

INDEPENDENT AUDITORS' REPORT

To
The Members of QUALITY IRON AND STEEL LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **QUALITY IRON AND STEEL LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Statement of Changes in Equity 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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 and its loss and its cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure 'A'** 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 and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;
 - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to **Annexure 'B'**.
 - (g) 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 does not have any pending litigations as on March 31, 2018;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There is no amount payable towards investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N


G. K. Aggarwal
Partner
M. No. 086622
Date: 24th May, 2018
Place: New Delhi



ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of **QUALITY IRON AND STEEL LIMITED** on the accounts for the year ended March 31, 2018)

1. The Company does not have any fixed assets. Accordingly, the provision of clause 3 (i) (a), (b) & (c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
2. The Company does not hold any inventory. Accordingly, the provision of clause 3 (ii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
3. According to the information and the explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the order are not applicable to the company and hence not commented upon.
4. The Company has not granted any loans or given any guarantee and security covered under Section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iv) of the order are not applicable to the company and hence not commented upon.
5. According to the information and explanations given to us and the records examined by us, the Company has not accepted any deposits from the public during the year. Accordingly, the Paragraph 3(v) of the Order is not applicable to the Company.
6. As informed to us, Company is not required to maintain the cost records under sub-section (I) of section 148 of the Companies Act, 2013. Accordingly, the provisions of clause 3(vi) of the order are not applicable to the company.
7. According to the information and explanations given to us and to the best of our knowledge, the Company does not have any statutory dues payment liability i.e. income tax, provident fund, employees' state insurance, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess as mentioned in para (vii) of the Order. Accordingly, provisions of clause 3(vii) of the order are not applicable to the company.
8. According to the information and explanations given to us, the Company has not taken any loan from financial institution, bank, government and debenture holder. Therefore, clause 3 (viii) of the Order with respect to default of repayment is not applicable to the Company.
9. The Company has not raised any money by way of initial public offer or further public offer or debt instruments. Also the Company does not have any term loan during the year. Accordingly, the provisions of clause 3(ix) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.



10. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company or by its officers or employees during the year.
11. The Company does not provide or paid any managerial remuneration as per the provisions of Section 197 read with Schedule V of the Companies Act, 2013. Accordingly, provisions of clause 3 (xi) of the Order are not applicable to the Company.
12. The company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. The Company has complied with the provisions of Section 188 of the Companies Act, 2013 w.r.t. transactions with the related parties. Details of the transactions with the related parties have been disclosed in the financial statements as required by the applicable Indian Accounting Standards. As explained to us, Section 177 of the Companies Act, 2013 is not applicable to the company.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him as covered under Section 192 of the Companies Act, 2013. Accordingly, provisions of clause 3 (xv) of the Order are not applicable to the Company.
16. According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For N.C. Aggarwal & Co.

Chartered Accountants

Firm Registration No. 003273N



G. K. Aggarwal

Partner

M. No. 086622

Date: 24th May, 2018

Place: New Delhi



ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT

Annexure referred to in our report of even date to the members of QUALITY IRON AND STEEL LIMITED on the accounts for the year ended 31st March, 2018

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

We have audited the internal financial controls over financial reporting of **QUALITY IRON AND STEEL LIMITED** ("the Company") as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For N.C. Aggarwal & Co.

Chartered Accountants

Firm Registration No. 003273N



G. K. Aggarwal

Partner

M. No. 086622

Date: 24th May, 2018

Place: New Delhi



Quality Iron and Steel Limited
Balance Sheet as at March 31, 2018
CIN- U12000DL2007PLC163469

(Amount in ₹)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
ASSETS			
Current assets			
Financial assets			
(a) Cash and cash equivalents	5	137	2,238
Total Assets		137	2,238
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	6	5,00,000	5,00,000
(b) Other equity		(6,37,513)	(6,28,332)
Liabilities			
Current liabilities			
(a) Other financial liabilities	7	1,37,650	1,30,570
Total Equity and Liabilities		137	2,238
Significant Accounting Policies and Notes to Financial Statements	1-17		

As per our report of even date attached

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

G.K. Aggarwal
Partner
M.No. 086622



Place : New Delhi
Dated : 24th May, 2018

Rajeev Goyal
Director
DIN : 07003755

Narendra Mantri
Director
DIN : 2626772

Quality Iron and Steel Limited

Statement of Profit and Loss for the year ended 31st March, 2018

CIN- U12000DL2007PLC163469


Particulars	Note No.	(Amount in ₹)	
		Year Ended March 31, 2018	Year Ended March 31, 2017
I Other income		-	-
Total income (I)		-	-
II Expenses			
Finance costs	8	2,101	833
Other expenses	9	7,080	24,400
Total expenses (II)		9,181	25,233
III Profit/(Loss) before tax (I - II)		(9,181)	(25,233)
IV Tax expense:			
Current tax		-	-
V Loss for the year (III - IV)		(9,181)	(25,233)
VI Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans		-	-
VII Total Comprehensive Income for the year (V + VI)		(9,181)	(25,233)
VIII Earnings per equity share (face value of ₹ 10/- each):			
(1) Basic and Diluted (₹)		(0.18)	(0.50)
Significant Accounting Policies and Notes to Financial Statements	1-17		

As per our report of even date attached

For N.C. Aggarwal & Co.

