ALL WE DID TO BUILD A SUSTAINABLE BUSINESS WE LEARNT IN SCHOOL...

Maithan Alloys Limited

Annual Report 2018-19

Forward-looking statement

This report and other statements – written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. Additional information may be found at: www.maithanalloys.com

Contents

THIS IS WHERE WE COME FROM

We were a ₹30 crore profit after tax company in 2009-10; we are a ₹255 crore profit after tax company today (2018-19).

We have grown over the years by not changing our product, not changing our people, not changing our vendors and not changing our process.

All we changed is ourselves.

01

BE THE CHANGE YOU WISH TO SEE

The story of our change begins with our most challenging moment.

2008-09.

The financial year when the global economy tanked, when companies went bust, when commodities crashed and when we saw the biggest recession in living memory.

At Maithan, we performed attractively in the first half of this financial year; the performance was neutralised in the second.

We could have blamed the meltdown.

We blamed ourselves.

Instead.

TO UNDERSTAND WHERE WE COME FROM, IT WOULD BE IMPORTANT TO UNDERSTAND WHERE OUR PROFITS CAME FROM...

During that momentous 2008-09, something remarkable transpired.

A sharp increase in manganese ore prices and alloy realisations at the beginning of 2008.

A time when in every successive month, the cost of our resource kept rising. And the value of our purchased inventory kept growing. And the company reported considerably larger profits merely sitting on its raw material stock than engaging in active manufacturing.

It was a time – those few months – when we were making in a few weeks profits larger than we had made in the previous quarters. Aggregated.

03

AND THEN...

Lehman Brothers filed for bankruptcy. The world panicked. Commodities, equities, real estate... crashed virtually overnight.

So did the price of manganese ore. And so did the realisation for manganese alloys.

We now reported inventory losses. And were now compelled to take the delivery of contracted manganese ore at prices considerably higher than the prevailing market.

In those few days – days! - when we virtually lost all the profits we had generated in the first half of the financial year, we re-learnt painfully the wisdom cautioned by our elders and teachers.

Easy come. Easy go.

DISTANCE FROM GREED

Those bleak days of 2008 and 2009 were the most challenging in our existence.

We kept asking ourselves: What if we had liquidated our raw material inventory at the first sign of trouble? What if we had not made those fresh orders? What if we had stayed out of the market for three months? What if we had not second-guessed each increasing crest?

What if. What if.

Until one day we resolved.

We would not manage our business in a manner where we would never be able to safely estimate whether the profits we had reported in the preceding quarter would remain protected in the following quarter.

We would not manage our business in a manner that only focused on our profitability of the day but not our sustainability across the future.

And that brought us to our second learning as has been painstaking repeated by every single one of our elders and family members.

Distance from greed.

SLOW AND STEADY WINS THE...

It might sound awkward to a number of people but when we resolved to repair our business, we engaged in something even more fundamental.

We realised that the business was alright.

We weren't.

The business did not need repair.

We did.

The slowdown did not require expensive management consultants to look into our business.

It required us to look within.

The business did not warrant complex theories.

As much as it warranted one question.

What am I doing here?

06

THE JOURNEY OF A THOUSAND MILES...

...Begins with a single step.

And that step was the five-word question.

A question that took months to answer.

Because each time we attempted, we peeled a different answer.

On some occasions, we answered, 'Attempting to enhance shareholder wealth.

On other occasions, we answered, 'Making a good product.'

And yet, we knew that each answer was incomplete. Inadequate. Insufficient.

Until one day, after months of distilled thinking, we just came down to two words.

'Enhancing value'.

Not a word to be added. Not a word to be edited.

Just right.

ENRICH EVERY PERSON YOU TOUCH

When we first articulated our two-word constitution, the first inference was that it applied to us.

As in ‘us and us alone.’

We said it applied to everyone our business touched or could potentially touch or touch those who could in turn touch others.

Effectively meaning two realities.

Everyone. Everything.

Employees, who represent our knowledge capital.

Customers, who keep us in existence.

Vendors, who provide us the resource integrity to build on.

Shareholders and lenders, who provide us growth capital.

Government and community, who provide us with a social foundation to build on.

The earth, whose resources we mine, enrich and market.

We resolved to enhance value for each – and overcome our 2008-09 experience forever.

08

SUSTAINABILITY GREATER THAN ERRATIC

We had now decided that we would rather be content with a reasonable but sustainable return on employed capital than erratic profits.

This required a completely different mindset.

Not a new pair of glasses, but a new pair of eyes.

Not about managing our business as much as managing ourselves.

Discipline of resisting the temptation to play to the gallery (read market).

Discipline of resisting excitement-based decisions.

Discipline of resisting investments in peaking market cycles.

Discipline of resisting the temptation to become the biggest.

Discipline of resisting the temptation to announce multi-thousand crore capital expenditures.

Our discipline then had more to do with 'resisting the temptation to' than 'embracing the opportunity to.'

More difficult.

DON’T GET JEALOUS. GET BETTER

When we first said that in a business marked by high raw material costs, we would focus only on consistently squeezing the last drop, we surprised.

The words were carefully selected.

We would not establish a trading desk.

We would not ‘play’ the resource markets.

We would not seek fleeting arbitrage opportunities.

We would not plan strategies based on the next quarter.

We would not be disappointed when others reported larger quarterly profits.

We would be the horse with the blinkers on. Focused on one - and only one – thing.

Efficient manufacture. Ours.

10

GET YOUR HANDS DIRTY IN THE BUCKET

At Maithan, efficient manufacture is about getting our hands dirty in the bucket.

Engaging with every manufacturing fine print.

Believing that trifles make perfection.

Believing in continuous improvement.

Believing in being ahead of the curve.

Believing that being the best is better than aspiring to be the biggest.

Believing that when you deliver right, customers buy in good markets or bad.

And in doing so, gradually create a specialised business out of a commodity product.

IF WHAT YOU WERE DOING WAS ETERNAL, WOULD YOU DO IT DIFFERENTLY?

At Maithan, one of the biggest changes we made was in the extent of our planning.

Not for the next quarter. Not for the next year.

But for ten years.

Because we built predictability into our commodity business.

Because (with the commodity swings largely taken out of our purchase and sales) we could safely predict margins.

Because it became possible for us – and actually anyone – to say how we would be performing a few quarters down.

Because we could now issue a guidance of a range-bound earnings direction in which we were headed.

And in doing so, we aspired to morph from just another commodity play into an institution.

KEEP GOOD COMPANY

When we were young, the words 'Keep good company' were probably three of the most repeated.

At Maithan, we have not forgotten.

We don't necessarily select to work with someone who only provides us material at the lowest cost. We work with stakeholders who share the same values as us.

We don't work with just about any resource provider who can roll out products. We work only with organised players.

We don't work with vendors delivering varying quality standards to please different customers. We work with vendors who deliver just one standard – high enough to service all.

We don't work with vendors who are the flavour of the day. We engage with those whose credibility has been tested across an economic cycle.

We don't just focus on growing our business. We also focus on strengthening the sustainability of the vendor's business through sizable procurement and timely remuneration.

With the object of creating the deepest good for the widest number across the longest tenure.

TALK YOUR WALK. THEN WALK YOUR TALK

At Maithan, we just do it.

We match the quantum of raw material procurement with our end product offtake – no unmatched open positions.

We believe we are in business to generate surpluses from manufacturing operations only.

We believe that increased profits in our business are derived from the painstaking priority of enhanced capacity, product quality and throughput.

The result is that less than 10 per cent of our profit is derived from variations in inventory valuation, arguably the lowest in India's ferro alloy sector.

BUILD TO LAST

When we had restructured our business direction a decade ago, we believed that it would be better to make lower profits derived from core manufacture in a sustainable way than hefty uncertain trading-cum-manufacturing profits in an erratic way across the long-term.

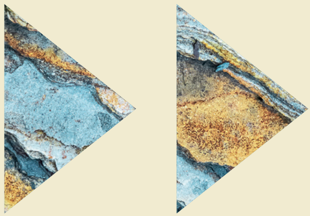
We were wrong.

By focusing on the long-term, by focusing on systems, by focusing on relationships and by focusing on business predictably, we have done better than ever - and better than most.

During the four years ended 31 March 2019, we reported an aggregate ₹888 crore in cash profit, possibly the highest in India's ferro alloy sector; we reported profit in every one of the years even as our downstream (steel) sector encountered the most enduring challenge in decades.

Our consistent ROCE of over 50% over the last three years compares favourably with some of the best companies in India's manufacturing eco-system; validating our robust business sustainability.

Values test. But pay better.



THE VALUES WE LEARNT AT SCHOOL...

Be the change you wish to see.

Easy come. Easy go.

Distance from greed.

Slow and steady wins the race.

The journey of a thousand miles begins with a single step.

Enrich every person you touch.

Sustainability greater than erratic.

Don’t get jealous. Get better.

Get your hands dirty in the bucket.

If what you were doing was eternal, would you do it differently?’

Keep good company.

Talk your walk. Then walk your talk.

Build to last.

HOW THESE VALUES TRANSLATED INTO OUR VISION AND MISSION STATEMENTS

Vision

To be India's premier alloy company by:

• Building on the foundation of shareholder trust, customer commitment, employee satisfaction and sustainable communities

• Consistently delivering on our promises backed by meticulous hard work is our motto for ensuring success

Mission

To be India's premier alloy company.

Promising excellent shareholder value

• Guarantee a high ROC coupled with lower-than-market debt ratios

Nurturing our employees

• Encourage employees to work hard and add to their knowledge base

• Ensuring employee growth by creating a secure and stress-free working environment

Utmost commitment to our customers

• Irrespective of the market conditions, we will always strive for the highest product standards that will in turn ensure complete customer satisfaction

Care for our communities

• A clean environment, education, housing, health and sustainability for our communities will always remain our mission

Values

• **Commitment:** We are committed to serving our shareholders and customers to the best of our abilities. Our promise to our stakeholders is an unwavering sense of responsibility in everything we do.

• **Loyalty:** We strive to imbibe and exhibit loyalty not only to our stakeholders but also internally to our employees.

• **Integrity:** We not only believe but also imbibe that 'honesty is indeed the best policy'. We strive to do what is right and not what is the easiest. Staying true to ourselves and our work is what we live by.

• **Rigour:** Rigorous and meticulous attention to detail along with a positive attitude is how we would describe every work process at our organisation. Rigour with positivity will lead to guaranteed successes.

• **Teamwork:** We believe in our common goals and stand by each other on the back of open and honest communication. A strong team is always a winning team.

FIVE THINGS YOU NEED TO KNOW ABOUT MAITHAN ALLOYS LIMITED

Background

The Company is promoted and managed by the Asansol-based Agarwalla family with about 30 years of experience in India's ferro alloys industry. A balanced mix of promoters and professionals has helped the Company emerge as one of the most trusted and fastest growing ferro alloy companies in the world.

Competitiveness

Proactive investments in manufacturing facilities and technologies helped the Company service the growing needs of customers on the one hand, and enhance capacity utilisation (>95%) as well as adapt products around customer needs on the other.

Offerings

The Company is the largest ferro-manganese manufacturing company in India offering a range of ferro-alloys (ferro-manganese, silico-manganese and ferro-silicon).

Clientele

The Company is a trusted and enduring supplier to major Indian steel manufacturers. A large proportion of the Company's revenues are derived from repeat customers. The Company's products are exported to more than 35 countries.

Manufacturing units

The Company is a nationally-dispersed manufacturer leveraging its respective geographic advantages, comprising an access to natural resources, power, customers, tax advantages and ports. The Company's manufacturing units are located in Kalyaneshwari (West Bengal), Visakhapatnam (Andhra Pradesh) and Byrnihat (Meghalaya) with a cumulative manufacturing capacity of 137.25 MVA.

Visakhapatnam (SEZ)

Capacity	72 MVA
Smelters	4x18 MVA
Products	Ferro-manganese, Silico-manganese

Kalyaneshwari

Capacity	48.75 MVA
Smelters	2x5 MVA 1x6.5 MVA 1x8.25 MVA 2x12 MVA
Products	Ferro-manganese, Silico-manganese

Byrnihat

Capacity	16.5 MVA
Smelters	2x8.25 MVA
Products	Ferro-silicon

74.99%
Promoters' holding, 31 March 2019

3.02%
Institutional holding, 31 March 2019

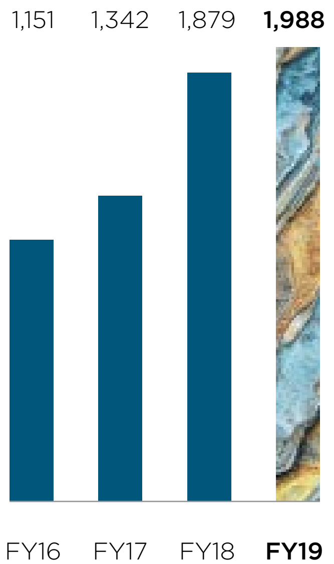
1,470.86
Market capitalisation, 31 March 2019 (₹ crore)

809.86
Enterprise value, 31 March 2019 (₹ crore)

598
Team size, 31 March 2019

THIS IS HOW WE HAVE GROWN IN THE LAST FEW YEARS

Revenues, (₹/cr)



+₹ **837** crore
over the last 4 years

Definition
Sales growth without deducting excise duties.

Why we measure
This measure reflects the result of our capacity to understand market trends and service customers with corresponding products, superior technologies and competent supply chain management.

Performance
Our aggregate sales increased 5.8% to ₹1,988 crore in FY 19, which compared favourably with the 2-3% growth of the global steel sector and 6.8% growth of the Indian economy.

Operating profit, (₹/cr)

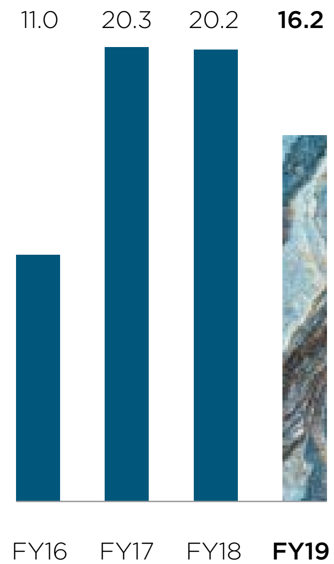
+₹**195** crore
over the last 4 years

Definition
What the Company earned before the deduction of interest, depreciation, extraordinary items and tax.

Why we measure
This measure is an index of the Company's operating profitability (as distinct from financial), which can be easily compared with the retrospective average and sectoral peers.

Performance
The Company's operating profit grew at a CAGR of 36% from FY16 to FY19.

Operating margin, (%)



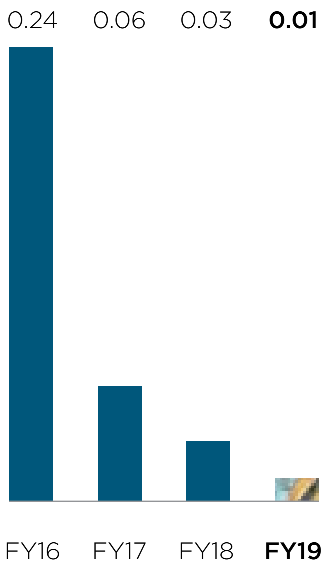
+**520** bps
over the last 4 years

Definition
The movement in percentage points in operating profit before interest, depreciation, exceptional items and tax when divided by the Company's revenues.

Why we measure
This measure essentially indicates whether the business is becoming more efficient or not. Maithan focused on a consistent increase in operating margins, also higher than the sectoral average.

Performance
The above operating margins are in line with our EBITDA guidance of 15-17% over multi year cycles and is consistently higher than industry benchmarks.

Debt-equity ratio



(0.23)
over the last 4 years

Definition
This is derived through the ratio of debt to net worth (less revaluation reserves).

Why we measure
This is one of the defining measures of a company's financial health, indicating the ability of the Company to remunerate shareholders over debt providers (the lower the gearing the better). In turn, it indicates the ability of the Company to sustain growth in profits, margins and shareholder value.

Performance
The Company's gearing moderated from 0.24 in FY16 to 0.01 in FY19. We recommend that this ratio be read in conjunction with net debt: operating profit (declining, indicating a growing ability to service debt).

Net Debt to Net Cash, (₹/cr)

+₹ **669** crore
over the last 4 years

Definition
This is a depiction of cash liability / asset of the Company

Why we measure
This indicates our ability in convincing rating agencies, bankers and other debt providers of the robustness of our business model, translating into a progressively higher rating and lower debt.

Performance
The superior operations of the Company helped it climb to a position of strength with accumulated cash reserves to be deployed meaningfully for generating further wealth

Input costs as % of total revenues

(380) bps
over the last 4 years

Definition
This is derived by computing input cost as a percentage of overall revenues.

Why we measure
Raw material costs represent the highest cost component in the business. Any moderation in input costs can enhance profitability and competitiveness.

Performance
The Company's input cost compares favourably with the best in the industry

THE CHAIRMAN'S OVERVIEW

It gives me pleasure to present the performance of Maithan Alloys for 2018-19.

The Company ended the year with revenue of ₹1,988 crores and EBITDA of ₹322 crores.

I am pleased that in reporting a robust performance we substantially outperformed the ferro-alloy sector, steel industry and manufacturing industries in terms of Operating ROCE due to our high EBITDA margins, combined with lean capital structure and sweating of assets.

There were a number of reasons behind the Company's outperformance.

During the year under review, there was a significant development. India emerged as the second largest steel manufacturer, strengthening the demand for manganese-based ferro-alloys.

Interestingly, despite being one of the largest domestic players, around 53% of our revenues were derived from exports. Over the last few years, we have shifted our focus from large traders / intermediaries to committed and credible buyers, primarily in fast-growing Asia. Asia produced 1,271.1 million tonnes of crude steel in 2018, an increase of 5.6% compared to 2017. China's crude steel production in 2018 reached 928.3 million tonnes, up 6.6% over 2017 while Europe reported a production contraction of 0.3% in 2018. I am pleased to state that Maithan Alloys had foreseen this transition a number of years ago and shifted its continental attention. We believe that this prudent approach will empower us to outperform the sectoral growth average across market cycles, enhancing stakeholder value.

Driving sustainability

At Maithan Alloys, we believe that in a commodity business, sustainability is derived not just from increased capacity but a stronger product mix. The result is that in the last few years we increased the share of customised products in our portfolio, invested in stricter process consistency, resisted the temptation to play the resource markets and invested deeper in client relationships.

6%

Domestic market share (6% during FY2017-18)

1.2%

Global market share (1.2% during FY2017-18)

The results of this strategic discipline are evident.

Maithan Alloys has reinforced its position as one of the most competitive manganese alloy producers in the world.

The Company grew its sales at a CAGR of 18.7% since FY12, strengthening its ability to cover fixed costs more effectively.

The Company achieved a high people retention rate. As an extension, the Company achieved high operational productivity, reporting one of the lowest people costs per tonne of output sold.

The Company generated most of its revenues from customers engaged with it for more than five years.

The next growth phase

In a commoditised sector like ferro alloys, the luxury of standing still does not exist.

Companies that need to enhance their competitiveness need to keep growing all the time, either by enhancing their manufacturing capacity, or investing in cutting-edge technologies that enhance product quality or by integrating backwards or by manufacturing a superior product mix.

