

K.K. GANERIWALA
Director

CEO/CFO CERTIFICATION

I, K. K. Ganeriwala, Director certify that:-

- a) I have reviewed the Financial Statements and Cash Flow Statement for the Financial Year ended 31st March, 2014 and to the best of my knowledge and belief.
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) These statements together present a true and fair view of company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of my knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2014 are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in design or operation of internal controls, if any, of which I am aware and the steps taken or proposed to be taken for rectifying the deficiencies.
- d) I have indicated to the Auditors and the Audit Committee that:-
 - i) There has not been any significant change in internal control over financial reporting during the year under reference.
 - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements and,
 - iii) I am not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the company's internal control system over financial reporting.

Place: Kolkata
Date: 30th May, 2014

K.K. GANERIWALA
Director

BENGAL STEEL INDUSTRIES LIMITED

AUDITORS' CERTIFICATE

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)

TO

The Members of BENGAL STEEL INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by Bengal Steel Industries Limited, for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representation 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 Listing Agreements.

We state that no investor grievances are pending for a period exceeding one month as on 31st March, 2014 as per records maintained by the Shareholders/Investors' Grievance Committee.

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

**For J. N. Banerjee & Co.
Chartered Accountants
(Registration No. 302063E)**

**(G. BANDYOPADHYAY, F.C.A.)
Partner
Membership No. 050270**

**Place: Kolkata
Date: 30.05.2014**

BENGAL STEEL INDUSTRIES LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS,

REPORT ON THE FINANCIAL STATEMENTS :

We have audited the accompanying financial statements of **BENGAL STEEL INDUSTRIES LIMITED** ("the company), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statements for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS :

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

AUDITORS' RESPONSIBILITY :

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

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

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

OPINION :

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

BENGAL STEEL INDUSTRIES LIMITED

Emphasis of Matter

Without qualifying our opinion, we draw attention to the following :

1. *Charge of depreciation on the composite cost of Land & Building, the value of which are not segregated;*
2. *Non-recognition of impairment loss, if any, on discontinuation of operation and disposal of fixed assets of ingot plant in absence of adequate information;*
3. *Non-provision in diminution in value of investments, the amount of which could not be ascertained in absence of adequate information.*

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS :

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that :
 - (a) We have 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For J. N. Banerjee & Co.
Chartered Accountants
(Registration No. 302063E)

(G. BANDYOPADHYAY, F.C.A.)
Partner

Membership No. 050270

Place : Kolkata
Date : 30th May, 2014.

BENGAL STEEL INDUSTRIES LIMITED

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report of even date)

As required by Companies (Auditors' Report) Order, 2003 issued by the Central Govt. of India under Section 227(4-A) of the Companies Act, 1956, and on the basis of such checks of the books and records of the Company and according to the information and explanations given to us, we report further that:

- 1) *The Company has not maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets. The Fixed Assets do not appear to have been physically verified by the Management during the year under Audit and therefore, the question of discrepancy on physical verification could not be determined. During the year substantial part of fixed assets have not been disposed off.*
- 2) We are informed that physical verification of inventory has been conducted at reasonable intervals by the Management. The procedure of physical verification of inventory followed by the Management is reasonable and adequate in relation to the size of the Company and the nature of its business. The Company is maintaining proper records of its inventory and no material discrepancy were noticed on physical verification.
- 3) There is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for sale of goods.
- 4) Transactions that need be entered into register mentioned under section 301 of the Companies Act, 1956, have been so entered and these transactions have been made at prices which are reasonable having regard to prevailing market price at the relevant time.
- 5) The Company does not have an internal audit system commensurate with its size and nature of its business.
- 6) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Record) Rules, 2011 prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. However, we have not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- 7) The Company is regular in depositing undisputed statutory dues with the appropriate authorities so far as applicable to the affairs of the Company during the year. There are no disputed dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty, Service Tax or Cess.
- 8) The Company does not have any accumulated loss or Cash loss in the current or immediately preceding financial year.
- 9) Proper records of transactions and contracts relating to dealing in shares, securities or other investments have been maintained so far as applicable to such transactions and timely entries have been made therein, and the shares, securities, debentures or other securities have been held in the Company's name.
- 10) On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, short term funds have not been used for long term purposes.
- 11) We have not noticed nor have been reported any fraud on or by the Company during the year under audit.
- 12) Clauses (iii), (vi), (xi), (xii), (xiii), (xv), (xvi), (xviii), (xix), (xx) of paragraph 4 of the order are not applicable to the Company for this year.