Chartered Accountants


Firm Registration No. 003273N


G.K. Aggarwal
Partner
M.No. 086622



Dated : 24th May, 2018


Rajeev Goyal
Director
DIN : 07003755


Narendra Mantri
Director
DIN : 2626772

Quality Iron and Steel Limited

Statement of Changes in Equity for the year ended March 31, 2018

CIN- U12000DL2007PLC163469

A. Equity Share Capital

(Amount in ₹)

	As at March 31, 2017	Changes in equity share capital during 2017-18	As at March 31, 2018
	5,00,000	-	5,00,000

B. Other Equity

Particulars	Retained Earnings
Balance as at March 31, 2017	(6,28,332)
Comprehensive income for the year	(9,181)
Balance as at March 31, 2018	(6,37,513)

Significant Accounting Policies and Notes to Financial Statements

1-17

As per our report of even date attached

For N.C. Aggarwal & Co.

Chartered Accountants

Firm Registration No. 003273N

G.K. Aggarwal
Partner
M.No. 086622



For and on behalf of the Board of Directors
of Quality Iron and Steel Limited

Rajeev Goyal
Director
DIN : 07003755

Narendra Mantri
Director
DIN : 2626772

Place : New Delhi

Dated : 24th May, 2018

Quality Iron and Steel Limited

Statement of Cash Flow for the year ended March 31, 2018

CIN- U12000DL2007PLC163469


PARTICULARS	Year Ended		Year Ended	
	March 31, 2018		March 31, 2017	
A. Cash Inflow (Outflow) From The Operating Activities				
Net Profit Before Tax and Exceptional Items		(9,181)		(25,233)
Adjustments for :				
Add/(Less)				
Depreciation		-		-
Operating Profit Before Working Capital Changes		(9,181)		(25,233)
Adjustments for :				
Trade and Other Payables	7,080	7,080	16,850	16,850
Cash Generated From Operations Before Exceptional Items		(2,101)		(8,383)
Tax Paid		-		-
Net Cash Inflow / (Outflow) From Operating Activities		(2,101)		(8,383)
B. Cash Inflow/(Outflow) From Investment Activities				
Net Cash Inflow/(Outflow)From Investing Activities		-		-
C. Cash Inflow/(Outflow) From Financing Activities				
Repayment of borrowing		-		-
Net Cash Inflow/(Outflow) From Financing Activities		-		-
Net Changes In Cash And Cash Equivalents		(2,101)		(8,383)
Cash and cash equivalents at beginning of the year		2,238		10,621
Cash and cash equivalents at end of the year		137		2,238

NOTE:

1. Figures in bracket indicates cash outflow.
2. The above cash flow statement has been prepared under the indirect method set out in IND AS - 7 'Statement of Cash Flows'
3. The accompanying notes forms an integral part of these financial statements.

As per our report of even date attached

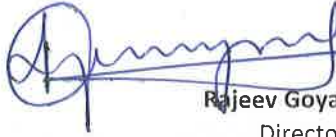
For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N


G.K. Aggarwal
Partner
M.No. 086622



Place : New Delhi
Dated : 24th May, 2018

**For and on behalf of the Board of Directors
of Quality Iron and Steel Limited**


Rajeev Goyal
Director
DIN : 07003755


Narendra Mantri
Director
DIN : 2626772

Quality Iron and Steel Limited

Notes to Financial Statements

1. Corporate and General Information

Quality Iron and Steel Limited incorporated on May 16, 2007 with the main object to carry on the business of mining activities and steel manufacturing carry in India.

2. Basis of preparation

The financial statements have been prepared complying in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2015. The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation for all periods presented. The financial statement has been prepared considering all IND AS as notified by MCA till reporting date i.e. March 31, 2018

The financial statements provide comparative information in respect to the previous year.

The significant accounting policies used in preparing the financial statements are set out in Note no. 3 of the Notes to the Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 4 on critical accounting estimates, assumptions and judgements).

3. Significant Accounting Policies

3.1 Basis of Measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention.

The financial statements are presented in Indian Rupees which is the Company's functional and presentation currency and all amounts are rounded to the nearest rupee thereof, except as stated otherwise.