Considering that the Company has been achieving a capacity utilisation of around 95% in the last three years and therefore has a limited headroom, the only alternative available if we need to keep growing is to invest in additional manufacturing capacity.

In view of this, the management at Maithan Alloys allocated ₹600 crore towards capacity expansion across the next 4 years through organic and inorganic means.

We are also engaged in discussions with companies at various stages of insolvency with the objective to acquire and turn them around.

We believe that there is considerable relationship head room available for us to deploy additional manufacturing capacities in servicing the growing needs of our additional customers and acquire a larger wallet share.

Growing opportunities

At Maithan Alloys, we anticipate an annual Indian GDP growth of more than 7% across the foreseeable future. Given this background, it may not be difficult achieving the National Steel Policy 2017 target of 255 million tonnes of domestic steel production by 2030. When this transpires, there would be a significant demand increase for ferro alloys, attractively positioning a forward-looking company like ours.

Asia is expected to lead global steel demand, with ASEAN expected to consume 145 million tonnes of steel by 2030, double of what was consumed during 2017 (73.8 million tonnes), much of the additional growth coming from downstream consumers like the automotive, infrastructure and construction sectors. Besides, the government announced a preference for domestically-manufactured steel products in government projects comprising a minimum value addition of 15% in notified steel products. The government also permitted 100% FDI through the automatic route, 20% safeguard duty on steel imports and export duty of 30% on iron ore (lumps and fines), which we believe will catalyse the growth of India's steel industry.

Maithan's preparedness

At Maithan Alloys, we will not only increase our manufacturing capacities to address the markets of the future, but also reinforce our position as one of the lowest-cost sectoral players through a sustained focus on enhanced operating efficiency derived from prudent and relatively limited investments on the one hand and aggressive training on the other.

We intend to finance our capex requirements through accruals (₹660 crore of cash in hand and liquid investments at the end of FY2018-19), protecting our position as a debt-free company, the larger manufacturing capacity notwithstanding.

Overview

At Maithan Alloys, we believe we stand at an exciting juncture.

Our corporate strategy has been to report an EBITDA margin of more than 15% across market cycles. When this is combined with the convergence of positive macroeconomic developments and proposed capacity expansion, we believe we are attractively placed to enhance revenues, surpluses and shareholder value in a sustainable way across the foreseeable future.

S.C. Agarwalla
Chairman

HOW THE STEEL INDUSTRY IS POISED FOR GROWTH IN THE COUNTRY

(MT)

Segment	Demand	Projected demand
	2015-16	2030-31
Infrastructure Steel projects, oil refineries, highways and bridges, airports, seaports, urban infrastructure, water transportation and sanitation, industrial sheds, pre-fabricated buildings	9.5	90

Government initiatives

*Bharatmala Phase I (34,800 km of roads at an estimated cost of ₹5.35 lakh crore) to be implemented between 2017-18 and 2021-22

*Under Sagarmala, 577 projects at an estimated investment of US$120 billion have been identified for phase-wise implementation from 2015 to 2035.

*As per the Civil Aviation Ministry, at least 20 Indian cities need to have a second airport by 2030. It is expected that the country will required 150-200 airports by 2035 from 100 at present at an investment of US$60 billion

*India is investing around US$7.5 billion towards developing 100 urban centres into Smart Cities

*According to McKinsey, India will add about 300 million people to its urban centres over the next 20 years, requiring an investment of US$1.2 trillion to address this transformation

	2015-16	2030-31
Construction (Real estate – residential, institutional, commercial & industrial)	23.5	45

Growth drivers

*The 'Housing for All' scheme of the Government of India is a significant driver of the real estate sector

*With the government's renewed focus on affordable housing and regulatory reforms, the real estate sector is estimated to grow to US$650 billion by 2025, US$850 billion by 2028 and touch US$1 trillion by 2030.

	2015-16	2030-31
Energy (Including power projects, wind mills, power transmission)	3	11

Growth drivers

*By 2022, domestic demand for generation equipment as well as the transmission & distribution sector is expected to be US$25-30 billion and US$70-75 billion respectively owing to initiatives such as 'Power for All'.

*India plans to add 60 GW of wind power installed capacity by 2022.

(MT)

Segment	Demand	Projected demand
	2015-16	2030-31
Engineering and fabrication (Capital goods, consumer durables, yellow goods, electrical goods, industrial boilers & pressure vessels, general engineering, tube making, cold reducing, wire drawing, nails, fasteners, bright bars, agriculture implements, general fabrication including SMEs)	35	43

Growth drivers

*Engineering goods turnover is estimated to have grown from US$46 billion in 2014-15 to US$125 billion by 2030

*The National Manufacturing Policy is a significant policy formulated by the government to facilitate growth of the manufacturing sector in India.

*The National Capital Goods Policy is formulated with the vision to increase the share of capital goods contribution from 12% to 20% of total manufacturing activity by 2025. It also aims at creating an ecosystem for a globally competitive capital goods sector to achieve total production in excess of ~₹750,000 crore by 2025 from the current ~₹230,000 crore.

*The Government of India providing incentives under the 'Make in India' scheme

	2015-16	2030-31
Railways (Rail tracks, rolling stocks, wagons and coaches, etc.)	2	5

Growth drivers

*Expected investment of over ₹9 lakh crore in seven years for modernization and capacity creation

*About 3,300 km of dedicated freight corridors being built at the cost of ₹80,000 crore

	2015-16	2030-31
Packaging (Petroleum, non-petroleum, LPG cylinders, grain bins and GI boxes)	2	6

Growth drivers

*Free cooking gas connections under the UJJWALA scheme are expected to drive demand for LPG cylinders

(MT)

Segment	Demand	Projected demand
	2015-16	2030-31
Automotive (Cars, two-three wheelers, commercial vehicles, auto components, tractors, bus trailer, tractor-trolley etc.)	2.5	10

Growth drivers

*India's Automobile Mission Plan aims to make India among the top three automobile manufacturers in the world by 2026

*Growing per capita income and introduction of new brands is expected to accelerate automobile demand in the country.

	2015-16	2030-31
Ship building	4	3
Oil and gas pipelines		4
Defence		2
Others		11

Growth drivers

*Shipbuilding turnover of around ₹3,200 crore is likely to increase 3-5 times to ₹15,000 crore

*The Draft Defence Production Policy 2018 stipulates 13 areas where India must achieve self-reliance by 2025. DProP 2018 aims to achieve a turnover of ₹1,700 billion (US$26 billion approx.) in defence goods and services by 2025

Total finished steel consumption

2015-16 (MT)
81.5

2030-31 projected (MT)
230

Per capita steel consumption

2017-18 (MT)
69

2030-31 projected (MT)
158

MT: million tonnes

Our key objectives

Enhance output	Moderate production costs	Optimise product mix	Strengthen client relationships

Process discipline

Lower production costs

Efficiency: Various initiatives undertaken to enhance capacity utilisation

Negotiation: Assured offtake and timely payment; better terms with suppliers.

Employees: Lean middle management structure; optimised employee costs; enhanced revenue per employee.

Optimise product mix

Customisation: Customised products in line with demanding client requirements.

Premiumisation: Focus on superior quality translating into enhanced realisations.

Strengthen client relationships

Partnerships: Timely delivery and strong quality helped evolve the Company from a one-off vendor into a trusted partner.

Inventory: Efficient inventory management resulting in timely delivery.

Funding: The Company's strong cash reserve of ₹660+ crore (as on 31 March 2019) should finance capex without debt mobilization.

Key achievements, FY2018-19

9.1%
Operating cost as a proportion of total revenues (9.5% during FY2017-18)

48
days Inventory turnover (48 days during FY2017-18)

2.2%
Employee costs as a proportion of total revenues (2.4% during FY2017-18)

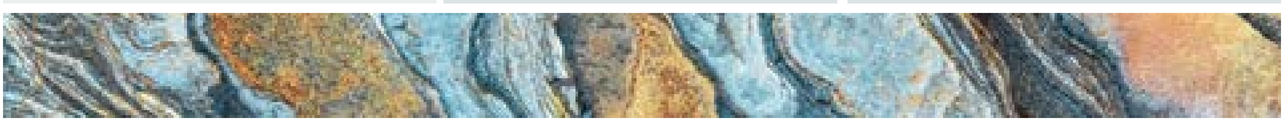
95%
Average capacity utilisation (95% during FY2017-18)

HOW WE ARE ENHANCING VALUE AT MAITHAN ALLOYS

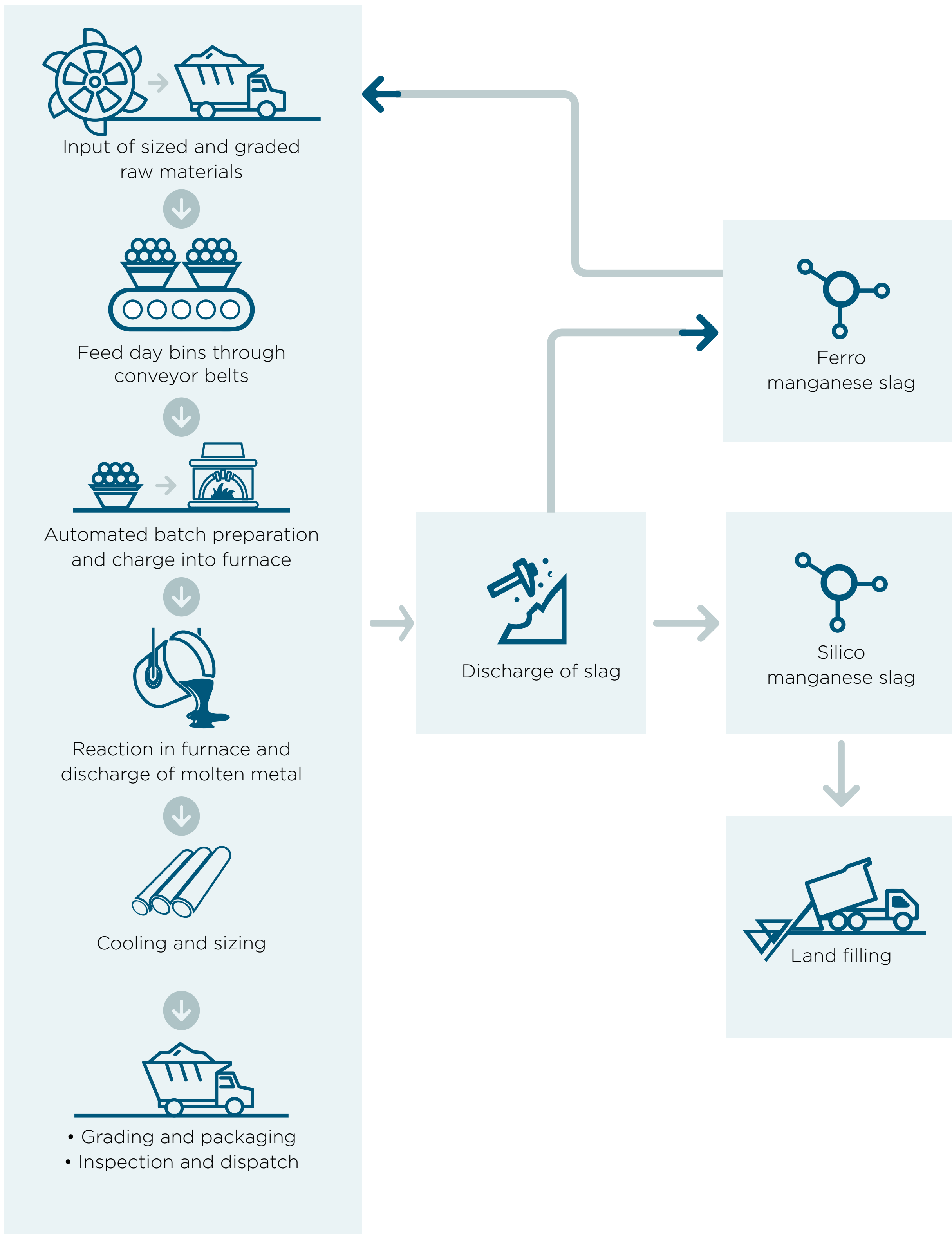
KEY RESOURCES	VALUE CREATED
Manufacturing capital • Raw materials • Plant and machinery • Incoming and outgoing freight	**Manufacturing capital** • Production of ferro alloys: 2,25,000 tonnes • Revenue: ₹1,988 crore
Financial capital • Equity • Borrowed funds • Internal accruals	**Financial capital** • Earnings per share: ₹87.67 • Contribution to the exchequer: ₹71.66 crore
Human resources • Management team • Personnel • Contractors	**Human capital** • Direct employee count: 598 • Indirect employees ~1200
Natural resources • **Minerals:** Manganese ore and coal	
Intellectual capital • Product innovation • Process excellence • Proprietary knowledge	
Social and relationship capital • Community • Business partners including vendors	

VALUES SHARED WITH

- **Investors:** Consistent focus on cost reduction, maximise capacity utilisation and a de-risked business model resulted in stronger financial performance which in turn improved shareholder returns over the past few years.
- **Vendors:** The Company sources its raw materials from reputed vendors from across the globe and shares longstanding relationships with them.
- **Employees:** The Company continuously trains team members to bring the best out of them, provides them with a safe workplace environment.
- **Customers:** The Company has leveraged the qualitative excellence of its products to convert one-off transactions into enduring ties.
- **Government:** The Company abides by the laws of the land and conducts its business with complete transparency.
- **Communities:** The Company believes in elevating the living standards of communities residing in the vicinity of its facilities.



KEY BUSINESS ACTIVITIES



OUR ROBUST VALUE-ENHANCING BUSINESS MODEL

The sectoral context

Global demand
Since 2017, the global steel industry has been in a recovery phase. The growth can be seen across markets – developed (except EU) and emerging economies.

Robust appetite
India became the world's second-largest steel producer after China in 2018, while retaining its position of the third-largest finished steel consumer (after China and the US).

Affordable housing
The housing and construction sector accounted for a sizeable share of steel demand in India catalysed by government initiatives like Pradhan Mantri Awas Yojna, Sardar Patel Urban Housing Mission, 100 Smart Cities Mission by 2022, Urban Infrastructure Development Scheme for Small & Medium Towns, National Heritage City Development and Augmentation Yojana, among others.

Infrastructure development
The construction and infrastructure sector is the largest steel consumer in India, accounting for 62% of the total finished steel consumed. The demand for steel in India is estimated to grow at a rate of 7.3% in 2019, riding the growing construction sector demand.

Automotive sector
The Union Budget provided a growth impetus to the rural economy, which could lead to improved sales of automotive products, especially two-wheelers, farm equipment and entry-level passenger vehicles, potentially strengthening steel demand.

Steel consumption
The per capita consumption of steel rose from 59 kilograms in 2013-14 to 69 kilograms in 2017-18, still way below the global average of ~214 kilograms.

Policy support
The National Steel Policy strives to achieve a crude steel capacity of 300 million tonnes, production of 255 million tonnes and a per capita consumption of finished steel of ~160 kilograms by FY2030, which should benefit the steel eco-system.

Maithan Alloys’ competence

Experience: The Company possesses ~30 years of ferro alloys experience spread across a number of market cycles.

Respect: The Company is counted as one of the most competitive and quality-driven global ferro-alloys manufacturers.

Adaptability: The Company represents a combination of promoter-directed and professionally managed capabilities in a systems-driven environment, an effective combination. The Company has been a strong player even during business cycles,earning good profits compared to industry average by quickly adjusting to macro situations.

Commitment: The Company strives to outperform sectoral growth across market cycles.

Austerity: The Company reinforced a culture of leanness, leading to relatively low overheads and strengthening viability.

Responsibility: The Company complies with all relevant environment, qualitative and safety norms.

What does this mean for Maithan Alloys?

Margins visibility: 15%+ EBITDA margin across business cycles.

Competitiveness: Among the lowest-cost ferro alloys manufacturers in the world.

Efficient operations: Plant availability was 95% in 2018-19 and 2017-18.

Cutting-edge technology: The Company’s facilities have been invested with state-of-the-art manufacturing and quality-testing equipment.

Logistical advantage: The Company’s West Bengal unit is in Eastern India’s steel hub, located within 100 kilometres of three large integrated steel plants of SAIL; the Vizag unit, focusing on exports, is ~50km from a deep water port.

Marquee clientele: The Company enjoys a preferred supplier status with large, prominent and reputed customers in the domestic steel industry.

Maithan’s plans

Widen footprint: The Company is widening and deepening its global presence to de-risk from an excessive dependence on a single region.

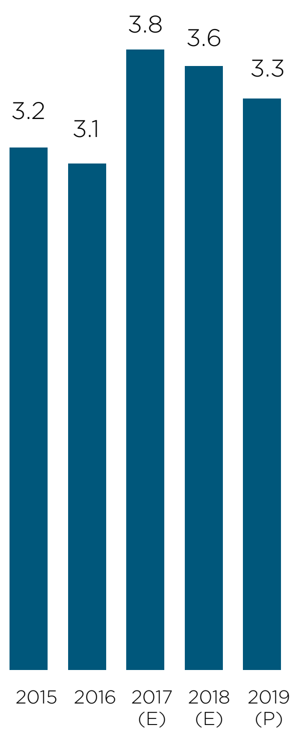
Reduce dependence: The Company’s diverse mix of customers has resulted in not being able to generate more than 10% of revenues from any single customer.

Global economic overview

The global economy grew 3.6% in 2018 compared with 3.8% in 2017, largely on account of the failure of Brexit negotiations, tightened financial conditions, geopolitical tension and higher crude oil costs. Global growth is estimated at 3.3% in 2019 on account of a sustained weakening in advanced economies. *(Source: World Economic Outlook).*

Global economic growth over six years

Real GDP growth (%)



(Source: World Economic Outlook, April 2019) E: Estimated; P: Projected

Indian economic overview

After growing at 7% in 2017-18, the Indian economy grew 6.8% in 2018-19 (initial estimate). The principal developments during the year comprised 8.6% increase in per capita income, decline in inflation, steady interest rates, decline in the price of crude oil and weaker consumer sentiment in the second half of the financial year following a large non-banking financial company announcing its inability to meet dues.

India retained its position as the sixth largest economy (eleventh largest in 2013-14). In 2018, India received more foreign inflows than China - US$38 billion compared with China's US$32 billion. India reported a 23-notch jump to record 77th position in the World Bank's report on the Ease of Doing Business that captured the performance of 190 countries reporting an improvement in 6 of 10 parameters. India's global-rank for 'getting credit' as per World Bank's Ease of Doing Business Index improved from 44 in 2016 to 22 in 2018.

Key government initiatives

Bank recapitalisation scheme: In addition to infusing ₹2.1 lakh crore in public sector units, the Indian government announced a capital infusion of ₹41,000 crore through recapitalisation bonds in FY2018-19.

Expanding infrastructure: The Government of India invested ₹1.52 trillion to construct 6460 kilometres of roads in 2018. Its proposed expenditure of ₹5.97 trillion (US$89.7 billion) on all infrastructure for 2018-19 is expected to strengthen the national economy.

Increasing MSP: The Government fixed MSPs for 22 mandated kharif and rabi crops and FRP for sugarcane. The Central government committed to provide farmers with a 50% return over the cost of production for all mandated crops, strengthening the rural economy.

Budgetary allocation: India's defence budget is projected to surpass ₹300,000 crore (US$42.19 billion) in 2019-20 for the first ever time.