**For J. N. Banerjee & Co.
Chartered Accountants
(Registration No. 302063E)**

**(G. BANDYOPADHYAY, F.C.A.)
Partner**

Membership No. 050270

**Place : Kolkata
Date : 30th May, 2014**

BENGAL STEEL INDUSTRIES LIMITED

Balance Sheet as at 31st March, 2014

I. EQUITY AND LIABILITIES	Notes	As at 31st March 2014 ₹	As at 31st March 2013 ₹
Shareholder's Funds			
Share Capital	2	49,000,000	49,000,000
Reserves and Surplus	3	39,325,473	38,691,295
		<u>88,325,473</u>	<u>87,691,295</u>
Current Liabilities			
Other current liabilities	4	32,559,264	12,250,952
Short-term provisions	5	1,862,000	1,830,000
		<u>34,421,264</u>	<u>14,080,952</u>
Total		<u><u>122,746,737</u></u>	<u><u>101,772,247</u></u>
II. ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	6	1,646,026	1,859,263
Non-current Investments	7	41,670,146	43,560,992
Long term Loans and advances	8	853,252	821,734
		<u>44,169,424</u>	<u>46,241,989</u>
Current Assets			
Inventories	9	5,461,885	5,461,885
Cash and Cash Equivalents	10	363,734	2,137,628
Short-term Loans and Advances	11	69,458,013	47,905,302
Other Current Assets	12	3,293,681	25,443
		<u>78,577,313</u>	<u>55,530,258</u>
Total		<u><u>122,746,737</u></u>	<u><u>101,772,247</u></u>
Significant Accounting policies	1		
Notes forming integral part of Financial Statements 2 to 25			

For J N BANERJEE & CO.
Chartered Accountants
ICAI REG. No.: 302063E

GBANDYOPADHYAY, F.C.A.
PARTNER
Membership No. : 050270
Place : Kolkata
Date : 30th May, 2014

RANUDEY
Company Secretary

For and on behalf of the Board
V. N. AGARWAL
K. K. GANERIWALA
Directors

BENGAL STEEL INDUSTRIES LIMITED

Statement of Profit & Loss for the year ended 31st March, 2014

Particulars	Notes	For the year ended 31st March 2014 ₹	For the year ended 31st March 2013 ₹
I. Revenue from Operations	13	4,800,000	4,802,100
II. Other Income	14	1,309,636	972,651
Total		6,109,636	5,774,751
III. Expenses:			
Employee Benefit Expenses	15	439,040	429,220
Depreciation and Amortisation Expenses	16	160,215	206,528
Other Expenses	17	4,844,203	1,513,788
Total		5,443,458	2,149,536
IV. Profit/(Loss) Before Exceptional items and Tax		666,178	3,625,215
V. Exceptional Items		—	—
VI. Profit/(Loss) before tax		666,178	3,625,215
VII. Tax Expense:			
(1) Current Tax		32,000	585,000
(2) Tax for Earlier Year		—	—
IX. Profit/(Loss) after Tax		634,178	3,040,215
X. Earning per Equity share - Basic and Diluted	22	0.13	0.62
Significant Accounting policies	1		
Notes forming integral part of Financial Statements 2 to 25			

For J N BANERJEE & CO.
Chartered Accountants
ICAI REG. No.: 302063E

GBANDYOPADHYAY, F.C.A.
PARTNER
Membership No. : 050270
Place : Kolkata
Date : 30th May, 2014