3.2 Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

3.3 Financial instruments – initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial Liabilities

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss.

Financial liabilities are classified in two categories; subsequent measurement of financial assets is depended on initial categorisation. These categories and their classification are as below:

i. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.



Quality Iron and Steel Limited

Notes to Financial Statements

ii. Financial liabilities measured at amortized cost

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.4 Equity share capital

Ordinary shares are classified as equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

3.5 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

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

3.6 Provisions and contingencies

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.7 Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,



Quality Iron and Steel Limited

Notes to Financial Statements

- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle,
- b) It is held primarily for the purpose of trading,
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

4. Critical Accounting Estimates, Assumptions and Judgements

In the process of applying the Company's accounting policies, management has made estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.



Quality Iron and Steel Limited

Notes to Financial Statements

(Amount in ₹)

Particulars	(Amount in ₹)	
	As at March 31, 2018	As at March 31, 2017
5 CASH AND CASH EQUIVALENTS		
Balances with Bank		
On current account	-	2,101
Cash on hand	137	137
Total cash and cash equivalents	137	2,238

6 EQUITY SHARE CAPITAL

(a) Authorised

50,00,000 Equity Shares of ₹ 10/- each	5,00,00,000	5,00,00,000
	5,00,00,000	5,00,00,000

(b) Issued, subscribed and fully paid-up

50,000 Equity Shares of ₹ 10/- each	5,00,000	5,00,000
Total share capital	5,00,000	5,00,000

(c) Reconciliation of the number of equity shares:

Shares outstanding as at the beginning of the year	50,000	50,000
Shares outstanding as at the end of the year	50,000	50,000

(d) Shares of the company held by its Holding Company:

Name of shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of shares	% of holding	No. of shares	% of holding
Jindal Saw Limited	50,000	100%	25,500	51.00%
Total	50,000	100%	25,500	51.00%

(e) Details of shareholders holding more than 5% shares in the company:

Name of shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of shares	% of holding	No. of shares	% of holding
Jindal Saw Limited	50,000	100%	25,500	51.00%
Sh. P. R. Jindal	-	0%	5,000	10.00%
Smt. Arti Jindal	-	0%	5,000	10.00%
Sh. Tejasvi Bhargava	-	0%	4,000	8.00%
Sh. Tapasvi Bhargava	-	0%	4,000	8.00%
Smt. Anshu Bhargava	-	0%	3,300	6.60%
Smt. Preet Bhargava	-	0%	3,200	6.40%
Total	50,000	100%	50,000	100%

(f) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per equity share. Each equity shareholder is entitled to one vote per share.

Nature of Reserve

Retained earnings represent the undistributed profits/(loss) of the company.



Quality Iron and Steel Limited

Notes to Financial Statements

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
7 OTHER CURRENT FINANCIAL LIABILITIES		
Outstanding Other Financial Liabilities	1,37,650	1,30,570
Total Other Financial Liabilities	1,37,650	1,30,570



Quality Iron and Steel Limited

Notes to Financial Statements

(Amount in ₹)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
8 FINANCE COSTS		
Bank and finance charges	2,101	833
Total finance costs	2,101	833
9 OTHER EXPENSES		
Legal and professional fees	-	17,500
<i>Auditors' Remuneration</i>		
Audit Fee	7,080	6,900
Total other expenses	7,080	24,400



Quality Iron and Steel Limited
Notes to Financial Statements

10. Financial risk management

Liquidity risk

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

(Amount in ₹)

Particulars	As at March 31, 2018					Total
	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 years	
Other Payable	1,06,850	1,06,850	-	-	-	1,06,850
Other Liabilities	30,800	30,800	-	-	-	30,800
Total	1,37,650	1,37,650	-	-	-	1,37,650

Particulars	As at March 31, 2017					Total
	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 years	
Other Payable	1,06,850	1,06,850	-	-	-	1,06,850
Other Liabilities	23,720	23,720	-	-	-	23,720
Total	1,30,570	1,30,570	-	-	-	1,30,570



Quality Iron and Steel Limited

Notes to Financial Statements

11. Fair Value of Financial Assets and Liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

(Amount in ₹)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets designated at Amortised Costs				
Cash and Bank Balances	137	137	2,238	2,238
	137	137	2,238	2,238
Financial Liabilities designated at Amortised Costs				
Other Payable	1,06,850	1,06,850	1,06,850	1,06,850
Other Financial Liabilities	30,800	30,800	23,720	23,720
	1,37,650	1,37,650	1,30,570	1,30,570

12. Other disclosures

Auditors Remuneration

(Amount in ₹)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Statutory Auditors		
Audit Fees	7,080	6,900
Total	7,080	6,900