The Insolvency and Bankruptcy Code (Amendment), Ordinance 2018: The Ordinance provides significant relief to home buyers by recognising their status as financial creditors. The major beneficiary comprised MSMEs, empowering the Government to provide a special dispensation under the Code.

(Source: Live Mint, Economic Times, Reuters, PIB, Union Budget, World Bank, Times Now)

Outlook

India's economic growth is expected to be sluggish in 2019-20. Strong private consumption and services are expected to catalyse economic activity. Private investment is expected to revive as the corporate sector adjusts to GST. The recapitalisation package for public sector banks announced by the Government of India is expected to resolve banking sector Balance Sheets, enhance credit availability and spur national investment. *(Source: IMF, World Bank)*

Global steel industry overview

Global crude steel production reached 1,808.6 million tonnes in 2018, up 4.6% over 2017. Crude steel production increased in all regions in 2018 except in the EU, which saw a 0.3% contraction.

Asia produced 1,271.1 million tonnes of crude steel in 2018, an increase of 5.6% over 2017. China's crude steel production in 2018 reached 928.3 million tonnes, up 6.6% on 2017. China's share of global crude steel production increased from 50.3% in 2017 to 51.3% in 2018.

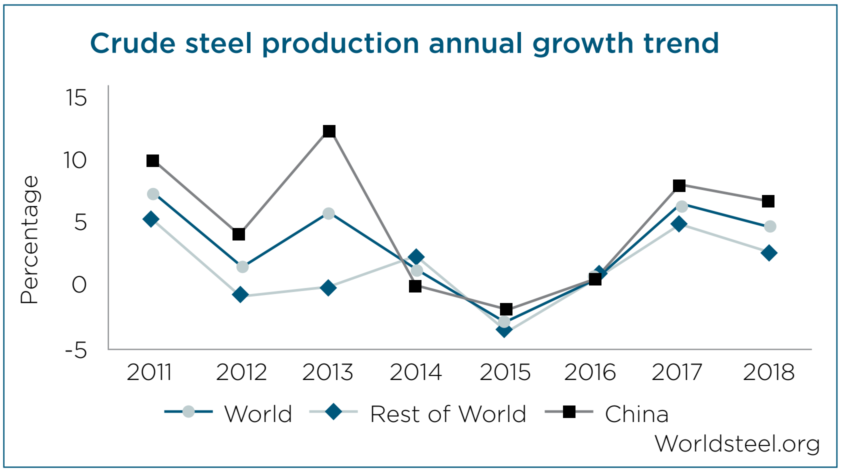
India's crude steel production for 2018 was 106.5 million tonnes, up by 4.9% on 2017, replacing Japan as the world's second-largest steel-producing country. Japan produced 104.3 million tonnes in 2018, down by 0.3% compared to 2017. South Korea produced 72.5 million tonnes of crude steel in 2018, an increase of 2% compared to 2017. The EU produced 168.1 million tonnes of crude steel in 2018, a decrease of 0.3% compared to 2017.

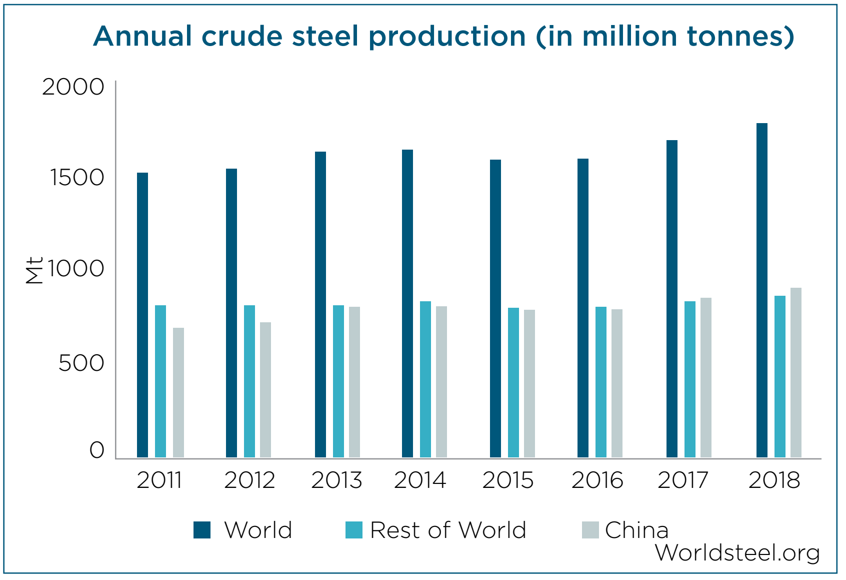
Crude steel production in North America stood at 120.5 million tonnes in 2018, 4.1% higher than in 2017. The US produced 86.7 million tonnes of crude steel, up 6.2% on 2017. *(Source: World Steel Association)*

Outlook

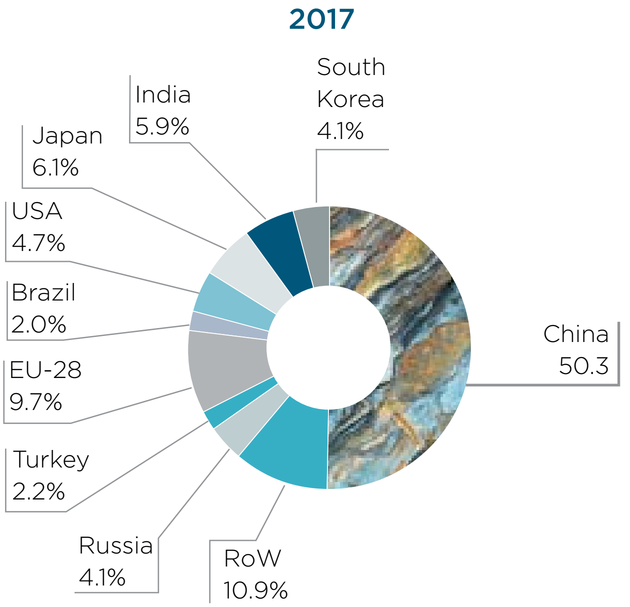
The short-term outlook forecasts a 1.4% growth in global steel demand in 2019, reaching 1,681.2 million tonnes. The demand for steel in the developed world remains healthy, while in the developing countries steel demand could continue to recover amid challenges. China's steel demand is being forecasted to remain flat at 781 million tonnes in 2019 as the nation's economy undergoes 'rebalancing' and environmental regulations become stringent. For the last two years, China has been holding ~49% share of the total global crude production but China's steel demand growth is expected to decelerate in the absence of stimulus measures.

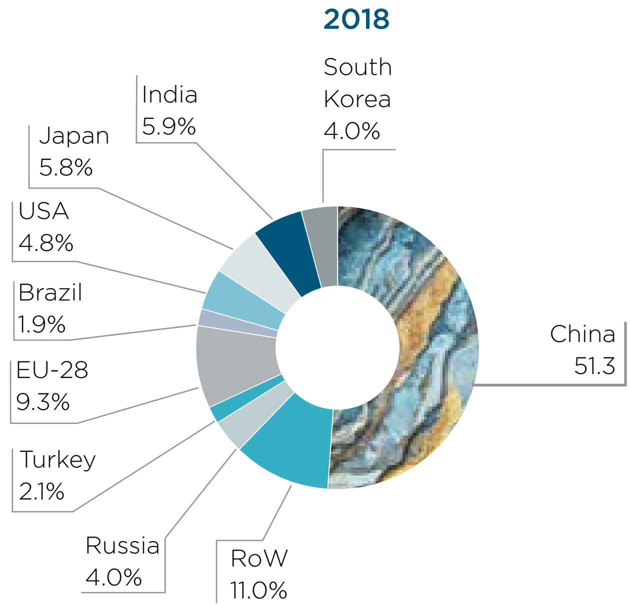
Demand in ASEAN is expected to resume backed by infrastructure programmes in 2019 and onwards. Steel demand in developing Asia (excluding China) is expected to increase by 6.8% in 2019. *(Source: World Steel Association)*





Share of world crude steel production, 2017 & 2018

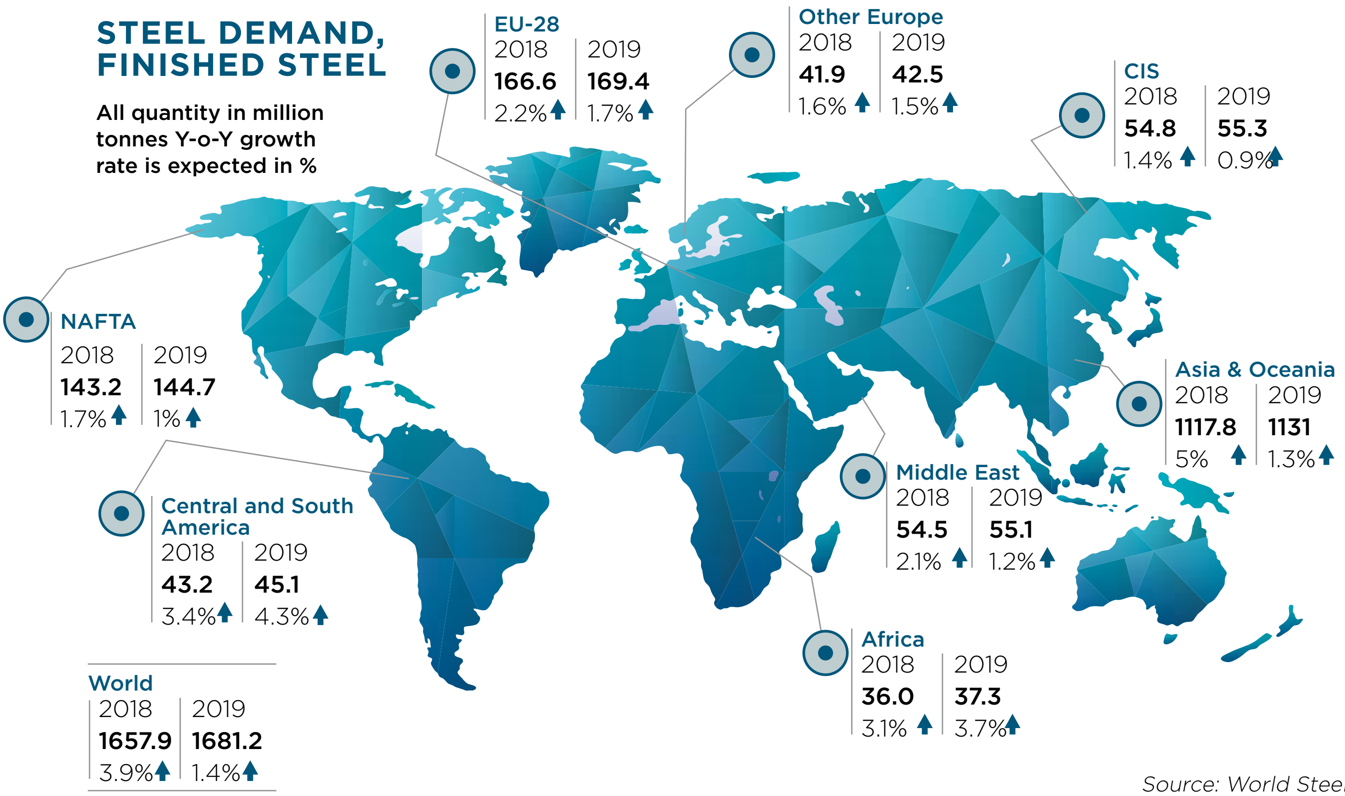




Top 10 steel producing countries

Rank	Country	2018 (Mt)	2017 (Mt)	%2018/2017
1	China	928.3	870.9	6.6
2	India	106.5	101.5	4.9
3	Japan	104.3	104.7	-0.3
4	United States	86.7	81.6	6.2
5	South Korea	72.5	71	2
6	Russia(e)	71.7	71.5	0.3
7	Germany(e)	42.4	43.3	-2
8	Turkey	37.3	37.5	-0.6
9	Brazil	34.7	34.4	1.1
10	Iran(e)	25	21.2	17.7

MT: million tonnes



Source: World Steel

Indian steel industry overview

India emerged as the world's second-largest steel producer after China in 2018, while retaining its position as the third-largest finished steel consumer. India also emerged as the largest producer of sponge iron in the world.

India possessed an installed capacity of 132 million tonnes in 2018 whereas production for the period was pegged at 106.5 million tonnes compared to 101.5 million tonnes in 2017, registering a y-o-y growth of 4.9%. India's per capita consumption of steel rose from 59 kilograms in 2013-14 to 69 kilograms in 2017-18, which is still below the global average of ~214 kilograms.

India emerged as the fastest-growing market for stainless steel in the world. The per capita consumption of stainless steel in India is at 2 kilograms, compared to the world average of ~6 kilograms, indicating a large headroom. In 2018, India's total stainless steel production was pegged at ~3.6 million tonnes for long and flat products.

Outlook

India's steel demand is estimated to register a growth of 7.3% in 2019, riding on the back of robust GDP growth. Despite burgeoning demand, steel production is projected to grow 2.5-3% by the end of 2018-19. Domestic steelmakers are expected to increase their capacity by ~16 million tonnes between FY2019 and FY2021. This capacity ramp-up and debottlenecking of stressed assets would warrant an industry-wide capex of ~₹750-800 billion between FY2019 and FY2021.

Looking ahead, the steel industry is expected to achieve 300 million tonnes of production capacity by 2030. Increased outlays for the railways sector, affordable housing push and rising demand capital goods and consumer durables could boost the domestic steel industry's growth. *(Source: Live Mint, Economic Times, PIB, Bloomberg, Ministry of Steel, Hindu)*

Advanced materials: The weight and engine power of vehicles have been on the rise, prompting a greater demand for stronger components across body frame, brake and suspension. In this context, the auto industry is seeing an increasing application of advanced materials for light-weighting materials such as high-strength steel, aluminum and magnesium and carbon fibre.

Light-weighting gains particular importance in the case of electric vehicles as it directly reduces the power demand on the battery, increases battery range, reduces charging cycles and enhances battery life. This is pushing up demand for aluminum and high-strength steel. By 2030, the share of high-strength steel in the material costs of a vehicle is expected to double. Magnesium and carbon fibre are also lightweight materials, but they are expensive, which would limit their use to niche applications, e.g., performance vehicles where the price premium justifies the trade off.

Key downstream demand drivers

Construction and infrastructure: Infrastructure sector is the largest consumer of steel in India, accounting for more than 60% of the total finished steel consumed. The demand for steel in India is estimated to grow at a rate of 7.3% in 2019, riding on the back of growing demand from the construction sector. Steady order inflow, supported by increased governmental spending towards infrastructure, improved the medium-term revenue visibility of most construction players. The construction companies are likely to witness significant opportunities from the railways, ports, urban infrastructure and airport segments, boosting the demand for steel.

Engineering and fabrication: The engineering and fabrication sector had the second-largest share of 22.1% of the total finished steel consumed. This segment involves industries such as capital goods, consumer durables, electrical goods, general engineering and defence equipment, among others. Steel products, including hot-rolled coils and sheets, are used in general engineering; galvanised sheets are used in consumer durables. Rapid urbanisation and growing per capita incomes can ensure this industry's sustained growth.

Automotive: The automotive sector enjoyed the third largest share of around 10.1% of the total finished steel consumed. The Union Budget gave a much-needed focus to growth and development of the rural economy by extending necessary incentives. Increasing the zero-tax income limit to ₹500,000 will prove beneficial for the middle-class, strengthening sales of automotive products. *(Source: Economic Times, CARE, SIAM, ICRA)*

Michael Porter's Five Forces Model analysis

Threat of entry dependent on barriers to entry such as:

- Economies of scale and experience
- Capital requirements of entry
- Strengths of established relationships with customers and suppliers

Buyer power (medium)
- Concentration of buyers
- Many small operators in the supplying industry supplying standardised products
- Switching costs are low

Supplier power (medium)
- Concentration of suppliers supplying differentiated products
- There are many small buyers
- Switching costs are low

Competitive rivalry (high)
- There are high entry barriers
- Buyers or suppliers exercise control
- Fairly low concentration ratio

Threat of substitutes (very low)
- Product substitution (price-performance ratio) is absent
- Users cannot do without the entire product basket

Government initiatives

- The National Steel Policy strives to achieve crude steel capacity of 300 million tonnes per annum production of 255 million tonnes and a per capita consumption of finished steel of ~160 kilograms by FY2030.
- The housing and construction sector is expected to be catalysed by government initiatives like Pradhan Mantri Awas Yojana, Sardar Patel Urban Housing Mission, 100 Smart Cities Mission by 2022, Pradhan Mantri Gram Sadak Yojana, Urban Infrastructure Development Scheme for Small & Medium Towns, National Heritage City Development and Augmentation Yojana, Bharatmala, Power for All, Development of Industrial Corridors & National Investment & Manufacturing Zones and 75,000 MW Clean Energy Initiative by 2022, among others.
- The Central Government has announced a policy for giving preference to domestically-manufactured iron and steel products for government projects. The policy provides a minimum value-addition of 15% in notified steel products, which are covered under preferential procurement.
- The Central Government has allowed 100% FDI through the automatic route, a 20% safeguard duty on steel imports and an export duty of 30% on iron ore (lumps and fines). *(Source: Business Today)*

Global manganese industry overview

Manganese ore realisations remained moderately stable with a minor decline in the last weeks of 2018. The Chinese market remained the primary driver behind manganese demand, but silico-manganese (used in steel) futures contracts with the Asian nation, which weighed heavily on the sector in 2017 and created widespread volatility, had a lower impact in 2018.

The global ferro-alloys market is set to exceed

US$70 billion

by 2025.

Indian manganese industry overview

The reserves of high grade manganese ore are limited (<10%); overall production is low (~2.5 million tonnes) and inadequate, considering the demand from the manganese-based alloy industry. Presently, 90% of the country's production is utilised for making manganese alloys after blending it with imported medium high grade ore. By 2020, the constraints on the availability of high grade manganese ore, coupled with anticipated demand of 8.33 million tonnes of run-off-mine based on metallurgical calculations for steel making, could put a pressure on the consumption sector (manganese-alloy industry) to provide consistent quality and cost-effective products.

Global ferro alloys sector overview

The global ferro-alloys market is set to exceed US$70 billion by 2025. The growing construction industry in emerging economies of the Asia-Pacific region is a prominent factor influencing the growth of the ferro-alloys market.

Rising population levels along with growth in per capita income in the region, due to decisions by governments, have propelled construction sector growth. The construction industry accounts for almost half the steel consumption; the presence of enormous raw material reserves in Asia Pacific could augment product manufacture. In India,~US$650 billion of investment is expected to be channelised towards urban infrastructure over the next 20 years. With improving construction methods, various steel products are expected to be consumed. *(Source: Global Market Insights)*

RISK MANAGEMENT

Maithan Alloys' risk management is an enterprise-wide function overseen by a team of qualified specialists with longstanding sectoral experience.