RANUDEY
Company Secretary

For and on behalf of the Board
V. N. AGARWAL
K. K. GANERIWALA
Directors

BENGAL STEEL INDUSTRIES LIMITED

A. CASH FLOW FROM OPERATING ACTIVITIES :	For the year ended 31st March 2014 ₹	For the year ended 31st March 2013 ₹
Net Profit/(Loss) before tax	666,178	2,652,564
Adjustment for:		
Exceptional Items	—	972,651
Depreciation	160,215	206,528
Interest Received	(35,064)	—
Interest Paid	—	—
(Profit)/Loss On Sale of Investments	(757,110)	—
(Profit)/Loss On Sale of Fixed Assets	(11,978)	—
Provision for fall in Value of Current Investment	—	—
Dividend Received	(504,234)	—
Operating Profit before Working Capital Changes	(481,994)	3,831,743
Movements In Working Capital :		
Increase/(Decrease) in Trade Payables	—	—
Increase/(Decrease) in Other Current Liabilities	20,308,312	(43,342,274)
Decrease/(Increase) in Trade Receivables	—	—
Decrease/(Increase) in Inventories	—	—
Decrease/(Increase) in Long-Term Loans and Advances	(31,518)	500,000
Decrease/(Increase) in Short-Term Loans and Advances	(21,552,711)	(1,532,290)
Decrease/(Increase) in Other Current Assets	(3,268,238)	(1,468)
Cash generated from operations /(used in) Operations	(5,026,149)	(40,544,289)
Direct Taxes Paid (Net)	—	—
Net Cash from Operating Activities	(5,026,149)	(40,544,289)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets (Including Capital work in Progress)	—	—
Sale of Fixed Assets (Including advance taken for Sale - Net)	65,000	—
Loan Given (-) / Refund received (+)	—	—
Effect of Exchange rate change on Consolidation	—	—
Purchase of Investments (Including Share Application Money)	—	—
Sale of Investments	2,647,957	5,323,937
Interest Received	35,064	—
Dividend Received	504,235	—
Net Cash from Investing Activities	3,252,256	5,323,937
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds/(Repayment) from Long term Borrowings	—	—
Proceeds/(Repayment) from Short term Borrowings	—	—
Interest paid	—	—
Dividend Paid	—	—
Net Cash from Financing Activities	—	—
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(1,773,894)	(35,220,352)
Cash and Cash Equivalents At The Beginning of The Period	2,137,628	37,357,980
Cash and Cash Equivalents At The End of The Period	363,734	2,137,628

BENGAL STEEL INDUSTRIES LIMITED

Components of Cash & Cash Equivalents	For the year ended 31st March 2014 ₹	For the year ended 31st March 2013 ₹
Balances With Banks		
– In Current Account	310,870	2,082,587
– In Foreign Currency Account	—	—
– In Fixed Deposit Account	3,000	3,000
– In Margin Deposit Account	—	—
– In Unpaid Dividend Account	—	—
Cash in Hand	49,864	52,041
	363,734	2,137,628

Notes:

- Previous year's figures have been regrouped/recasted wherever necessary.
- The above cash flow has been prepared under "Indirect Method" as prescribed under Accounting Standard 3 notified in Companies (Accounting Standards) Rules, 2006.

For J N BANERJEE & CO.
Chartered Accountants
ICAI REG. No.: 302063E

GBANDYOPADHYAY, F.C.A.
PARTNER
Membership No. : 050270
Place : Kolkata
Date : 30th May, 2014

RANUDEY
Company Secretary

For and on behalf of the Board

V. N. AGARWAL
K. K. GANERIWALA
Directors

BENGAL STEEL INDUSTRIES LIMITED

NOTE : 1 SIGNIFICANT ACCOUNTING POLICIES

- 1.1. FIXED ASSETS : Fixed Assets are stated at cost of acquisition including related expenses of transportation or installation and interest on loans utilised for acquisition of assets till such assets are used for production but excluding credit available for excise duty paid on such acquisition.
- 1.2. INVESTMENTS : Investments are stated at cost.
- 1.3. INVENTORIES : Raw materials, Stores & Spare Parts, Tools & Implements are valued at lower of cost or net realisable value.
- 1.4. REVENUE RECOGNITION : Rent receivable from occupiers against whom ejection suits are pending in court has not been accounted for.
All other revenues are recognised on accrual basis.
- 1.5. DEPRECIATION : Depreciation on all items of depreciable assets has been charged on diminishing balance method at rates as prescribed in Schedule XIV to the Companies Act, 1956. Land & Building include value of Land on which Depreciation has been charged and the value of such land could not be segregated.
- 1.6. BASIS OF ACCOUNTING : The accounts are prepared on historical cost convention and on generally accepted accounting practices.