Quality Iron and Steel Limited

Notes to Financial Statements

13. Related party transactions

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

A. Parent Company

S.No. Name of the entity in the group

1 Jindal Saw Limited

B. Key Management Personnel

<u>S.No.</u>	<u>Name of KMP</u>	<u>Designation</u>
1	Mr. Neeraj Kumar	Director
2	Mr. Narendra Mantri	Director
3	Mr. Rajeev Goyal	Director
4	Mr. Tejasvi Bhargav	Director (up to 25.03.18)
5	Mr. Tapasvi Bhargav	Director (up to 25.03.18)
6	Mr. Sanjiv Garg	Director (up to 25.03.18)

C. Fellow Subsidiaries

<u>S.No.</u>	<u>Name of the entity in the group</u>	<u>Principal place of operation / Country of Incorporation</u>	<u>Principal Activities</u>
1	S.V. Trading Limited	Nevis	Investment holding
2	Jindal SAW USA LLC	USA	Pipes for oil and gas
3	Drill Pipe International LLC	USA	Tools and fittings
4	World Transload & Logistics LLC	USA	Investment holding
5	5101 Boone LLP	USA	Pipes for oil and gas
6	Tube Technologies INC	USA	Pipes for oil and gas
7	Helical Anchors INC	USA	Helical anchor manufacturing
8	Boone Real Property Holding LLC	USA	Property holding
9	Greenray Holdings Limited	United Kingdom	Investment holding
10	Derwant SAND SARL	Algeria	Trading for pipes
11	Jindal Saw Holding FZE	Fujairah, UAE	Investment holding
12	Jindal Saw Middle East FZC	Fujairah, UAE	Ductile iron pipe and fittings manufacturing
13	Jindal Saw Gulf LLC	Fujairah, UAE	Ductile iron pipe and fittings manufacturing
14	Jindal International FZE	Fujairah, UAE	Investment holding
15	Ralael Holdings Limited	Cyprus	Investment holding
16	Jindal Saw Italia S.P.A.	Milan, Italy	Ductile iron pipe manufacturing
17	Jindal Intellicom, LLC	USA	Call Centre and advisory
18	IUP Jindal Metals and Alloys Limited	India	Precision stainless steel strips
19	Jindal Tubular (India) Limited	India	Steel pipe manufacturing
20	JITF Shipyards Limited	India	Inland shipping
21	Jindal Intellicom Limited	India	BPO and call centre
22	iCom Analytics Limited	India	Call centre and advisory
23	Jindal ITF Limited	India	Waterborne transportation
24	Jindal Quality Tubular Limited	India	Steel pipe manufacturing
25	Sulog Trans Shipment Services Limited	India	Transloading in deep sea



Quality Iron and Steel Limited

Notes to Financial Statements

D. Fellow Associate

S.No.	Name of the entity in the group	Principal place of operation / Country of Incorporation	Principal Activities
1	Jindal Fittings Limited	India	Ductile iron fittings manufacturing

Transactions:

(Amount in ₹)

Particulars	Relation with the company	Current Year	Previous Year
		2017-18	2016-17
Jindal Saw Limited	Holding Company		
Advance received		13,00,00,000	-
Advance repaid		13,00,00,000	-
Outstanding balances payable			
Sh.Tejasvi Bhargava	KMP	1,06,850	1,06,850
Share Capital			
Jindal Saw Ltd	Holding Company	5,00,000	2,55,000

14. Earnings per share (EPS)

The following is the computation of basic and diluted earnings per equity share:

(Number of shares)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Weighted average shares outstanding - Basic and Diluted - (A)	50,000	50,000

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Profit and loss after tax (Amount in ₹) - (B)	(9,181)	(25,233)
Basic and Diluted Earnings per share (B/A) (₹)	(0.18)	(0.50)

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.



Quality Iron and Steel Limited

Notes to Financial Statements

15. During the previous year details of Specified Bank Notes held and transacted during the period from 8th November,2016 to 30th December,2016 as required by the Corporate Affairs vide notification no G.S.R. 308 (E) dated 30th March 2017 is as follows:

Particulars	SBNs	Other Denomination notes	Total
Closing Cash in hand as on 01.04.17	-	137	137
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in banks	-	-	-
Closing Cash in hand as on 31.03.18	-	137	137

16. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

17. Notes 1 to 16 are annexed to and form an integral part of financial statements.

As per our report of even date attached

For N.C. Aggarwal & Co.

Chartered Accountants

Firm Registration No. 003273N



G.K. Aggarwal

Partner


M. No. 086622

Place : New Delhi

Dated : 24th May,2018



**For and on behalf of the Board of Directors
of Quality Iron and Steel Limited**



Rajeev Goyal

Director

DIN 07003755



Narendra Mantri

Director

DIN :2626772