Key Risks	Nature	Potential Impact	Mitigation measures
Industry downturn	External	• Slowdown in product offtake • Cyclical nature of steel industry • Unfair trade practices and remedial measures	With the global steel industry on the recovery path, the alloys companies are witnessing turn around. Maithan with a differentiated business model and a strong product portfolio is growing sustainably.
Quality	Internal	• Inconsistent product quality • Erratic quality of raw materials procured	The Company works rigorously on the quality front with streamlined operating procedures.
Human capital	Internal	• High employee attrition • Inadequate training and employee errors • Low employee productivity	Over the years of its existence, the Company has created a dedicated team driving the business. The employees are regularly trained in a harmonious work environment. The Company enjoys one of the best retention rates in the industry.
Currency volatility	External	• Adverse impact on profitability • Fluctuation in foreign exchange • Fluctuating fair value or future cash flows due to changes in foreign exchange rates	The Company's exports stood at ₹1,058.98 crore against import of ₹700.87 crore, providing it with a natural hedge.
Geographic	External	• Locational disadvantages • Undulating roads and hilly terrains	The Company has manufacturing plants located strategically across the country. The Kalyaneshwari plant of the Company is situated in the country's steel belt and sells most of its output within 200 kilometres of the plant. Built in an SEZ, the Visakhapatnam plant is located close to two deep-draft ports and caters to export demand.

Key Risks	Nature	Potential Impact	Mitigation measures
Input cost	Internal	• Cheap imports from South Asian countries • Volatile rates of raw materials	The Company has strong relationships with miners to ensure timely supply. The Company sources raw material when it gets sales contracts, helping optimise inventory costs. It has PPA agreements with power utilities for supplying uninterrupted power at pre-determined prices.
Interest rate	Internal	• Increased interest payouts • Fluctuations in market interest rates	The Company has a sizeable cash surplus while borrowings on its books are low. Due to this, interest payout is low.
Liquidity	Internal	• Financial distress arising due to shortage of funds	The Company has a cash and liquid investments of ₹621 crore.
Logistical	External	• Congestion, strikes, channel blockages • Rake unavailability, landslides, strikes, derailments • Storage, transportation and material handling risks	The Company's proximity to key customers as well as ports helps reduce logistical costs.

For details of Financial Risk, please refer to Note No. 41 to the Standalone Financial Statement.

Profit and loss account analysis

Total income

Total income increased by 5.68% during FY19 i.e. from ₹1,905.69 crore in FY18 to ₹2,014.00 crore in FY19.

EBITDA

The Company's EBITDA decreased by 11.90% in FY19 i.e. from ₹395.40 crore in FY18 to ₹348.37 crore in FY19 owing to an increase in raw material cost.

Finance costs

Finance costs increased by ₹1.86 crore from ₹4.05 crore in FY18 to ₹5.91 crore in FY19 owing to higher bank interest cost incurred to meet non-fund based requirements.

Other incomes

Other incomes increased by 77.47% from ₹14.69 crore in FY18 to ₹26.07 crore in FY19 owing to an increase in financial income and gain on investments.

Tax expenses

Tax expenses decreased by 14.96% from ₹84.16 crore in FY18 to ₹71.56 crore in FY19 owing to lower profits.

Net profit

Net profit stood at ₹255.26 crore in FY19, compared to ₹291.75 crore in FY18, registering a drop of 12.51%.

Balance sheet analysis

Net worth

Net worth stood at ₹1,119.87 crore as on 31 March 2019 compared to ₹875.12 crore as on 31 March 2018, an increase of 27.97%. Net worth comprised paid-up equity capital worth ₹29.11 crore and other equity of ₹1,090.76 crore, as on 31 March 2019.

Loan profile

Total loan funds stood at ₹7.09 crore while long-term borrowings stood at ₹3.62 crore as on 31 March 2019.

Total assets

Total assets increased by 24.85% from ₹1,221.90 crore as on 31 March 2018 to ₹1,525.58 crore as on 31 March 2019.

Inventories

Inventories increased by 5.14% from ₹248.19 crore as on 31 March 2018 to ₹260.94 crore as on 31 March 2019. Inventories comprised raw material amounting to ₹206.26 crore, work-in-progress worth ₹1.76 crore, finished goods worth ₹44.79 crore and stores and packing materials worth ₹8.13 crore.

Sundry debtors

Sundry debtors stood at ₹256.66 crore as on 31 March 2019 compared to ₹243.72 crore as on 31 March 2018, an increase of 5.31%.

Cash, cash equivalents and current investments

Cash, cash equivalents and current investments as on 31 March 2019 stood at ₹637.10 crore compared to ₹358.28 crore as on 31 March 2018.

Current liabilities

Current liabilities stood at ₹370.70 crore as on 31 March 2019 compared to ₹315.37 crore as on 31 March 2018.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore

There was significant change only in the Interest Coverage Ratio compared to the previous financial year as it decreased from 97.63 to 58.95 due to an increase in finance costs from ₹4.05 crore to ₹5.91 crore and lower profits during FY2018-19.

Details of change in Return on Net Worth as compared to the immediately previous financial year along with detailed explanations therefore

The Return on Net worth was 22.79% during the FY2018-19 compared to 33.34% during the FY2017-18. The increase in raw material prices mainly squeezed the profit margin by 12.51% during the FY2018-19 as compared to FY2017-18. The surplus fund deployed in liquid investment amounting to ₹621 crore, was proposed to be utilised for capex requirements which yields lower return compared to funds utilised for manufacturing operations. Consequently, the Return on Net worth was lower by 10.55%.

Human resources and industrial relations

The Company believes that the quality of the employees is the key to success and is committed to equip them with skills, enabling them to seamlessly evolve with ongoing technological advancements. During the year, the Company organised training programmes in different areas such as technical skills, behavioural skills, business excellence, general management, advanced management, leadership skills, customer orientation, safety, values and code of conduct. The relationship between the management and employees continues to be cordial and plants are running smoothly. The total number of employees on the payroll of the Company as on 31 March 2019 was 598.

Internal control systems and their adequacy

The Company's internal audit system is continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains a constant dialogue with the statutory and internal auditors to ensure that internal control systems operate effectively.

The Return on Net Worth was

22.79%

during the FY 2018-19.

Total Assets increased to

₹1,525.58 crore

i.e., increase by 24.85% as on 31 March 2019

Directors' Report

Dear Members,

Your Directors have the pleasure in presenting the 34th Annual Report on the business and operations of the Company along with the Financial Statement for the financial year ended 31 March 2019.

FINANCIAL HIGHLIGHTS

The financial performance of the Company for the financial year ended 31 March 2019 is summarised below:

(₹ in lakh)

Financial Results	2018-19	2017-18
Revenue from operations	1,98,793.01	1,89,099.93
Other income	2,606.96	1,469.49
Total Income	**2,01,399.97**	**1,90,569.42**
Expenses		
Operating expenditure	1,66,563.16	1,51,029.17
Depreciation and amortisation expense	1,563.27	1,544.43
Total Expenses	**1,68,126.43**	**1,52,573.60**
Profit before finance cost and tax	33,273.54	37,995.82
Finance costs	590.81	405.34
Profit Before Taxes	**32,682.73**	**37,590.48**
Less: Provision for taxation:		
- Current tax	6,815.00	8,530.82
- Deferred tax	341.45	(114.97)
Profit After Taxes	**25,526.28**	**29,174.63**

STATE OF COMPANY'S AFFAIRS AND OPERATIONS

The Company sustained its growth momentum during the year under review amidst lot of uncertainties and volatility in the global and domestic markets during the financial year 2018-19, by focussing on manufacturing excellence and cost reduction to provide customised products at the most competitive prices. The Company recorded another excellent performance and reached a milestone of crossing ₹2,000 crore in Total Income.

India continues to be one of the fastest growing economies in the world and this is expected to continue in the financial year 2019-20. Your Company is well placed to capitalise on the growth in steel production through its manufacturing excellence and strong client base.

During the financial year 2018-19, the Total Income increased to ₹2,01,399.97 lakh from ₹1,90,569.42 lakh in the financial year 2017-18, registering a growth of about 5.68%. Profit Before Tax stood at ₹32,682.73 lakh and Profit After Tax stood at ₹25,526.28 lakh in the financial year 2018-19 as compared to ₹37,590.48 lakh and ₹29,174.63 lakh, respectively in the financial year 2017-18, resulting in a decline of about 13.06% and 12.51%, respectively mainly on account of margins correcting from all time high in financial year 2017-18.

The Wind Mill division of the Company has achieved sales of ₹184.02 lakh during the financial year 2018-19 and is operating satisfactorily.

There was no change in the nature of business of the Company during the financial year 2018-19.

OUTLOOK

The information on the Business Overview and Outlook of the Company is discussed in the Management Discussion and Analysis on Page No. 16 to 25 of this Annual Report.

EXPANSION OF MANUFACTURING CAPACITY

The Board of Directors (hereinafter referred as 'the Board') at its meeting held on 30 April 2018 accorded their consent to set-up a new greenfield Ferro Alloy manufacturing unit in West Bengal with an estimated installed capacity of 120,000 MT per annum of ferro alloys. It is proposed to set-up the unit with an estimated cost of ₹27,500.00 lakh to be financed from internal accruals of the Company. The same would increase the installed capacity of the Company by about 50%.

The necessary regulatory approvals for setting up the said unit are awaited.

SHARE CAPITAL

The Authorised Share Capital and Paid-up Share Capital of the Company as on 31 March 2019 were ₹8,000.00 lakh and ₹2,911.16 lakh, respectively. During the year under review, the Company has not granted any employees stock option. The Company has neither issued any shares with differential voting rights nor sweat equity shares during the financial year 2018-19. As at 31 March 2019, none of the Directors of the Company hold any convertible instrument of the Company.

DIVIDEND

Based on the Company's performance, the Directors are pleased to recommend for approval of the Members, a dividend of ₹6.00 per equity share of ₹10.00 each (i.e. 60%) for the financial year 2018-19, to be paid on total equity shares of the Company. The dividend on the equity shares, if approved by the Members, may involve an outflow of ₹1,746.69 lakh towards dividend and ₹359.04 lakh towards dividend tax, resulting in a total outflow of ₹2,105.81 lakh.

AMOUNT TRANSFERRED TO RESERVES

Nil

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY AND THE DATE OF THE REPORT

None

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Non-Executive Directors & Independent Directors

Mr. Biswajit Choudhuri (DIN: 00149018), an Independent Director of the Company, tendered his resignation from Directorship of the Company with effect from 11 March 2019. The Board placed on record its appreciation for the valuable contribution and strategic guidance given by him, during his tenure as an Independent Director and as the Chairman of the Stakeholders Relationship Committee of the Company.

Mr. Nand Kishore Agarwal (DIN: 00378444) was appointed as an Independent Director of the Company with effect from 22 September 2014, for a period of five consecutive years in terms of Section 149 read with Schedule IV to the Companies Act, 2013. Accordingly, his tenure as an Independent Director will conclude on 21 September 2019. The Board at its meeting held on 30 April 2019, on the recommendation of the Nomination and Remuneration Committee, re-appointed him as an Independent Director for a second term of five consecutive years with effect from 22 September 2019, subject to approval of the Members of the Company. Further, in terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members is also accorded for continuation of Directorship of Mr. Agarwal, who will attain the age of seventy five years during his second term, as an Independent Director of the Company.

The Board recommends the same for approval of the Members by passing a Special Resolution at the ensuing Annual General Meeting.

The Company has received declaration from all the

Independent Directors, affirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Executive Directors and Key Managerial Personnel

The tenure of Mr. Subhas Chandra Agarwalla (DIN: 00088384) as the Chairman and Managing Director and Mr. Subodh Agarwalla (DIN: 00339855) as the Whole-time Director and Chief Executive Officer (CEO) being Key Managerial Personnel was concluding on 31 March 2019. Consequently, the Board at its meeting held on 28 January 2019, re-appointed Mr. Subodh Agarwalla as the Whole-time Director and Chief Executive Officer (CEO) being Key Managerial Personnel and Mr. Subhas Chandra Agarwalla as the Chairman and Managing Director, with effect from 1 April 2019 for a further period of five and three years, respectively. Their re-appointments are subject to approval of the Members at the ensuing Annual General Meeting of the Company and the Board recommends the same.

Mr. Sudhanshu Agarwalla and Mr. Rajesh K. Shah, continue to hold office as the President and Chief Financial Officer and Company Secretary of the Company, respectively, in terms of Section 203 of the Companies Act, 2013.

None of the Key Managerial Personnel have resigned during the financial year 2018-19.

Retirement by rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Subhas Chandra Agarwalla (DIN: 00088384) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

The brief details of Directors proposed to be re-appointed at the ensuing Annual General Meeting has been provided in the Notice convening the ensuing Annual General Meeting.

EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation through structured evaluation sheets, for each Director (including Independent Directors), its Committees and its own performance based on the criteria laid down in the Remuneration Policy of the Company and in the manner specified by the Nomination and Remuneration Committee of the Company. Further, the Nomination and Remuneration Committee has also carried out the performance evaluation of every Director of the Company.

Further, during the year under review, the Independent Directors of the Company reviewed (i) the performance of Non-Independent Directors and the Board as a whole, (ii) the performance of the Chairman of the Company and (iii) assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

NUMBER OF MEETINGS OF THE BOARD

During the financial year 2018-19, 5 (five) meetings of the Board were duly convened, held and concluded. The details of the Board Meetings have been furnished in the Report on Corporate Governance forming part of this Directors' Report. The intervening gap between the two consecutive meetings was within the period prescribed under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COMMITTEES OF THE BOARD

The details of the following committees of the Board along with their composition and meetings held during the financial year 2018-19 are given in the Report on Corporate Governance forming part of this Directors' Report.

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

REMUNERATION POLICY

The Board at its meeting held on 28 January 2019 has substituted the existing Remuneration Policy of the Company with a new Remuneration Policy to be effective from 1 April 2019. The Remuneration Policy of the Company is attached to the Report on Corporate Governance forming part of this Directors' Report.

The said Policy lays down a framework in relation to remuneration of all Directors, KMP and other Employees on the pay roll of the Company and *inter-alia* provides the following:

1 The provisions related to the appointment criteria and qualifications, term/tenure, removal, retirement of Directors, Key Managerial Personnel and other Employees.

2 The Remuneration Components including the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees), Key Managerial Personnel, and other Employees.

3 The criteria for performance evaluation for Independent & Non-Executive Directors, Executive Directors, Board as whole, Committees of the Board.

The above policy has also been posted on the website of the Company at 'www.maithanalloys.com'.

VIGIL MECHANISM

The Vigil Mechanism established by the Company empowers the directors and employees and other concern to report their genuine concerns relating to the Company and provides for adequate safeguards against victimisation of those who use such mechanism and also provides for direct access to the Chairperson of the Audit Committee in exceptional cases.

The Audit Committee has been empowered to review the functioning of the Vigil Mechanism. A copy of the Vigil Mechanism Policy is available on the Company's website at 'www. maithanalloys.com'.

RISK MANAGEMENT

Business risks exist for every enterprise having national and international exposure. The Company has a Risk Management Policy to control and minimise the risk factors of the Company and the said Policy is being implemented and monitored by the Risk Management Committee. A brief detail on the Risk Management and the key business risks identified by the Company and its mitigation plans are provided at Page No. 22 to 23 of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

The Company has adopted Corporate Social Responsibility Policy and the same is available on the Company's website at 'www.maithanalloys.com'.

During the financial year 2018-19, the Company has spent 2% of the average net profits of the three immediately preceding financial years on various Corporate Social Responsibility (CSR) activities. The expenditure has been carried out mainly in the areas of education, health care, rural development and welfare of animals, as specified under Schedule VII of the Companies Act, 2013 and CSR Policy of the Company.

Further, the Company has constituted a trust in the name of 'BMA Foundation', to carry out its CSR activities in addition of making donations to other charitable organisations or NGOs.

The Annual Report on CSR activities during the financial year 2018-19, in prescribed form, including the brief contents/salient features of the CSR Policy of the Company, as approved by the CSR Committee is annexed herewith as **Annexure-"A"**.

DEPOSITS

The Company did not accept any Deposit from the public within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year 2018-19 and as such, no amount of principal, interest, unpaid or unclaimed deposit remained unpaid or unclaimed or was outstanding as on the Balance Sheet date.

CREDIT RATING

CARE has upgraded the Company's credit rating to 'CARE AA; Stable' (i.e. Double A; Outlook: Stable) from 'CARE AA-; Stable' (i.e. Double A Minus; Outlook: Stable) for long-term bank facilities and re-affirmed 'CARE A1+' (i.e. A One Plus) rating for short-term bank facilities vide their letter dated 26 September 2018.

Further, CRISIL has assigned 'CRISIL AA-/Stable' (i.e. CRISIL AA Minus/Stable) rating for Company's long-term bank facilities and 'CRISIL A1+' (i.e. CRISIL A One Plus) rating for Company's short-term bank facilities, vide their letter dated 1 December 2017 and said ratings were valid up to 2 January 2019.

Such ratings indicate that the Company has strong capacity for timely payment of debt obligations and carries low credit risk.

INDIAN ACCOUNTING STANDARDS

Your Company is required to comply with the prescribed Indian Accounting Standards (Ind AS) in preparation of its Financial Statements in terms of Section 133 of the Companies Act, 2013 read with the

Companies (Indian Accounting Standards) Rules, 2015.

Consequently, the Financial Statement of the subsidiaries of the Company namely, Anjaney Minerals Limited, AXL-Exploration Private Limited and Salanpur Sinters Private Limited have also been prepared and reported in compliance with Ind AS.

STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT

The internal control systems of the Company are brought under regular review and evaluations in consultation with the internal auditors. The Company's internal control systems are commensurate with the Company's size and nature of business of the Company, enabling it to safeguard assets, prevent and detect frauds as well as other irregularities. The Internal Audit is conducted periodically across all locations of the Company by firms of Chartered Accountants who verify and report on the efficiency and effectiveness of internal controls.

The Management is responsible for the Company's internal financial control over financial reporting and the financial reporting process. The Audit Committee reviews the internal financial control over financial reporting to ensure that the accounts of the Company are properly maintained in accordance with the prevailing laws and regulations.

FINANCIAL REVIEW

For detailed financial review kindly refer to the Management Discussion and Analysis on Page No. 24 to 25 of this Annual Report.

CASH FLOW STATEMENT

In terms of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, the Annual Financial Statement contains the Cash Flow Statement for the financial year 2018-19, forming part of this Annual Report.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

The Company has three subsidiaries namely, AXL-Exploration Private Limited, Anjaney Minerals Limited (wholly-owned subsidiary) and Salanpur Sinters Private Limited (wholly-owned subsidiary) as on 31 March 2019.

None of the Companies have become/ ceased to be the Company's Subsidiaries, Joint Ventures or Associate Companies during the financial year 2018- 19.

Further, the Company had no material subsidiary(ies) or Joint Venture(s) or Associate Company(ies) during the financial year 2018-19.

The "Policy on 'Material' Subsidiary" is available on the website of the Company. The link for the said policy is 'http://www.maithanalloys.com/wp-content/uploads/2019/07/Policy-on-Material-Subsidiary.pdf'.

In terms of Section 129(3) of the Companies Act, 2013, a Statement containing the salient features of the financial statement of subsidiaries / associate companies / joint ventures of the Company in the prescribed form AOC-1 has been attached with the Financial Statement of the Company, forming part of this Annual Report.

HIGHLIGHTS OF PERFORMANCE OF EACH OF THE SUBSIDIARIES

In accordance with Section 136 of the Companies Act, 2013, the audited Financial Statements including the Consolidated Financial Statement together with the related information of the Company and the audited accounts of each of its subsidiary are available on Company's website at 'www.maithanalloys.com'. The audited accounts of the subsidiary companies are available for inspection by any Member on any working day during the business hours at the registered office of the Company. The said documents shall be made available on receipt of a written request from a Member of the Company.