Note : 2 SHARE CAPITAL	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Authorised Shares		
6,000,000 Equity Shares of Rs 10/- each	60,000,000	60,000,000
	<u>60,000,000</u>	<u>60,000,000</u>
Issued, Subscribed & Fully Paid-Up		
4,900,000 Equity Shares of Rs. 10/- each	49,000,000	49,000,000
Total	49,000,000	49,000,000

2a. Reconciliation of shares outstanding at the beginning & at the end of the reporting period

Equity Shares	Nos.	As at 31st March, 2014 ₹	Nos.	As at 31st March, 2013 ₹
At the beginning of the period	4,900,000	49,000,000	4,900,000	49,000,000
Issued during the period	NIL	NIL	NIL	NIL
Outstanding at the end of the period	4,900,000	49,000,000	4,900,000	49,000,000

BENGAL STEEL INDUSTRIES LIMITED

2b. Details of Shareholders holding more than 5% Shares in the Company

Particulars	Nos.	As at 31st March, 2014 % Holding in the class	Nos.	As at 31st March, 2013 % Holding in the class
Equity Shares of Rs. 10 Each				
1. V.N.Enterprises Limited	844,935	17.24	844,935	17.24
2. Tea Time Limited	498,250	10.17	498,250	10.17
3. Neptune Exports Limited	495,601	10.11	495,601	10.11
4. Asutosh Enterprises Limited	489,801	10.00	489,801	10.00
5. Orient International Limited	484,050	9.88	484,050	9.88
6. Hindusthan Udyog Limited	345,000	7.04	345,000	7.04

2c. Rights Attached to Equity Shares

The company has only one class of shares i.e. Equity Shares having par value of Rs 10/- per share. Each equity shareholder is entitled to one vote per share.

Each Shareholder is eligible to receive dividend, if distributed and in the event of liquidation of the Company, a shareholder is entitled to receive remaining assets of the Company, after distribution of all preferential dues in proportion to the number of equity shares held by the shareholders.

Note : 3 RESERVE & SURPLUS	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Surplus as per Statement of Profit and Loss		
Opening Balance	38,691,295	35,651,080
Addition during the year	634,178	3,040,215
Closing Balance	39,325,473	38,691,295

Note : 4 OTHER CURRENT LIABILITIES	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Sundry Advance	28,547,884	8,202,255
Other Payables	4,011,380	4,048,697
Total	32,559,264	12,250,952

Note : 5 SHORT TERM PROVISIONS	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Provision For Income Tax	1,862,000	1,830,000
Total	1,862,000	1,830,000

Note 6 : FIXED ASSETS

Particulars	COST				ACCUMULATED DEPRECIATION AND AMORTISATION				NET BOOK VALUE	
	01.04.2013	Addition	Deduction	31.03.2014	31.03.2013	Charged during the Year	Deduction/ Adjustment	31.03.2014	31.03.2014	31.03.2013
<u>TANGIBLE ASSETS</u>										
LAND	542,591	—	—	542,591	—	—	—	—	542,591	542,591
LAND & BUILDING	339,000	—	—	339,000	282,901	2,805	—	285,706	53,294	56,099
FACTORY SHED	9,562,353	—	—	9,562,353	8,718,779	84,357	—	8,803,136	759,217	843,574
PLANT & EQUIPMENTS	13,150,980	—	—	13,150,980	12,964,524	25,936	—	12,990,460	160,520	186,456
VEHICLE	1,153,958	—	482,019	671,939	929,814	45,959	428,997	546,776	125,163	224,144
FURNITURE & FIXTURE	246,623	—	—	246,623	240,224	1,158	—	241,382	5,241	6,399
Total	24,995,505	—	482,019	24,513,486	23,136,242	160,215	428,997	22,867,460	1,646,026	1,859,263
PREVIOUS YEAR	24,995,505	—	—	24,995,505	22,929,714	206,528	—	23,136,242	1,859,263	

BENGAL STEEL INDUSTRIES LIMITED

NOTE - 7 : NON CURRENT INVESTMENTS

LONG TERM FULLY - PAID UP NON TRADE INVESTMENTS : (At cost)