Anjaney Minerals Limited

The Company continues to explore various opportunities for acquiring mines. During the financial year 2018-19 the Company has earned ₹9.74 lakh as Other Income, however it has incurred a loss of ₹2.67 lakh.

The net worth of the Company as on 31 March 2019 is ₹719.51 lakh.

AXL-Exploration Private Limited

The Company has made an application to the government authorities for renewal of its mining lease and necessary approval thereon is awaited. During the financial year 2018-19 the Company has suffered a loss of ₹4.37 lakh.

The net worth of the Company as on 31 March 2019 is ₹217.45 lakh.

Salanpur Sinters Private Limited

During the financial year 2018-19, the Company has earned ₹3.57 lakh as Other Income and reported a profit of ₹1.81 lakh.

The net worth of the Company as on 31 March 2019 is ₹598.35 lakh.

All the above companies are unlisted non-material subsidiaries of the Company and their contribution to the overall performance of the Company is insignificant.

CONSOLIDATED FINANCIAL STATEMENT

The Company has prepared a Consolidated Financial Statement of the Company and all of its subsidiaries, pursuant to the provisions of Section 129 of the Companies Act, 2013. The Consolidated Financial Statement of the Company along with its subsidiaries for the financial year ended 31 March 2019 forms part of this Annual Report.

AUDITORS' REPORT

The Auditors' Report read along with notes on accounts is self-explanatory and therefore, does not call for any further comment. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

During the year under review, the auditors have not reported any instances of fraud committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Companies Act, 2013.

STATUTORY AUDITORS

M Chaudhary & Co., Chartered Accountants (Firm Registration No.: 302186E), were appointed as the Statutory Auditors of the Company at the 32nd Annual General Meeting of the Company to hold office till the conclusion of the 37th Annual General Meeting of the Company to be held in the year 2022.

The Company has received a certificate from the said auditors to the effect that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 and their appointment continue to be within the prescribed limits as required under the Companies Act, 2013. Further, M Chaudhary & Co., Chartered Accountants, have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COST RECORDS AND COST AUDIT

The Company is required to maintain cost records, as specified by the Central Government under Section 148(1) of the Companies Act, 2013. Accordingly such accounts and records are made and maintained by the Company.

Further, the Board has re-appointed S. K. Sahu & Associates, Cost Accountants (Registration No.: 100807) as the Cost Auditor and fixed their remuneration for auditing the cost records of the Company for the financial year 2019-20. Their remuneration is subject to the approval of Members at the ensuing Annual General Meeting.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Companies Act, 2013 and Rules framed there under, the Board had appointed M/s. Patnaik & Patnaik, Company Secretaries (Certificate of Practice No.: 7117), to conduct Secretarial Audit for the financial year 2018-19 and the Secretarial Audit Report as submitted by them for the financial year 2018-19 is annexed herewith as **Annexure-"B"**.

There is no qualification, reservation, adverse remark or disclaimer in the said Secretarial Audit Report given by said Auditor and therefore, does not call for any further comment.

EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return of the Company referred to in Sub-section (3) of Section 92 of the Companies Act, 2013, as on the financial year ended 31 March 2019 in prescribed Form MGT-9 is annexed herewith as **Annexure-"C"** and forms part of this Annual Report and shall also be made available on the Company's website at 'www.maithanalloys.com'.

MANAGERIAL REMUNERATION

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures and other details are as follows:

(a) (i) the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year; and

(ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

Sl. No.	Name	Designation	Ratio of remuneration	% increase in remuneration
1	Mr. Subhas Chandra Agarwalla	Chairman and Managing Director	610.77	Note 1
2	Mr. Subodh Agarwalla	Whole-time Director and Chief Executive Officer	488.62	Note 1
3	Mr. Sudhanshu Agarwalla	President and Chief Financial Officer	N.A.	3.06%
4	Mr. Rajesh K. Shah	Company Secretary	N.A.	13.86%

N.A.= Not Applicable

Note 1: There is no change in the remuneration structure; however the overall remuneration paid in the financial year 2018-19 is lower than the remuneration paid in the financial year 2017-18.

The Non-Executive Directors (including Independent Directors) of the Company are entitled to sitting fee only within the statutory limits provided under the Companies Act, 2013. The details of remuneration of each Non-Executive Director have been provided in the Report on Corporate Governance. The ratio of remuneration of said Non-Executive Directors to the median remuneration of the employees of the Company and percentage increase in remuneration of said Non- Executive Directors, during the financial year 2018-19 are not comparable and therefore not considered for the above purpose.

(b) the percentage increase in the median remuneration of employees in the financial year –

The median remuneration of the employees in the financial year 2018-19 was increased by 6.30%.

(c) the number of permanent employees on the rolls of Company -

There were 598 employees as on 31 March 2019 on the pay rolls of the Company.

(d) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration –

The average percentage increase in the salaries of employees other than the managerial personnel during the financial year 2018-19 was 8.49%. There was no increase in the managerial remuneration during the financial year 2018-19 (refer Note 1 above).

The managerial personnel are entitled to remuneration partly by way of fixed remuneration being monthly remuneration and partly by way of variable remuneration being a percentage on the profit of the Company, whereas the majority of employees other than the managerial personnel are paid by way of fixed remuneration only. The increase in the remuneration of non-managerial employees depends upon various factors like industry standards, cost of living, individual performance of the employee during the financial year, etc.

(e) affirmation that the remuneration is as per the remuneration policy of the Company-

It is hereby affirmed that the remuneration paid during the financial year 2018-19 is as per the Remuneration Policy of the Company.

PARTICULARS OF EMPLOYEES

A statement in terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) & (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are enclosed as **Annexure-"D"**.

In terms of the provisions of Section 197(14) of the Companies Act, 2013 it is hereby confirmed that neither the Managing Director nor the Whole-time Director of the Company has received any remuneration or commission from any subsidiary of the Company during the financial year 2018-19.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

None

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

(i) **Details of Loans:** The Company has granted advances to its subsidiaries. Please refer to Note No. 14 to the Standalone Financial Statement.

(ii) **Details of Investments:** Please refer to Note Nos. 5 & 10 to the Standalone Financial Statement.

(iii) **Details of Guarantees given or Securities provided:** The Company has not given any guarantee or provided any security in connection with a loan to any other body corporate or persons, during the financial year 2018-19.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Your Company always strives to enter into transactions with its related parties in the course of its business at arm's length basis and the management believes that related party transactions are on arm's length basis as explained under Section 188 of the Companies Act, 2013.

There were no materially significant related party transactions made by the Company with its related parties as provided in Section 188(1) of the Companies Act, 2013 therefore, disclosure in Form AOC-2 is not required.

The 'Material Related Party Transaction Policy' which deals with related party transactions is uploaded on the website of the Company and weblink for the same is 'http://www.maithanalloys.com/wp-content/uploads/2019/07/Related-Party-Transaction-Policy.pdf'.

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

The statement containing the necessary information on conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed herewith as **Annexure-"E"**.

DISCLOSURES RELATING TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has not received any complaint in respect of sexual harassment during the financial year 2018-19 nor was any complaint pending at the beginning or end of the financial year 2018-19.

CORPORATE GOVERNANCE

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance and a certificate from the Auditors of the Company confirming compliance of conditions of Corporate Governance, is annexed herewith as **Annexure-"F"** and **Annexure-"G"**, respectively.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis of financial conditions and results of operations of the Company for the year under review, as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as a separate section in this Annual Report on Page No. 16 to 25 and forms part of this Directors' Report.

TRANSFER OF SHARES AND UNPAID/ UNCLAIMED DIVIDENDS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

A. **Transfer of Unpaid / Unclaimed Dividend**

In terms of the provisions of Section 124(5) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as applicable, the Company has transferred the unpaid/unclaimed dividends amounting to ₹33,036.00 for the financial year 2010-11 to the IEPF during the year under review.

Further, a statement containing the details of dividend for period from financial year 2011-12 to 2017-18 that remained unpaid/unclaimed are available on the website of the Company at 'www.maithanalloys.com'.

B. Transfer of Shares

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as applicable, all shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more shall be transferred to IEPF. Accordingly, 6 equity shares of the Company belonging to 1 shareholder in respect of which dividend (as declared by the Company) remained unpaid/unclaimed for seven consecutive years or more have been transferred to IEPF during the year under review. The Company has transferred 2,179 shares to IEPF till date.

A statement containing details in respect of shares so transferred, including the name of shareholders, folio number or DP ID/Client ID are available on the website of the Company at 'www.maithanalloys.com'.

Further, any person whose shares and unclaimed dividend are transferred to IEPF may claim the same by submitting an online application in Form IEPF-5, available at 'www.iepf.gov.in', by following the procedure as prescribed in Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

(i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the directors had prepared the annual accounts on a going concern basis;

(v) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and

(vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank all the shareholders, bankers, suppliers, regulatory and other government authorities for their assistance, co-operation and confidence reposed in your Company. Your Directors also extend their deep sense of appreciation to the employees of the Company.

For and on behalf of the Board of Directors

	S. C. Agarwalla	**Subodh Agarwalla**
Place: Kolkata	*Chairman & Managing Director*	*Whole-time Director & CEO*
Date: 30 April 2019	DIN: 00088384	DIN: 00339855

ANNEXURE TO THE DIRECTORS' REPORT "A"

The Annual Report on Corporate Social Responsibility (CSR) Activities

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

   Maithan Alloys Limited recognises its onus to act responsibly, ethically and with integrity in its dealings with staff, customers, governments and the environment as a whole. Maithan Alloys Limited is a socially conscious and responsible company, supporting organisations working in education, health care, sustainable livelihood, infrastructure development and espousing social causes and humanitarian affairs.

   The CSR policy of the Company is available at the Company's website at 'www.maithanalloys.com' and web-link thereof is 'http://www.maithanalloys.com/wp-content/uploads/2019/07/Corporate-Social-Responsibility-Policy.pdf'.

2. **The Composition of the CSR Committee:**

Name	Designation	Executive / Non-Executive / Independent
Mr. Subhas Chandra Agarwalla	Chairman	Executive Director
Mr. Subodh Agarwalla	Member	Executive Director
Mr. Vikash Kumar Jewrajka	Member	Independent Non-Executive Director

3. **Average net profit of the Company for last three financial years:** ₹ 24,455.14 Lakh

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** ₹ 489.10 Lakh

5. **Details of CSR spent during the financial year:**

(a)	Total amount to be spent for the financial year.	₹ 489.10 Lakh
	Amount spent during the financial year.	₹ 489.22 Lakh
(b)	Amount unspent, if any.	Nil
(c)	Manner in which the amount was spent during the financial year.	As per Annexure 1

6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report :** Not Applicable

7. **The responsibility statement of the CSR Committee of the Board:** The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

S. C. Agarwalla
Chairman - CSR Committee
(Chairman & Managing Director)
DIN: 00088384

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Place: Kolkata
Date: 30 April 2019

Annexure 1

(₹ in lakh)

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where Projects or Programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs sub-heads: (1) Direct expenditure on projects or programs	Amount spent on the projects or programs sub-heads: (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency*
1	Health Care	Clause (i) eradicating hunger, poverty and malnutrition, promoting health care including preventive health care	Others, Vrindavan, Uttar Pradesh	51.00	51.00	Nil	51.00	Through Trust
2	Health Care & Education	Clause (i) eradicating hunger, poverty and malnutrition, promoting health care including preventive health care Clause (ii) promoting education	Local Area in the State of West Bengal	14.00	14.00	Nil	19.00	Through Trust
			Others, Vrindavan, Uttar Pradesh	5.00	5.00	Nil		
3	Education	Clause (ii) promoting education	Local Area in the State of West Bengal	399.00	399.00	Nil	399.00	Through Trust
4	Animal Welfare	Clause (iv) ensuring animal welfare	Local Area in the State of West Bengal	20.00	20.00	Nil	20.00	Through Trust
5	Rural Development	Clause (x) rural development projects	Local Area in the State of West Bengal	0.22	0.22	Nil	0.22	Direct

** Support to Non-Government Organisations or Charitable Institutions.*

S. C. Agarwalla
Chairman - CSR Committee
(Chairman & Managing Director)
DIN: 00088384

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Place: Kolkata
Date: 30 April 2019

Form No. MR-3
Secretarial Audit Report

for the financial year ended 31 March 2019

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

To,
The Members,
Maithan Alloys Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Maithan Alloys Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2019 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2019 according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):

a] The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b] The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c] The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as notified w.e.f. 11 September 2018 (Not Applicable to the Company during the period under review);

d] The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the period under review);

e] The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the period under review);

f] The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g] The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the period under review) and h] The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 as notified w.e.f. 11 September 2018 (Not Applicable to the Company during the period under review).

(vi) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company based on their sector/industry are:

a] The Payment of Wages Act, 1936;

b] The Minimum Wages Act, 1948;

c] The Payment of Gratuity Act, 1972;

d] The Child Labour (Prohibition & Regulations) Act, 1986;

e] Mines and Minerals Developments Regulation Act, 1957;

f] Minerals Conservation and Development Rules, 1988;

g] The Electricity Act, 2003;

h] The Environment (Protection) Act, 1986, read with the Environment (Protection) Rules, 1986;

i] The Water (Prevention & Control of Pollution) Act, 1974, read with Water (Prevention & Control of Pollution) Rules, 1975;

j] The Air (Prevention & Control of Pollution) Act, 1981 read with Air (Prevention & Control of Pollution) Rules, 1982;

k] The Factories Act, 1948; etc.

We have also examined compliance with the applicable clauses of the following:

(i) The Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India;

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

We further report that

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

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period there were no instances of the Company entering into any events/actions, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above for example

(i) Public / Right / Preferential issue of shares / debentures / sweat equity, etc.;

(ii) Redemption/Buy-back of Securities;

(iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013;

(iv) Merger/Amalgamation/Reconstruction, etc.;

(v) Foreign Technical Collaborations.

For Patnaik & Patnaik
Company Secretaries

S. K. Patnaik
Partner

Place: Kolkata FCS No.: 5699
Date: 30 April 2019 C.P. No.:7117

*[Note: This Report is to be read with our letter of declaration which is annexed hereto as **"Annexure –A"** and forms an integral part of this Report.]*

Annexure-A

To,
The Members,
Maithan Alloys Limited

Our Report is to be read along with this letter:

(i) Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

(ii) We have followed the audit practices and processes as appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

(iii) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

(iv) The status of compliance of other laws as listed at (vi) in our Report, we relied upon the statement provided by the Management.

(v) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

(vi) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same on test basis.

(vii) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Patnaik & Patnaik
Company Secretaries

S. K. Patnaik
Partner
FCS No.: 5699
C.P. No.: 7117

Place: Kolkata
Date: 30 April 2019

ANNEXURE TO THE DIRECTORS' REPORT "C"

Form No. MGT - 9
Extract of Annual Return

as on financial year ended on 31 March 2019

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

I. REGISTRATION & OTHER DETAILS

i)	CIN	L27101WB1985PLC039503
ii)	Registration Date	19 September 1985
iii)	Name of the Company	Maithan Alloys Limited
iv)	Category/Sub-category of the Company	Company limited by shares/ Indian Non-Government Company
v)	Address of the Registered office & contact details	4th Floor, 9 AJC Bose Road, Kolkata -700017; Phone No.: 033-4063-2393; Fax No.: 033-2290-0383 E-mail: office@maithanalloys.com
vi)	Whether listed Company	Yes
vii)	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	Maheshwari Datamatics Pvt. Ltd. 23, R. N. Mukherjee Road, 5th Floor, Kolkata-700001. Phone No.: 033-2248-2248, 2243-5029; Fax No.: 033-2248-4787 E-mail: info@mdpl.in; mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ Service*	% to total turnover of the Company
1	Manufacturing of Ferro Alloys	24104	85.73%

** as per National Industrial Classification - 2008 (NIC-2008)*

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Anjaney Minerals Limited 4th Floor, 9 AJC Bose Road, Kolkata - 700017, West Bengal	U13100WB2008PLC130114	Subsidiary Company	100.00%	2(87)(ii)
2	AXL-Exploration Private Limited Flat No. 001,Plot No. -109, Bamra Manar, Unit-7, Near Governor House, Surya Nagar, Bhubaneswar -751003, Orissa	U14292OR1999PTC005643	Subsidiary Company	75.00%	2(87)(ii)
3	Salanpur Sinters Private Limited 4th Floor, 9 AJC Bose Road, Kolkata - 700017, West Bengal	U27310WB2012PTC188035	Subsidiary Company	100.00%	2(87)(ii)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding:

Category of shareholders	No. of Shares held at the beginning of the year [As on 1 April 2018]				No. of Shares held at the end of the year [As on 31 March 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	56,42,790	-	56,42,790	19.38%	56,42,790	-	56,42,790	19.38%	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s).	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1,49,01,003	-	1,49,01,003	51.19%	1,61,86,576	-	1,61,86,576	55.61%	4.42%
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	**2,05,43,793**	**-**	**2,05,43,793**	**70.57%**	**2,18,29,366**	**-**	**2,18,29,366**	**74.99%**	**4.42%**
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**2,05,43,793**	**-**	**2,05,43,793**	**70.57%**	**2,18,29,366**	**-**	**2,18,29,366**	**74.99%**	**4.42%**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	80,770	-	80,770	0.28%	-	-	-	-	-0.28%
b) Banks / FI	67,332	-	67,332	0.23%	18,149	-	18,149	0.06%	-0.17%
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s).	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs/FPIs	6,17,588	-	6,17,588	2.12%	7,91,338	-	7,91,338	2.72%	0.60%
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)									
Alternate Investment Funds	-	-	-	-	68,950	-	68,950	0.24%	0.24%
Sub-total (B)(1):-	**7,65,690**	**-**	**7,65,690**	**2.63%**	**8,78,437**	**-**	**8,78,437**	**3.02%**	**0.39%**

Category of shareholders	No. of Shares held at the beginning of the year [As on 1 April 2018]				No. of Shares held at the end of the year [As on 31 March 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	20,21,519	-	20,21,519	6.94%	9,01,104	-	9,01,104	3.10%	-3.84%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	32,72,430	1,78,073	34,50,503	11.85%	34,29,712	97,615	35,27,327	12.11%	0.26%
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	13,24,543	-	13,24,543	4.55%	14,69,698	-	14,69,698	5.05%	0.50%
c) Others (specify)									
Non Resident Indians	3,42,100	-	3,42,100	1.18%	3,19,886	-	3,19,886	1.09%	-0.09%
Clearing Members	6,59,154	-	6,59,154	2.26%	1,82,886	-	1,82,886	0.63%	-1.63%
NBFC Registered with RBI	1,475	-	1,475	0.01%	267	-	267	0.00%	-0.01%
Trust	600	-	600	0.00%	400	-	400	0.00%	0.00%
Investor Education and Protection Fund	2,173	-	2,173	0.01%	2,179	-	2,179	0.01%	0.00%
Sub-total (B)(2):-	**76,23,994**	**1,78,073**	**78,02,067**	**26.80%**	**63,06,132**	**97,615**	**64,03,747**	**21.99%**	**-4.81%**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**83,89,684**	**1,78,073**	**85,67,757**	**29.43%**	**71,84,569**	**97,615**	**72,82,184**	**25.01%**	**-4.42%**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**2,89,33,477**	**1,78,073**	**2,91,11,550**	**100.00%**	**2,90,13,935**	**97,615**	**2,91,11,550**	**100.00%**	-

Note: The percentage has been considered upto two decimal points.

(ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 1 April 2018]			Shareholding at the end of the year [As on 31 March 2019]			% change in sharehol-ding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / Encumbered to total shares	
1	Maithan Smelters Private Limited	53,97,357	18.54%	-	53,97,357	18.54%	-	-
2	H. S. Consultancy Private Limited	32,59,200	11.20%	-	32,59,200	11.20%	-	-
3	Subhas Chandra Agarwalla	2,67,250	0.92%	-	13,91,250	4.78%	-	3.86%
4	Sumee Trading Private Limited	13,91,100	4.78%	-	13,91,100	4.78%	-	-
5	Aaklavya (India) Private Limited	12,74,500	4.38%	-	12,74,500	4.38%	-	-
6	Jyobina Investment Limited	Refer Note 3	-	-	11,20,573	3.85%	-	3.85%
7	Shakti Auto Finance Private Limited	10,67,800	3.67%	-	10,67,800	3.67%	-	-
8	Jibralter Traders Limited	9,93,750	3.41%	-	9,93,750	3.41%	-	-
9	Avinash Agarwalla	3,58,450	1.22%	-	8,19,525	2.81%	-	1.59%
10	Shankar Lal Agarwalla	9,62,101	3.30%	-	7,59,500	2.60%	-	-0.70%
11	Rita Devi Agarwalla	6,94,365	2.39%	-	6,94,365	2.39%	-	-
12	Sheela Devi Agarwalla	6,69,250	2.30%	-	6,69,250	2.30%	-	-
13	Sudhanshu Agarwalla	450	0.00%	-	5,59,650	1.91%	-	1.91%
14	Summit Packaging Private Limited	4,66,500	1.60%	-	4,66,500	1.60%	-	-
15	Bhagwati Syndicate Private Limited	4,30,000	1.48%	-	4,30,000	1.48%	-	-
16	Subodh Agarwalla	4,09,250	1.41%	-	4,09,250	1.41%	-	-
17	Anupam Vanijya Private Limited	3,50,796	1.20%	-	3,50,796	1.20%	-	-
18	Unmukt Tracom Private Limited	2,70,000	0.93%	-	2,70,000	0.93%	-	-
19	Siddhartha Shankar Agarwalla	4,38,474	1.51%	-	1,80,000	0.62%	-	-0.89%
20	Dipajyoti Resources Private Limited	Refer Note 3	-	-	1,65,000	0.57%	-	0.57%
21	Sonam Agarwalla	1,10,000	0.38%	-	1,10,000	0.38%	-	-
22	Prahlad Rai Agarwalla	10,34,200	3.55%	-	25,000	0.09%	-	-3.46%
23	Sarita Devi Agarwalla	6,99,000	2.40%	-	25,000	0.09%	-	-2.31%
	Total	**2,05,43,793**	**70.57%**	**Nil**	**2,18,29,366**	**74.99%**	**Nil**	**4.42%**

Notes:

1. Mr. Subhas Chandra Agarwalla is the Promoter of the Company.
2. Shareholders listed under Sl. No.1 to 23 are disclosed as "Promoter & Promoter Group" under the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on 31 March 2019.
3. During the financial year 2018-19, Dipajyoti Resources Private Limited and Jyobina Investment Limited have become part of the Promoter Group, w.e.f. 10 May 2018 and 30 June 2018, respectively, in accordance with the provisions of Regulation 2(1)(w) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 2(1)(zb)(iv) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as applicable on that date.
4. The percentage has been considered upto two decimal points.

(iii) Change in Promoters' Shareholding (if any):

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Maithan Smelters Private Limited**						
	At the beginning of the year	01 April 2018		53,97,357	18.54%	53,97,357	18.54%
	Increase / Decrease in Shareholding during the year			-	-	53,97,357	18.54%
	At the end of the year	31 March 2019				53,97,357	18.54%
2	**H. S. Consultancy Private Limited**						
	At the beginning of the year	01 April 2018		32,59,200	11.20%	32,59,200	11.20%
	Increase / Decrease in Shareholding during the year			-	-	32,59,200	11.20%
	At the end of the year	31 March 2019				32,59,200	11.20%
3	**Subhas Chandra Agarwalla**						
	At the beginning of the year	01 April 2018		2,67,250	0.92%	2,67,250	0.92%
	Increase / Decrease in Shareholding during the year	14 September 2018	Transfer	11,24,000	3.86%	13,91,250	4.78%
	At the end of the year	31 March 2019				13,91,250	4.78%
4	**Sumee Trading Private Limited**						
	At the beginning of the year	01 April 2018		13,91,100	4.78%	13,91,100	4.78%
	Increase / Decrease in Shareholding during the year			-	-	13,91,100	4.78%
	At the end of the year	31 March 2019				13,91,100	4.78%
5	**Aaklavya (India) Private Limited**						
	At the beginning of the year	01 April 2018		12,74,500	4.38%	12,74,500	4.38%
	Increase / Decrease in Shareholding during the year			-	-	12,74,500	4.38%
	At the end of the year	31 March 2019				12,74,500	4.38%
6	**Jyobina Investment Limited**						
	At the beginning of the year	Refer Note 1		7,20,573	2.48%	7,20,573	2.48%
	Increase / Decrease in Shareholding during the year	07 September 2018	Transfer	4,00,000	1.37%	11,20,573	3.85%
	At the end of the year	31 March 2019				11,20,573	3.85%
7	**Shakti Auto Finance Private Limited**						
	At the beginning of the year	01 April 2018		10,67,800	3.67%	10,67,800	3.67%
	Increase / Decrease in Shareholding during the year			-	-	10,67,800	3.67%
	At the end of the year	31 March 2019				10,67,800	3.67%

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
8	**Jibralter Traders Limited**						
	At the beginning of the year	01 April 2018		9,93,750	3.41%	9,93,750	3.41%
	Increase / Decrease in Shareholding during the year			-	-	9,93,750	3.41%
	At the end of the year	31 March 2019				9,93,750	3.41%
9	**Avinash Agarwalla**						
	At the beginning of the year	01 April 2018		3,58,450	1.22%	3,58,450	1.22%
	Increase / Decrease in Shareholding during the year	27 April 2018	Transfer	4,61,075	1.59%	8,19,525	2.81%
	At the end of the year	31 March 2019				8,19,525	2.81%
10	**Shankar Lal Agarwalla**						
	At the beginning of the year	01 April 2018		9,62,101	3.30%	9,62,101	3.30%
	Increase / Decrease in Shareholding during the year	20 April 2018	Transfer	-4,05,202	-1.39%	5,56,899	1.91%
		27 April 2018	Transfer	2,02,601	0.69%	7,59,500	2.60%
	At the end of the year	31 March 2019				7,59,500	2.60%
11	**Rita Devi Agarwalla**						
	At the beginning of the year	01 April 2018		6,94,365	2.39%	6,94,365	2.39%
	Increase / Decrease in Shareholding during the year			-	-	6,94,365	2.39%
	At the end of the year	31 March 2019				6,94,365	2.39%
12	**Sheela Devi Agarwalla**						
	At the beginning of the year	01 April 2018		6,69,250	2.30%	6,69,250	2.30%
	Increase / Decrease in Shareholding during the year			-	-	6,69,250	2.30%
	At the end of the year	31 March 2019				6,69,250	2.30%
13	**Sudhanshu Agarwalla**						
	At the beginning of the year	01 April 2018		450	0.00%	450	0.00%
	Increase / Decrease in Shareholding during the year	27 April 2018	Transfer	5,59,200	1.91%	5,59,650	1.91%
	At the end of the year	31 March 2019				5,59,650	1.91%
14	**Summit Packaging Private Limited**						
	At the beginning of the year	01 April 2018		4,66,500	1.60%	4,66,500	1.60%
	Increase / Decrease in Shareholding during the year			-	-	4,66,500	1.60%
	At the end of the year	31 March 2019				4,66,500	1.60%

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
15	**Bhagwati Syndicate Private Limited**						
	At the beginning of the year	01 April 2018		4,30,000	1.48%	4,30,000	1.48%
	Increase / Decrease in Shareholding during the year			-	-	4,30,000	1.48%
	At the end of the year	31 March 2019				4,30,000	1.48%
16	**Subodh Agarwalla**						
	At the beginning of the year	01 April 2018		4,09,250	1.41%	4,09,250	1.41%
	Increase / Decrease in Shareholding during the year			-	-	4,09,250	1.41%
	At the end of the year	31 March 2019				4,09,250	1.41%
17	**Anupam Vanijya Private Limited**						
	At the beginning of the year	01 April 2018		3,50,796	1.20%	3,50,796	1.20%
	Increase / Decrease in Shareholding during the year			-	-	3,50,796	1.20%
	At the end of the year	31 March 2019				3,50,796	1.20%
18	**Unmukt Tracom Private Limited**						
	At the beginning of the year	01 April 2018		2,70,000	0.93%	2,70,000	0.93%
	Increase / Decrease in Shareholding during the year			-	-	2,70,000	0.93%
	At the end of the year	31 March 2019				2,70,000	0.93%
19	**Siddhartha Shankar Agarwalla**						
	At the beginning of the year	01 April 2018		4,38,474	1.51%	4,38,474	1.51%
	Increase / Decrease in Shareholding during the year	27 April 2018	Transfer	-2,58,474	-0.89%	1,80,000	0.62%
	At the end of the year	31 March 2019				1,80,000	0.62%
20	**Dipajyoti Resources Private Limited**						
	At the beginning of the year	Refer Note 1		1,65,000	0.57%	1,65,000	0.57%
	Increase / Decrease in Shareholding during the year			-	-	1,65,000	0.57%
	At the end of the year	31 March 2019				1,65,000	0.57%
21	**Sonam Agarwalla**						
	At the beginning of the year	01 April 2018		1,10,000	0.38%	1,10,000	0.38%
	Increase / Decrease in Shareholding during the year			-	-	1,10,000	0.38%
	At the end of the year	31 March 2019				1,10,000	0.38%

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
22	**Prahlad Rai Agarwalla**						
	At the beginning of the year	01 April 2018		10,34,200	3.55%	10,34,200	3.55%
	Increase / Decrease in Shareholding during the year	27 April 2018	Transfer	-5,59,200	-1.92%	4,75,000	1.63%
		14 September 2018	Transfer	-4,50,000	-1.54%	25,000	0.09%
	At the end of the year	31 March 2019				25,000	0.09%
23	**Sarita Devi Agarwalla**						
	At the beginning of the year	01 April 2018		6,99,000	2.40%	6,99,000	2.40%
	Increase / Decrease in Shareholding during the year	14 September 2018	Transfer	-6,74,000	-2.31%	25,000	0.09%
	At the end of the year	31 March 2019				25,000	0.09%

Notes:

1. During the financial year 2018-19, Dipajyoti Resources Private Limited and Jyobina Investment Limited have become part of the Promoter Group, w.e.f. 10 May 2018 and 30 June 2018 respectively, in accordance with the provisions of Regulation 2(1)(w) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 2(1)(zb)(iv) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as applicable on that date.
2. The above information relating to increase/decrease in shareholding during the financial year is based on weekly beneficiary position received from depositories.
3. The percentage has been considered upto two decimal points.

(iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name of each of the top 10 Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Sageone India Growth Master Fund**						
	At the beginning of the year	01 April 2018		1,21,720	0.42%	1,21,720	0.42%
	Increase / Decrease in Shareholding during the year	05 October 2018	Transfer	16,436	0.05%	1,38,156	0.47%
		12 October 2018	Transfer	22,000	0.08%	1,60,156	0.55%
	At the end of the year (or on the date of separation, if separated during the year)	31 March 2019				1,60,156	0.55%
2	**BMA Wealth Creators Limited**						
	At the beginning of the year	01 April 2018		6,11,841	2.10%	6,11,841	2.10%
	Increase / Decrease in Shareholding during the year	06 April 2018	Transfer	-12,995	-0.04%	5,98,846	2.06%
		13 April 2018	Transfer	-89,817	-0.31%	5,09,029	1.75%
		20 April 2018	Transfer	18,75,412	6.44%	23,84,441	8.19%
		27 April 2018	Transfer	-18,80,249	-6.46%	5,04,192	1.73%
		04 May 2018	Transfer	-21,538	-0.07%	4,82,654	1.66%
		11 May 2018	Transfer	2,874	0.01%	4,85,528	1.67%
		18 May 2018	Transfer	-18,039	-0.06%	4,67,489	1.61%
		25 May 2018	Transfer	-4,755	-0.02%	4,62,734	1.59%
		01 June 2018	Transfer	1,563	0.00%	4,64,297	1.59%
		08 June 2018	Transfer	-1,429	0.00%	4,62,868	1.59%
		15 June 2018	Transfer	-278	0.00%	4,62,590	1.59%
		22 June 2018	Transfer	-72	0.00%	4,62,518	1.59%
		29 June 2018	Transfer	-17,189	-0.06%	4,45,329	1.53%
		06 July 2018	Transfer	-38	0.00%	4,45,291	1.53%
		13 July 2018	Transfer	-305	0.00%	4,44,986	1.53%
		20 July 2018	Transfer	-70,092	-0.24%	3,74,894	1.29%
		27 July 2018	Transfer	-2,006	-0.01%	3,72,888	1.28%
		03 August 2018	Transfer	-4,528		3,68,360	1.27%
		10 August 2018	Transfer	-440		3,67,920	1.26%
		17 August 2018	Transfer	-7,882		3,60,038	1.24%
		24 August 2018	Transfer	-7,332		3,52,706	1.21%
		31 August 2018	Transfer	28	-0.07%	3,52,734	1.21%
		07 September 2018	Transfer	-3,52,603	-1.21%	131	0.00%
		14 September 2018	Transfer	1,60,320	0.55%	1,60,451	0.55%

Sl. No.	Name of each of the top 10 Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Increase / Decrease in Shareholding during the year	21 September 2018	Transfer	-4,111	-0.01%	1,56,340	0.54%
		28 September 2018	Transfer	50	0.00%	1,56,390	0.54%
		05 October 2018	Transfer	20,861	0.07%	1,77,251	0.61%
		19 October 2018	Transfer	-250		1,77,001	0.61%
		02 November 2018	Transfer	1,000		1,78,001	0.61%
		09 November 2018	Transfer	-136		1,77,865	0.61%
		16 November 2018	Transfer	-1,200		1,76,665	0.61%
		23 November 2018	Transfer	-734		1,75,931	0.60%
		30 November 2018	Transfer	7,403		1,83,334	0.63%
		07 December 2018	Transfer	-5,900		1,77,434	0.61%
		14 December 2018	Transfer	-3,274	-0.01%	1,74,160	0.60%
		21 December 2018	Transfer	100	0.00%	1,74,260	0.60%
		31 December 2018	Transfer	-200	0.00%	1,74,060	0.60%
		04 January 2019	Transfer	150	0.00%	1,74,210	0.60%
		11 January 2019	Transfer	800	0.00%	1,75,010	0.60%
		18 January 2019	Transfer	2,000	0.01%	1,77,010	0.61%
		25 January 2019	Transfer	-2,164	-0.01%	1,74,846	0.60%
		01 February 2019	Transfer	4,140		1,78,986	0.61%
		08 February 2019	Transfer	80	0.02%	1,79,066	0.62%
		15 February 2019	Transfer	-9,179	-0.03%	1,69,887	0.59%
		01 March 2019	Transfer	-16,900	-0.06%	1,52,987	0.53%
		08 March 2019	Transfer	-2,250	-0.01%	1,50,737	0.52%
		15 March 2019	Transfer	-3,410	-0.01%	1,47,327	0.51%
		22 March 2019	Transfer	-1,039		1,46,288	0.50%
		29 March 2019	Transfer	-1,898	-0.01%	1,44,390	0.50%
	At the end of the year (or on the date of separation, if separated during the year)	31 March 2019				**1,44,390**	**0.50%**
3	**Vimal Sagarmal Jain**						
	At the beginning of the year	01 April 2018		-	-	-	-
	Increase / Decrease in Shareholding during the year	01 March 2019	Transfer	17,950	0.06%	17,950	0.06%
		08 March 2019	Transfer	45,000	0.16%	62,950	0.22%
		15 March 2019	Transfer	27,000	0.09%	89,950	0.31%
	At the end of the year (or on the date of separation, if separated during the year)	31 March 2019				89,950	0.31%

Sl. No.	Name of each of the top 10 Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
4	**Acadian Emerging Markets Small Cap Equity Fund LLC**						
	At the beginning of the year	01 April 2018		35,290	0.12%	35,290	0.12%
	Increase / Decrease in Shareholding during the year	04 May 2018	Transfer	6,551	0.02%	41,841	0.14%
		15 June 2018	Transfer	6,841	0.02%	48,682	0.16%
		22 June 2018	Transfer	4,527	0.02%	53,209	0.18%
		13 July 2018	Transfer	5,271	0.02%	58,480	0.20%
		17 August 2018	Transfer	6,402	0.02%	64,882	0.22%
		15 February 2019	Transfer	6,909		71,791	0.25%
		15 March 2019	Transfer	3,170		74,961	0.26%
		29 March 2019	Transfer	1,216	0.04%	76,177	0.26%
	At the end of the year (or on the date of separation, if separated during the year)	31 March 2019				76,177	0.26%
5	**Pergo Company Limited**						
	At the beginning of the year	01 April 2018		37,456	0.13%	37,456	0.13%
	Increase / Decrease in Shareholding during the year	06 July 2018	Transfer	4,221	0.01%	41,677	0.14%
		05 October 2018	Transfer	11,449	0.04%	53,126	0.18%
		07 December 2018	Transfer	10,179		63,305	0.22%
		14 December 2018	Transfer	10,338	0.07%	73,643	0.25%
	At the end of the year (or on the date of separation, if separated during the year)	31 March 2019				73,643	0.25%
6	**Wisdomtree India Investment Portfolio, Inc.**						
	At the beginning of the year	01 April 2018		-	-	-	-
	Increase / Decrease in Shareholding during the year	28 September 2018	Transfer	83,189	0.29%	83,189	0.29%
		05 October 2018	Transfer	1,400		84,589	0.29%
		12 October 2018	Transfer	1,124		85,713	0.29%
		21 December 2018	Transfer	-1,400		84,313	0.29%
		28 December 2018	Transfer	-1,960	-0.01%	82,353	0.28%
		18 January 2019	Transfer	-1,128		81,225	0.28%
		01 February 2019	Transfer	-1,410		79,815	0.27%
		08 February 2019	Transfer	-1,124		78,691	0.27%
		15 February 2019	Transfer	-4,488	-0.03%	74,203	0.25%
		22 February 2019	Transfer	-1,960		72,243	0.25%
		01 March 2019	Transfer	-1,120		71,123	0.24%
		08 March 2019	Transfer	-837	-0.01%	70,286	0.24%
	At the end of the year (or on the date of separation, if separated during the year)	31 March 2019				70,286	0.24%