Particulars	Face Value ₹	As at 31.03.2014		As at 31.03.2013	
		No. of Shares/Units	Value ₹	No. of Shares/Units	Value ₹
I) Investment in Fully Paid up Equity Instruments					
A) Quoted					
Via Media India Ltd.	10	50	500	50	500
Kabini Papers Limited	10	500	500	500	500
Jyoti Ltd.	10	10,000	805,128	10,000	805,128
United Credit Ltd.	10	2,311	8,250	2,311	8,250
Gran Heal Pharmacy Ltd.	10	1,900	19,000	1,900	19,000
Northern Projects Ltd.	10	161,900	391,617	161,900	391,617
Asutosh Enterprises Ltd.	10	168,000	412,244	168,000	412,244
Neptune Exports Ltd.	10	230,000	472,757	230,000	472,757
Tea Time Ltd.	10	221,000	513,690	221,000	513,690
Orient International Ltd.	10	213,000	652,599	213,000	652,599
Hindusthan Udyog Ltd.	10	599,600	2,563,782	599,600	2,563,782
Lumax Industries Ltd.	10	19,285	2,363,484	19,285	2,363,484
KSB Pumps Ltd.	10	360	63,141	180	63,141
Indian Hotel Ltd.	10	-	-	51,417	1,890,846
TRF Ltd.	10	12,037	7,812,994	12,037	7,812,994
ION Exchange Ltd.	10	80,319	12,626,767	80,319	12,626,767
Elecon Engineering Ltd.	2	127,820	9,668,177	127,820	9,668,177
Graphite India Ltd.	2	25,000	2,016,842	25,000	2,016,842
TOTAL (A)			40,391,472		42,282,318
B) Unquoted					
Macneill Electricals Ltd.	100	9	900	9	900
Bengal Coal Co. Ltd.	10	160	33,482	160	33,482
HSM International Pvt. Ltd.	10	2,500	25,000	2,500	25,000
Neptune Impex Pvt. Ltd.	100	100	10,000	100	10,000
AKA Washeries India Pvt. Ltd.	10	2,000	20,000	2,000	20,000
Hindusthan Parsons Ltd.	10	400,000	811,000	400,000	811,000
Huwood Hindusthan Pvt. Ltd.	10	2,000	20,000	2,000	20,000
Spaans Babcock India Ltd.	10	4,930	49,300	4,930	49,300
Bengal Central Building Society Ltd.	10	10,000	100,000	10,000	100,000
Tamilnadu Alkaline Batteries Ltd.	10	198,000	198,992	198,000	198,992
TOTAL (B)			1,268,674		1,268,674
II) Investment in Fully Paid up Preference Shares					
India Financial Journal Pvt. Ltd.	100	30	3,000	30	3,000
TOTAL (C)			3,000		3,000
III) Investment in Debentures					
Via Media Ltd.	10	175	7,000	175	7,000
TOTAL (D)			7,000		7,000
Total (A+B+ C+D)			41,670,146		43,560,992

	As at 31.03.2014		As at 31.03.2013	
	Cost	Market Value	Cost	Market Value
Aggregate value of Quoted Investments	40,391,472	26,934,350	42,282,318	30,488,952

BENGAL STEEL INDUSTRIES LIMITED

Note : 8 LONG TERM LOANS AND ADVANCES (Unsecured, Considered Good)	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Advances recoverable in Cash or in kind	151,293	151,293
Security Deposits	701,959	670,441
Total	853,252	821,734

Note : 9 INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Raw Material	5,461,885	5,461,885
Total	5,461,885	5,461,885

Note : 10 CASH & CASH EQUIVALENTS	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Balance at Bank in Current Accounts	310,870	2,082,587
Balance at Bank in Deposit Account	3,000	3,000
Cash in Hand	49,864	52,041
Total	363,734	2,137,628

Note : 11 SHORT TERM LOANS & ADVANCES (Unsecured, Considered Good)	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Advances recoverable in Cash or in kind or for value to be received	58,195,275	37,216,970
Advance Income Tax and Other Taxes	11,256,738	10,676,332
Advances to Staff	6,000	12,000
Total	69,458,013	47,905,302

Note : 12 OTHER CURRENT ASSETS (Unsecured, Considered Good)	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Other Receivables	2,898,161	25,443
Service Tax On rent Receivable	395,520	—
Total	3,293,681	25,443

BENGAL STEEL INDUSTRIES LIMITED

Note : 13 REVENUE FROM OPERATIONS	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Sale of Products	—	—
Other Operating Income	4,800,000	4,802,100
Total	4,800,000	4,802,100

Note : 14 OTHER INCOME	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Interest Received on Deposits	35,064	—
Miscellaneous Income	1,250	—
Profit/(Loss) on Sale of Investments (Net)	757,110	256,016
Profit on Sale of Assets	11,978	—
Dividend Received	504,234	716,635
Total	1,309,636	972,651