Sl. No.	Name of each of the top 10 Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
7	**Rita Chhawchharia**						
	At the beginning of the year	01 April 2018		86,397	0.30%	86,397	0.30%
	Increase / Decrease in Shareholding during the year	20 April 2018	Transfer	-8,597	-0.03%	77,800	0.27%
		27 April 2018	Transfer	-12,800	-0.05%	65,000	0.22%
	At the end of the year (or on the date of separation, if separated during the year)	31 March 2019				65,000	0.22%
8	**Aequitas Investment Consultancy Private Limited**						
	At the beginning of the year	01 April 2018		-	-	-	-
	Increase / Decrease in Shareholding during the year	08 February 2019	Transfer	43,252	0.15%	43,252	0.15%
		15 February 2019	Transfer	9,956	0.03%	53,208	0.18%
		22 February 2019	Transfer	10,000	0.03%	63,208	0.21%
	At the end of the year (or on the date of separation, if separated during the year)	31 March 2019				63,208	0.21%
9	**Emerging Markets Core Equity Portfolio (The Portfolio) Of DFA Investment Dimensions Group Inc. (DFAIDG)**						
	At the beginning of the year	01 April 2018		31,076	0.11%	31,076	0.11%
	Increase / Decrease in Shareholding during the year	27 April 2018	Transfer	4,431		35,507	0.12%
		04 May 2018	Transfer	1,029		36,536	0.13%
		11 May 2018	Transfer	2,468		39,004	0.13%
		25 May 2018	Transfer	2,455		41,459	0.14%
		08 June 2018	Transfer	1,283		42,742	0.15%
		15 June 2018	Transfer	2,060		44,802	0.15%
		06 July 2018	Transfer	1,943		46,745	0.16%
		20 July 2018	Transfer	6,900		53,645	0.18%
		10 August 2018	Transfer	1,302	0.08%	54,947	0.19%
		17 August 2018	Transfer	3,744	0.01%	58,691	0.20%
		24 August 2018	Transfer	3,248	0.01%	61,939	0.21%
	At the end of the year (or on the date of separation, if separated during the year)	31 March 2019				61,939	0.21%

Sl. No.	Name of each of the top 10 Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
10	**Michael Dsouza**						
	At the beginning of the year	01 April 2018		-	-	-	-
	Increase / Decrease in Shareholding during the year	10 August 2018	Transfer	4,202	0.01%	4,202	0.01%
		17 August 2018	Transfer	-17		4,185	0.01%
		24 August 2018	Transfer	815		5,000	0.02%
		31 August 2018	Transfer	1,467		6,467	0.02%
		07 September 2018	Transfer	1,937		8,404	0.03%
		14 September 2018	Transfer	1,596		10,000	0.03%
		28 September 2018	Transfer	400		10,400	0.04%
		12 October 2018	Transfer	7,600		18,000	0.06%
		30 November 2018	Transfer	4,035		22,035	0.08%
		14 December 2018	Transfer	4,362	0.08%	26,397	0.09%
		21 December 2018	Transfer	18,603	0.06%	45,000	0.15%
		28 December 2018	Transfer	553		45,553	0.16%
		11 January 2019	Transfer	9,448		55,001	0.19%
		18 January 2019	Transfer	5,499		60,500	0.21%
		25 January 2019	Transfer	4,500		65,000	0.22%
		01 March 2019	Transfer	-1,083	0.07%	63,917	0.22%
		08 March 2019	Transfer	-8,917	-0.03%	55,000	0.19%
		15 March 2019	Transfer	2,259	0.01%	57,259	0.20%
		22 March 2019	Transfer	2,741	0.01%	60,000	0.21%
	At the end of the year (or on the date of separation, if separated during the year)	31 March 2019				60,000	0.21%

Notes:

1. For the purpose of above disclosures, names of top ten shareholders as on 31 March 2019 has been considered after consolidating their holdings on the basis of their PAN and folio no. (including beneficiary position received from depositories) and names of top ten shareholders as on 31 March 2018 has been ignored.
2. The above information relating to increase/decrease in shareholding during the year is based on weekly beneficiary position received from depositories.
3. The percentage is based on the number of shares and has been considered upto two decimal points.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Director and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Subhas Chandra Agarwalla (Chairman and Managing Director)**						
	At the beginning of the year	01 April 2018		2,67,250	0.92%	2,67,250	0.92%
	Increase / Decrease in Shareholding during the year	14 September 2018	Transfer	11,24,000	3.86%	13,91,250	4.78%
	At the end of the year	31 March 2019				13,91,250	4.78%
2	**Subodh Agarwalla (Whole-time Director and Chief Executive Officer)**						
	At the beginning of the year	01 April 2018		4,09,250	1.41%	4,09,250	1.41%
	Increase / Decrease in Shareholding during the year			-	-	4,09,250	1.41%
	At the end of the year	31 March 2019				4,09,250	1.41%
3	**Nand Kishore Agarwal (Independent Director)**						
	At the beginning of the year	01 April 2018		750	0.00%	750	0.00%
	Increase / Decrease in Shareholding during the year			-	-	750	0.00%
	At the end of the year	31 March 2019				750	0.00%
4	**Biswajit Choudhuri* (Independent Director)**						
	At the beginning of the year	01 April 2018		-	-	-	-
	Increase / Decrease in Shareholding during the year			-	-	-	-
	At the end of the year	31 March 2019				-	-
5	**Ashok Bhandari (Independent Director)**						
	At the beginning of the year	01 April 2018		-	-	-	-
	Increase / Decrease in Shareholding during the year			-	-	-	-
	At the end of the year	31 March 2019				-	-
6	**Vikash Kumar Jewrajka (Independent Director)**						
	At the beginning of the year	01 April 2018		-	-	-	-
	Increase / Decrease in Shareholding during the year			-	-	-	-
	At the end of the year	31 March 2019				-	-

Sl. No.	Shareholding of each Director and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
7	**Palghat Krishnan Venkatramani (Independent Director)**						
	At the beginning of the year	01 April 2018		30	0.00%	30	0.00%
	Increase / Decrease in Shareholding during the year			-	-	30	0.00%
	At the end of the year	31 March 2019				30	0.00%
8	**Kalpana Biswas Kundu (Independent Director)**						
	At the beginning of the year	01 April 2018		-	-	-	-
	Increase / Decrease in Shareholding during the year			-	-	-	-
	At the end of the year	31 March 2019				-	-
9	**Parasanta Chattopadyay (Non-Executive Director)**						
	At the beginning of the year	01 April 2018		-	-	-	-
	Increase / Decrease in Shareholding during the year			-	-	-	-
	At the end of the year	31 March 2019				-	-
10	**Sudhanshu Agarwalla (President and Chief Financial Officer)**						
	At the beginning of the year	01 April 2018		450	0.00%	450	0.00%
	Increase / Decrease in Shareholding during the year	27 April 2018	Transfer	5,59,200	1.91%	5,59,650	1.91%
	At the end of the year	31 March 2019				5,59,650	1.91%
11	**Rajesh K. Shah (Company Secretary)**						
	At the beginning of the year	01 April 2018		-	-	-	-
	Increase / Decrease in Shareholding during the year			-	-	-	-
	At the end of the year	31 March 2019				-	-

**Ceased to be a Director w.e.f. 11 March 2019.*

Notes:

1. The above information relating to increase/decrease in shareholding during the year is based on weekly beneficiary position received from depositories.
2. The percentage has been considered up to two decimal points.

V. INDEBTEDNESS

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

(₹ in lakh)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4,103.67	-	-	4,103.67
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.41	-	-	1.41
Total (i+ii+iii)	**4,105.08**	**-**	**-**	**4,105.08**
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	3,762.05	-	-	3,762.05
Net Change	**(3,762.05)**	**-**	**-**	**(3,762.05)**
Indebtedness at the end of the financial year				
i) Principal Amount	343.03	-	-	343.03
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**343.03**	**-**	**-**	**343.03**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Subhas Chandra Agarwalla Chairman & Managing Director	Subodh Agarwalla Whole-time Director & Chief Executive Officer	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	946.17	756.93	1,703.10
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	**946.17**	**756.93**	**1,703.10**
	Ceiling as per the Act #			**3,421.59**

 # Being 10% of Net Profits of the Company calculated as per Section 197 of the Companies Act, 2013.

B. Remuneration to other Directors:

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Nand Kishore Agarwal	Biswajit Choudhuri*	Ashok Bhandari	Vikash Kumar Jewrajka	P. K. Venkatramani	Kalpana Biswas Kundu	
1	**Independent Directors**							
	Fee for attending board/ committee meetings	0.75	0.75	0.55	0.72	0.78	0.85	4.40
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (B) (1)							**4.40**
2	**Other Non-Executive Directors**	**Parasanta Chattopadyay**						
	Fee for attending board/ committee meetings	0.40						0.40
	Commission	-						-
	Others, please specify	-						-
	Total (B) (2)							**0.40**
	Total (B)=(B)(1)+(B)(2)							**4.80**
	Total Managerial Remuneration (A+B)							**1,707.90**
	Overall Ceiling as per the Act #							**3,763.75**

 # Being 11% of Net Profits of the Company calculated as per Section 197 of the Companies Act, 2013.

**Ceased to be a Director w.e.f. 11 March 2019.*

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
		Sudhanshu Agarwalla President & Chief Financial Officer	Rajesh K. Shah Company Secretary	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	72.00	15.41	87.41
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others	516.56	-	516.56
5	Others, (Medical Reimbursement)	-	0.15	0.15
	Total (C)	**588.56**	**15.56**	**604.12**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties / punishment / compounding of the offences for breach of any Section of Companies Act, 2013 against the Company or its Directors or other officers in default during the financial year 2018-19.

For and on behalf of the Board of Directors

S. C. Agarwalla
Chairman & Managing Director
DIN: 00088384

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Place: Kolkata
Date: 30 April 2019

ANNEXURE TO THE DIRECTORS' REPORT "D"

Particulars of **Employees**

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee of the Company, who are in receipt of remuneration of rupees one crore and two lakh or more during the financial year 2018-19 or monthly remuneration of rupees eight lakh and fifty thousand or more per month during the financial year 2018-19 are as under:

Sl. No.	Name	Age (years)	Qualification and experience	Date of commencement of employment	Designation	Remuneration received (₹ in lakh)	Last employment held
1	Mr. Subhas Chandra Agarwalla	67	B. Com., 49 years	1 April 2016	Chairman and Managing Director	946.17	None
2	Mr. Shankar Lal Agarwalla	63	B. Com., 44 years	1 November 2016	E.D.	324.85	Anjaney Ferro Alloys Ltd.
3	Mr. Subodh Agarwalla	40	MBA, B. Tech., 18 years	1 April 2016	Whole-time Director and Chief Executive Officer	756.93	None
4	Mr. Sudhanshu Agarwalla	37	MBA (Finance), 13 years	1 April 2014	President and Chief Financial Officer	588.56	None
5	Mr. Siddhartha Shankar Agarwalla	38	B. Com., 13 years	1 October 2016	Vice President	127.86	Anjaney Ferro Alloys Ltd.
6	Mr. Prasanna Kumar Mishra	61	M. Sc. (Chemistry), 33 years	11 May 2009	Director (Operation)	42.00	Maithan Smelters Ltd.
7	Mr. Sanat Kumar Das	53	MBA (Finance), 32 years	28 April 2009	Vice President (Operation)	26.52	Balasore Alloys Ltd.
8	Mr. Sandeep Kumar Bairoliya	53	F. C. A., B. Com. (Hons.), 27 years	1 April 2015	Sr. General Manager (Commercial)	20.23	Anjaney Alloys Ltd.
9	Mr. Siba Sankar Padhi	48	B. Tech (Production Engineering), 23 years	1 April 2015	Dy. General Manager (Mechanical)	20.22	Anjaney Alloys Ltd.
10	Mr. Velagapudi Siribabu	51	B. Sc., PGDSM 27 years	1 December 2004	DGM (Production)	19.53	Nava Bharath Alloys

Notes:

1. None of the above employees except Mr. Subhas Chandra Agarwalla, Mr. Subodh Agarwalla and Mr. Sudhanshu Agarwalla are relative (as defined under Section 2(77) of the Companies Act, 2013) of any director or manager of the Company. Mr. Subhas Chandra Agarwalla is father of Mr. Subodh Agarwalla and Mr. Sudhanshu Agarwalla.
2. All appointments of the above personnel are on contractual basis.
3. There is no employee who is in receipt of remuneration in excess of the remuneration that is drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, two per cent or more of the equity shares of the Company.

For and on behalf of the Board of Directors

S. C. Agarwalla
Chairman & Managing Director
DIN: 00088384

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Place: Kolkata
Date: 30 April 2019

ANNEXURE TO THE DIRECTORS' REPORT "E"

Information Pursuant to Section 134(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

A) CONSERVATION OF ENERGY:

(i)	The steps taken or impact on conservation of energy	Regular study is being conducted on the requirement of energy conservation measures and steps will be taken, if any requirement emerges out of the study.
(ii)	The steps taken by the Company for utilising alternate sources of energy	None at present
(iii)	The capital investment on energy conservation equipment	None at present

B) TECHNOLOGY ABSORPTION:

(i)	The efforts made towards technology absorption	Capacity utilisation is high, which shows that the Company has properly absorbed and adopted the available technology.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	None
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	The Company did not import any technology and the plant operates on indigenous technology.
	(a) the details of technology imported	Not Applicable
	(b) the year of import	Not Applicable
	(c) whether the technology been fully absorbed	Not Applicable
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
(iv)	The expenditure incurred on Research and Development	The Company as a part of ongoing product development activity carries on Research and Development and the expenditure thereof is considered as part of operating expenditure. Hence, there is no amount that can be shown separately under the head of Research and Development expenses.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the financial year 2018-19, the foreign exchange earned is ₹ 1,05,898.34 lakh and foreign exchange outgo is ₹ 72,077.47 lakh.

For and on behalf of the Board of Directors

S. C. Agarwalla
Chairman & Managing Director
DIN: 00088384

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Place: Kolkata
Date: 30 April 2019

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company strongly believes that good Corporate Governance practices lead to the creation of long-term shareholder value and enhances interest of other stakeholders. It brings into focus the fiduciary and the trusteeship role of the Board of Directors to align and direct the actions of the organisation towards creating wealth and shareholders value. The Company's aim is to implement good Corporate Governance practices to achieve excellence in its chosen field and to conduct its business in a way which safeguards and adds value in the long-term interest of shareholders, customers, employees, creditors and other stakeholders. The Company has founded its Corporate Governance practices based upon a rich legacy of fair and transparent governance practices, which are in line with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and it will continue to pursue the same keeping in pace with the fast-changing environment.

2. BOARD OF DIRECTORS

The Board of Directors of the Company (the Board) comprises of eight Directors viz. two Executive Directors, five Non-Executive Independent Directors (including one Woman Director) and one Non–Executive Director, as on 31 March 2019.

Five (5) meetings of the Board were held during the financial year 2018-19, on the following dates:

30 April 2018	31 July 2018	7 September 2018	29 October 2018	28 January 2019

The intervening gap between the two consecutive meetings was within the period prescribed under the Companies Act, 2013 and Listing Regulations.

During the year under review, one resolution was passed by circulation, which was approved by all the Directors of the Company on 27 March 2019.

The details regarding composition of the Board, attendance record of the Directors at the Board Meeting and Annual General Meeting (AGM) held during the financial year 2018-19, etc. as required are given below:

Sl. No.	Name of the Director	Category	No. of Board meetings during the year 2018-19		Attendance at the last AGM held on 31 August 2018@	No. of directorship held in other public limited companies$ as on 31 March 2019	No. of committee# positions in other public companies as on 31 March 2019	
			Held	Attended			As chairman	As member
1.	Mr. Subhas Chandra Agarwalla	Executive Director (Chairman and Managing Director) [Promoter]	5	4	P	None	None	None
2.	Mr. Subodh Agarwalla	Executive Director (Whole-time Director and Chief Executive Officer) [Promoter Group]	5	5	A	4	None	None
3.	Mr. Nand Kishore Agarwal	Independent Non-Executive Director	5	4	P	None	None	None
4.	Mr. Biswajit Choudhuri*	Independent Non-Executive Director	5	5	P	N.A.	N.A.	N.A.

Sl. No.	Name of the Director	Category	No. of Board meetings during the year 2018-19		Attendance at the last AGM held on 31 August 2018@	No. of directorship held in other public limited companies$ as on 31 March 2019	No. of committee# positions in other public companies as on 31 March 2019	
			Held	Attended			As chairman	As member
5.	Mr. Ashok Bhandari	Independent Non-Executive Director	5	5	A	9	None	7
6.	Mr. Vikash Kumar Jewrajka	Independent Non-Executive Director	5	4	A	None	None	None
7.	Mr. P. K. Venkatramani	Independent Non-Executive Director	5	4	P	1	1	None
8.	Mrs. Kalpana Biswas Kundu	Independent Non-Executive Director	5	5	P	1	None	1
9.	Mr. Parasanta Chattopadyay	Non-Executive Director	5	4	A	2	None	None

@ A=Absent, P = Present, N.A. = Not Applicable.

$ Other directorships do not include alternate directorships; directorships of private limited companies, Section 8 companies and foreign companies.

 # Includes the membership/chairmanship only of Audit Committee and Stakeholders Relationship Committee.

** Ceased to be a Director w.e.f. 11 March 2019.*

Names of other listed entities where the Directors hold directorship as on 31 March 2019 and the category of their directorship is as follows:

Sl. No.	Name of the Director	Directorship in other listed entities	Category of directorship
1	Mr. Subhas Chandra Agarwalla	None	N.A.
2	Mr. Subodh Agarwalla	None	N.A.
3	Mr. Nand Kishore Agarwal	None	N.A.
4	Mr. Biswajit Choudhuri*	N.A.	N.A.
5	Mr. Ashok Bhandari	Intrasoft Technologies Limited	Non-Executive - Independent Director
		Skipper Limited	Non-Executive - Independent Director
		IFB Industries Limited	Non-Executive - Independent Director
		Rupa & Company Limited	Non-Executive - Independent Director
		Mcleod Russel India Limited	Non-Executive - Independent Director
		Maharashtra Seamless Limited	Non-Executive - Independent Director
6	Mr. Vikash Kumar Jewrajka	None	N.A.
7	Mr. P. K. Venkatramani	None	N.A.
8	Mrs. Kalpana Biswas Kundu	None	N.A.
9	Mr. Parasanta Chattopadyay	None	N.A.

** Ceased to be a Director w.e.f. 11 March 2019.*

None of the Directors, except Mr. Subhas Chandra Agarwalla and Mr. Subodh Agarwalla, have any relationship *inter-se*. Mr. Subhas Chandra Agarwalla is father of Mr. Subodh Agarwalla.

None of the Directors of the Company serve as directors in more than eight listed entities nor serve as an Independent Director in more than seven listed entities, in aggregate. The Whole-time Director/ Managing Director of the Company does not serve as an Independent Director in any other listed entities. None of the Directors of the Company are members of more than ten Audit and Stakeholders Relationship Committees, in aggregate or Chairman of more than five such committees.

Based on the disclosures received from the Independent Directors of the Company and also in the opinion of the Board the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

During the financial year 2018-19, one of the Independent Directors of the Company namely, Mr. Biswajit Choudhuri (DIN: 00149018) tendered his resignation w.e.f. 11 March 2019, before the expiry of his tenure as an Independent Director, due to his personal reasons. Mr. Choudhuri has confirmed that other the reason stated by him in his resignation letter there is no other reason for his resignation.