Note : 15 EMPLOYEE BENEFIT EXPENSES	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Salary, Wages, Bonus & Allowances	308,397	271,490
Staff Welfare Expenses	130,643	157,730
Total	439,040	429,220

Note : 16 DEPRECIATION & AMORTISATION EXPENSES	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Depreciation (Note No. 6)	160,215	206,528
Total	160,215	206,528

BENGAL STEEL INDUSTRIES LIMITED

Note : 17 OTHER EXPENSES	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
Directors Meeting Fees	16,000	7,500
Service Charges	575,891	528,529
Legal Charges	—	1,020
Electric Charges	11,150	11,330
Rent	1,348,320	—
Rates & Taxes	1,417,562	161,713
Bank Charges	18,439	6,382
Travelling Expenses	122,142	150,368
Conveyance Charges	431,283	392,110
Other Repairs	5,844	—
Postage, Telegram & Telephone	38,574	27,249
Printing & Stationery Items	9,998	10,596
Service Tax	87,711	—
<u>Payment to Auditors</u>		
– As Auditors	35,000	35,000
– Tax Audit Fees	—	5,000
– For Other Services	10,500	16,000
Listing Fees	25,500	25,500
Subscription & Donation	8,125	24,726
Advertisement	44,588	42,267
Displacement Charges	500,000	—
Miscellaneous Expense	137,576	68,498
Total	4,844,203	1,513,788

NOTES TO ACCOUNTS

- 18** Liability for payment of gratuity is not required to be made since the provisions of Payment of Gratuity Act does not apply to this Company.
- 19** Land, Factory Shed, Machineries and all Fixed Assets situated in Behala Factory remain comprehensively charged in parripassu with West Bengal Industrial Development Corpn. Ltd. and West Bengal Financial Corpn. with second charge in favour of United Bank of India.
- 20** Segment Reporting :
- The operating activities of the company during the year comprised of earning of rent, interest, dividend and all transactions were within India. These activities are carried on by the same organisational structure and entire activities are located in India.

BENGAL STEEL INDUSTRIES LIMITED

21 Related Party Disclosure :

a) Associate Company : WPIL Limited
Macneill Electricals Ltd.

b) Key Management Personnel :
(Directors & their Relatives)

Mr. V. N. Agarwal	Director
Mr. Prakash Agarwal	Director
Mr. G. K. Agarwal	Director
Mr. K. K. Ganeriwala	Director

Transactions with Associate Company & Key Managerial Personnel :

Transaction	Associate Company		Key Management Personnel	
	2013-2014	2012-2013	2013-2014	2012-2013
	₹	₹	₹	₹
Rent Receipts (WPIL Ltd)	4,800,000	4,800,000	—	—
Rent Paid (Macneill Electricals Ltd.)	1,200,000	—	—	—
Rent Receivable (WPIL Limited)	4,275,520	—	—	—
Meeting Attendance Fees (Directors)	—	—	16,000	7,500

	Current Year	Previous Year
22 Earning Per Share		
Profit/(Loss) After Taxation	634,178	3,040,215
Weighted average no. of equity share outstanding	4,900,000	4,900,000
Earning Per Share - Basic and Diluted	0.13	0.62

23 Deferred Tax Accounting :

Tax liability arising under Minimum Alternate Tax (MAT) method gives rise to Deferred Tax Asset of about 0.32 Lacs but in view of concept of prudence and in absence of virtual certainty of earning profit, Deferred Tax Asset has not been recognised.

24 The Company has no amounts due to suppliers under the Micro, Small & Medium Enterprises as defined under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED) as at 31.03.2014. Hence no additional disclosure have been made. The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information received by the Company.

25 Previous years' figures have been reclassified to conform to this years classification, wherever necessary.

As per our Report of even date

For J N BANERJEE & CO.

Chartered Accountants

ICAI REG. No.: 302063E

GBANDYOPADHYAY, F.C.A.

PARTNER

Membership No. : 050270

Place : Kolkata

Date : 30th May, 2014

RANUDEY
Company Secretary

For and on behalf of the Board

V. N. AGARWAL
K. K. GANERIWALA

Directors

BENGAL STEEL INDUSTRIES LIMITED

Notes

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