All material information was circulated to the Directors before the Board Meetings or placed at the Board Meetings including minimum information to be placed before the Board as prescribed under Regulation 17(7) read with Part A of Schedule II, of the Listing Regulations.

The number of shares held by the Non-Executive Directors (including Independent Directors) as on 31 March 2019 are given below:

Sl. No.	Name of the Non-Executive Director	No. of shares held
1.	Mr. Nand Kishore Agarwal	750
2.	Mr. Biswajit Choudhuri*	N.A.
3.	Mr. Ashok Bhandari	NIL
4.	Mr. Vikash Kumar Jewrajka	NIL
5.	Mr. P. K. Venkatramani	30
6.	Mrs. Kalpana Biswas Kundu	NIL
7.	Mr. Parasanta Chattopadyay	NIL

** Ceased to be a Director w.e.f. 11 March 2019.*

The Non-Executive Directors do not hold any convertible instruments of the Company.

The Company familiarised the Independent Directors with regards to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company, etc. from time to time. The details of familiarisation programmes imparted to the Independent Directors during the financial year 2018-19 are available at the website of the Company and the web-link thereof is 'http://maithanalloys.com/wp-content/uploads/2019/04/Familiarization-Programme-for-Independent-Directors-1.pdf'.

Skills/Expertise/Competence of the Board:

The Board has identified the core skills/expertise/competencies as required to effectively carry out Company's business in ferro alloy sector & power sector and the same has been provided in table below along with name of Director who possess such skills/expertise/competencies. In table below the absence of mark against a Director's name does not necessarily mean that such Director does not possess any knowledge of such field.

Name of the Director	Skills/Expertise/Competencies identified by Board for Ferro Alloy sector & Power sector						
	Industrial	Technical	Leadership	Banking & Finance	Accounts & Taxation	Management	Marketing
Mr. Subhas Chandra Agarwalla	✓	✓	✓	✓	✓	✓	✓
Mr. Subodh Agarwalla	✓	✓	✓	✓	✓	✓	✓
Mr. Nand Kishore Agarwal	✓	-	✓	-	✓	✓	-
Mr. Ashok Bhandari	✓	-	✓	✓	✓	✓	-
Mr. Vikash Kumar Jewrajka	✓	-	✓	✓	✓	✓	-
Mr. P. K. Venkatramani	✓	-	✓	✓	✓	✓	-
Mrs. Kalpana Biswas Kundu	✓	-	-	✓	✓	✓	-
Mr. Parasanta Chattopadyay	✓	-	-	-	-	✓	-

3. AUDIT COMMITTEE

In accordance with the provisions of Section 177(1) of the Companies Act, 2013 and Regulation 18 of the Listing Regulations, the Board has constituted the Audit Committee of the Board. The terms of reference of the Audit Committee are as per Companies Act, 2013 and Listing Regulations and *inter-alia* includes:

a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   i. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013;

   ii. Changes, if any, in accounting policies and practices and reasons for the same;

   iii. Major accounting entries involving estimates based on the exercise of judgment by management;

   iv. Significant adjustments made in the financial statements arising out of audit findings;

   v. Compliance with listing and other legal requirements relating to financial statements;

   vi. Disclosure of any related party transactions;

   vii. Modified opinion(s) in the draft audit report.

e) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

f) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

g) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

h) Approval or any subsequent modification of transactions of the Company with related parties;

i) Scrutiny of inter-corporate loans and investments;

j) Valuation of undertakings or assets of the Company, wherever it is necessary;

k) Evaluation of internal financial controls and risk management systems;

l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

n) Discussion with internal auditors of any significant findings and follow up there on;

o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

r) To review the functioning of the Whistle Blower Mechanism;

s) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

t) To call for the comments of the auditors, and may also discuss any related issues with the internal and statutory auditors and the management of the Company.

Five (5) meetings of the Audit Committee were held during the financial year 2018-19, on the following dates:

30 April 2018	31 July 2018	7 September 2018	29 October 2018	28 January 2019

The intervening gap between the two consecutive meetings was within the period prescribed under the Listing Regulations.

The composition of the Committee and the attendance of each member of the Committee at the meetings held during the financial year 2018-19 are given below:

Name of the Member	Category	No. of Committee meetings attended
Mr. Nand Kishore Agarwal (Chairman)	Independent Non-Executive Director	4
Mr. Vikash Kumar Jewrajka	Independent Non-Executive Director	4
Mr. P. K. Venkatramani	Independent Non-Executive Director	4

Mr. Rajesh K. Shah, Company Secretary of the Company acts as the Secretary to the Audit Committee.

All recommendations made by the Audit Committee were accepted by the Board during the financial year 2018-19.

4. NOMINATION AND REMUNERATION COMMITTEE

In accordance with the provisions of Section 178 (1) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Board has constituted the Nomination and Remuneration Committee of the Board. The terms of reference of the Nomination and Remuneration Committee are as per the Companies Act, 2013 and Listing Regulations and *inter-alia* includes:

a. To identify persons who are qualified to become directors;

b. To identify persons who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and removal;

c. To specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

d. To formulate the criteria for determining qualifications, positive attributes and independence of a director;

e. To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;

f. Formulation of criteria for evaluation of performance of Independent Directors and the Board;

g. To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

h. Devising a policy on Board diversity;

i. To recommend to the Board, all remuneration, in whatever form, payable to senior management.

Two (2) meetings of the Nomination and Remuneration Committee were held during the financial year 2018-19 on 30 April 2018 and 28 January 2019.

The composition of the Committee and the attendance of each member of the Committee at the meetings held during the financial year 2018-19 are given below:

Name of the Member	Category	No. of Committee meetings attended
Mr. Nand Kishore Agarwal (Chairman)	Independent Non-Executive Director	2
Mr. P.K. Venkatramani	Independent Non-Executive Director	2
Mrs. Kalpana Biswas Kundu	Independent Non-Executive Director	2

All recommendations made by the Nomination and Remuneration Committee were accepted by the Board during the financial year 2018-19.

The performance evaluation criteria for Independent Directors have been provided in the Remuneration Policy of the Company and the same is annexed herewith as **Schedule 1**.

5. REMUNERATION OF DIRECTORS

Details of remuneration paid/to be paid to the Executive Directors for the financial year 2018-19 are as follows:

(₹ in Lakh)

Sl. No.	Name of the Executive Director	Fixed pay	Variable pay	Other benefits*	Total
1.	Mr. Subhas Chandra Agarwalla	90.00	856.17	Nil	946.17
2.	Mr. Subodh Agarwalla	72.00	684.93	Nil	756.93

**Other benefits include bonus, pension, severance fees, stock option, etc.*

Both the Executive Directors were appointed for a period of three years with effect from 1 April 2016. Further, Mr. Subhas Chandra Agarwalla was re-appointed as the 'Chairman and Managing Director' and Mr. Subodh Agarwalla was re-appointed as the 'Whole-time Director and Chief Executive Officer' for a period of three years and five years respectively, with effect from 1 April 2019 by the Board of Directors at its meeting held on 28 January 2019, subject to the approval of the shareholders.

All the contracts of appointment/re-appointment may be terminated by giving thirty days' notice by either side or by surrendering only one month's Fix Pay in-lieu thereof. The Company has not issued any stock option during the financial year 2018-19.

The Non-Executive Directors (including Independent Directors) are being paid remuneration by way of sitting fees only.

The Non-Executive Directors are eligible for sitting fees (excluding tax thereon) of ₹10,000.00 for attending every meeting of the Board, ₹5,000.00 for attending every meeting of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee of the Board and ₹2,500.00 for attending every meeting of the Corporate Social Responsibility Committee and Risk Management Committee of the Board. Further, with effect from 1 May 2018 the Independent Directors are eligible for a sitting fee of ₹5,000.00 (excluding tax thereon) for attending each separate meeting of the Independent Directors as required to be held under the law.

No sitting fee is being paid to the member of any Committee who is an Executive Director/employee of the Company.

There is no other pecuniary relationship or transaction(s) of the Non-Executive Directors vis-à-vis the Company excluding reimbursement of expenses incurred by the Directors. The details of payment of remuneration to the Non-Executive Directors during the financial year 2018-19 are given below:

(₹ in Lakh)

Sl. No.	Name of the Director	Sitting fees	Other benefits*	Total
1.	Mr. Nand Kishore Agarwal	0.75	Nil	0.75
2.	Mr. Biswajit Choudhuri^	0.75	Nil	0.75
3.	Mr. Ashok Bhandari	0.55	Nil	0.55
4.	Mr. Vikash Kumar Jewrajka	0.72	Nil	0.72
5.	Mr. P. K. Venkatramani	0.78	Nil	0.78
6.	Mrs. Kalpana Biswas Kundu	0.85	Nil	0.85
7.	Mr. Parasanta Chattopadyay	0.40	Nil	0.40

**Other benefits include performance linked incentives, bonus, pension, severance fees, stock option, etc.*

^Ceased to be a Director w.e.f. 11 March 2019.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

In accordance with the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, the Board has constituted the Stakeholders Relationship Committee of the Board to consider and resolve the grievances of security holders of the Company and to look into various aspects of interest of shareholders.

Four (4) meetings of the Stakeholders Relationship Committee were held during the financial year 2018-19, on the following dates:

30 April 2018	31 July 2018	29 October 2018	28 January 2019

The composition of the Committee and the attendance of each member of the Committee at the meetings held during the financial year 2018-19 are given below:

Name of the Member	Category	No. of Committee meetings attended
Mr. Biswajit Choudhuri* (Chairman)	Independent Non-Executive Director	4
Mr. Subhas Chandra Agarwalla	Executive Director	3
Mrs. Kalpana Biswas Kundu	Independent Non-Executive Director	4
Mr. Vikash Kumar Jewrajka^	Independent Non-Executive Director	-

** Ceased to be a Director w.e.f. 11 March 2019.*

^ Inducted as a Member of the Stakeholders Relationship Committee w.e.f. 28 January 2019.

Mr. Rajesh K. Shah, Company Secretary is the Compliance Officer of the Company.

During the financial year 2018-19, the Company received nine (9) complaints from shareholders and six (6) complaints were outstanding as on 1 April 2018 all complaints were resolved and there were no complaints pending as on 31 March 2019. There were no complaints which were not resolved to the satisfaction of shareholders.

7. MEETING OF INDEPENDENT DIRECTORS

Schedule IV of the Companies Act, 2013 read with Regulation 25(3) of the Listing Regulations mandates the Independent Directors of the Company to hold atleast one meeting in a financial year without the presence of the non-independent directors and members of the management, to consider the matters as prescribed thereunder. In terms of the above provisions, a separate meeting of the Independent Directors was held on 28 January 2019, which was attended by all the Independent Directors of the Company.

8. RISK MANAGEMENT COMMITTEE

The Board has constituted a Risk Management Committee and has defined the roles and responsibilities of the Risk Management Committee. It has *inter-alia* delegated the function of monitoring and reviewing of the risk management plan to the Committee. The 'Risk Management Policy' as framed is provided on the website of the Company at 'www.maithanalloys.com' and weblink thereof is 'http://www.maithanalloys.com/wp-content/uploads/2019/07/Risk-Management-Policy.pdf'.

One (1) meeting of the Risk Management Committee was held during the financial year 2018-19 on 30 April 2018.

The composition of the Committee and the attendance of each member of the Committee at the meeting held during the financial year 2018-19 are given below:

Name of the Member	Category	No. of Committee meetings attended
Mr. Subhas Chandra Agarwalla (Chairman)	Executive Director	1
Mr. P. K. Venkatramani	Independent Non-Executive Director	1
Mr. Pramod K. Chaudhary	Member	1

9. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In accordance with the provision of Section 135 of the Companies Act, 2013, the Board has constituted a Corporate Social Responsibility (CSR) Committee. The

Board has defined the roles and responsibilities of the CSR Committee and it *inter-alia* includes:

a. To formulate and recommend to the Board, a CSR Policy;

b. To recommend the amount of expenditure to be incurred on the CSR activities;

c. To monitor the CSR Policy of the Company from time to time;

d. To approve and disburse and/or ratify the expenses relating to CSR activities.

The Company has established a Trust in the name of 'BMA Foundation' to carry out its CSR activities as stated in its CSR Policy.

The 'Corporate Social Responsibility Policy' of the Company is available on the website of the Company at 'www.maithanalloys.com' and weblink thereof is 'http://www.maithanalloys.com/wp-content/uploads/2019/07/Corporate-Social-Responsibility-Policy.pdf'.

Four (4) meetings of the Corporate Social Responsibility Committee were held during the financial year 2018-19, on the following dates:

30 April 2018	31 July 2018	29 October 2018	28 January 2019

The composition of the Committee and the attendance of each member of the Committee at the meetings held during the financial year 2018-19 are given below:

Name of the Member	Category	No. of Committee meetings attended
Mr. Subhas Chandra Agarwalla (Chairman)	Executive Director	3
Mr. Subodh Agarwalla	Executive Director	4
Mr. Vikash Kumar Jewrajka	Independent Non-Executive Director	3

10. GENERAL BODY MEETINGS

The location and time of the last three Annual General Meetings are as follows:

Annual General Meeting	For the financial year ended	Date	Time	Venue
31st	31 March 2016	29 August 2016	11:00 a.m.	'The Conclave', 216, A J C Bose Road, Kolkata – 700 017
32nd	31 March 2017	26 August 2017	11:00 a.m.	'The Conclave', 216, A J C Bose Road, Kolkata – 700 017
33rd	31 March 2018	31 August 2018	11:00 a.m.	'The Conclave', 216, A J C Bose Road, Kolkata – 700 017

The details of the Special Resolutions passed in the last three Annual General Meetings are as follows:

Annual General Meeting	For the financial year ended	Subject Matter of Special Resolution
31st	31 March 2016	Re-appointment of Mr. B. K. Agarwalla as the Chairman cum Whole-time Director.*
		Re-appointment of Mr. Subhas Chandra Agarwalla as the Managing Director and Chief Executive Officer.*
		Re-appointment of Mr. Subodh Agarwalla as the Whole-time Director and Chief Operating Officer.*
		Appointment of Mr. Aditya Agarwalla as the Whole-time Director and Chief Financial Officer.*
32nd	31 March 2017	Alteration of Article 125 of the Articles of Association of the Company.*
		Modification of the terms and conditions of re-appointment of Mr. Subhas Chandra Agarwalla.*
		Modification of the terms and conditions of re-appointment of Mr. Subodh Agarwalla.*
33rd	31 March 2018	Modification of the resolution passed relating to the authority granted to borrow funds.#

** Resolutions were passed with requisite majority.*

 # Resolution was passed unanimously.

Postal Ballot

The Company has not conducted any business through Postal Ballot during the financial year 2018-19. Further, at present there is no special resolution proposed to be conducted through postal ballot.

11. MEANS OF COMMUNICATION

(i) Quarterly Results: The quarterly results are intimated to the stakeholders through Stock Exchanges immediately after they are approved by the Board.

(ii) Newspaper publication: The quarterly results were published in the newspapers namely, The Economic Times (English Language) and Arthik Lipi (Bengali Language) during the financial year 2018-19. It is proposed to publish the quarterly results for the financial year 2019-20 in Business Standard (English Language) and Arthik Lipi (Bengali Language) newspaper.

(iii) Website: The quarterly results are also posted on the Company's website at 'www.maithanalloys.com'.

(iv) Whether the Company also displays official news releases: Yes, the Company issues news/press release from time to time and the same are submitted to the Stock Exchanges where the securities of the Company are traded and simultaneously posted on the Company's website at 'www.maithanalloys.com'.

(v) The presentations made to institutional investors or to the analysts: During the financial year 2018-19, presentations were made to the institutional investors/analysts after disseminating the same through Stock Exchanges where the securities of the Company are traded and were also posted on the Company's website at 'www.maithanalloys.com'.

12. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting	
- Day, date and time	Tuesday, 20 August 2019 at 11:00 a.m.
- Venue	'The Conclave', 216, A.J.C Bose Road, Kolkata-700017
b) Financial year	1 April to 31 March
c) Dividend payment date	On or after Tuesday, 20 August 2019
d) Date of book closure	Wednesday, 14 August 2019 to Tuesday, 20 August 2019 (both days inclusive)
e) Listing of equity shares on stock exchanges	1] **The Calcutta Stock Exchange Limited** 7, Lyons Range, Kolkata - 700 001. 2] **National Stock Exchange of India Limited** Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051. 3] The Equity shares of the Company are traded at **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 w.e.f. 14 May 2008 under 'Permitted Category'.
f) Payment of annual listing fees	The Annual Listing Fees have been paid by the Company for the financial year 2018-19
g) ISIN code	INE683C01011
h) Stock code	10023915 - The Calcutta Stock Exchange Limited 590078 - BSE Limited MAITHANALL - National Stock Exchange of India Limited
i) Share registrar & transfer agent	Maheshwari Datamatics Private Limited 23, R. N. Mukherjee Road, 5th Floor, Kolkata-700 001. Phone No.: 033-2248-2248; Fax No.: 033-2248-4787

j) Share transfer system	The Company has appointed Maheshwari Datamatics Private Limited (Registrar & Share Transfer Agent) to carry out share transfer for physical as well as electronic mode. The Company's shares are traded on stock exchanges in compulsory demat mode. Any share transfer/transposition/transmission request which is received in physical form is processed and the Share Certificate is returned to the transferee within a period of 15 days from the date of receipt of request for transfer, provided that the documents received are valid and complete in all respects. Share transfer/transposition/transmission form which is incomplete or in case where the Company notices any irregularity, the same is notified to the transferee. Securities and Exchange Board of India (SEBI) amended the Regulation 40 of the Listing Regulations prohibiting the transfer of securities unless the securities were held in the dematerialised form with a depository. The prohibition was enforced w.e.f. 1 April 2019 by SEBI. As directed by the Stock Exchanges, the Company had sent letters to its shareholders holding shares in physical form to sensitise them about the impact of the amendment and advised them to dematerialise their holding. The dematerialised shares are transferred directly to the beneficiaries by the depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited.
k) Dematerialisation of shares and liquidity	The shares of the Company are tradable compulsorily in demat segment and are available for trading in the depository system of both the National Securities Depository Limited and Central Depository Services (India) Limited. 29,013,935 equity shares of the Company, forming 99.66% of the paid up share capital of the Company, stand dematerialised as on 31 March 2019.
l) Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity	As on 31 March 2019, the Company had no outstanding GDRs/ADRs/warrants or any convertible instruments.
m) Address for correspondence	The Company Secretary, Maithan Alloys Limited, Ideal Centre, 4th Floor, 9, AJC Bose Road, Kolkata – 700 017 Phone No.: 033-4063-2393; Fax No.: 033-2290-0383
n) List of all credit ratings obtained by the Company along with any revisions thereto during the financial year 2018-19, for all debt instruments or any fixed deposit programme or any scheme or proposal of the Company involving mobilisation of funds, whether in India or abroad	The Company has no debt instruments or any fixed deposit programme or any scheme or proposal involving mobilisation of funds, whether in India or abroad. However, the Company has availed credit rating from CARE and CRISIL for financial facilities availed from Banks, details of which has been provided in Directors Report at Page No. 29 of this Annual Report.
o) Investor grievance e-mail id	investor@maithanalloys.com/rajesh@maithanalloys.com

p) Market price data- High, Low during each month in the last financial year.	**The Calcutta Stock Exchange Limited** There was no trading in shares of the Company during the financial year 2018-19.

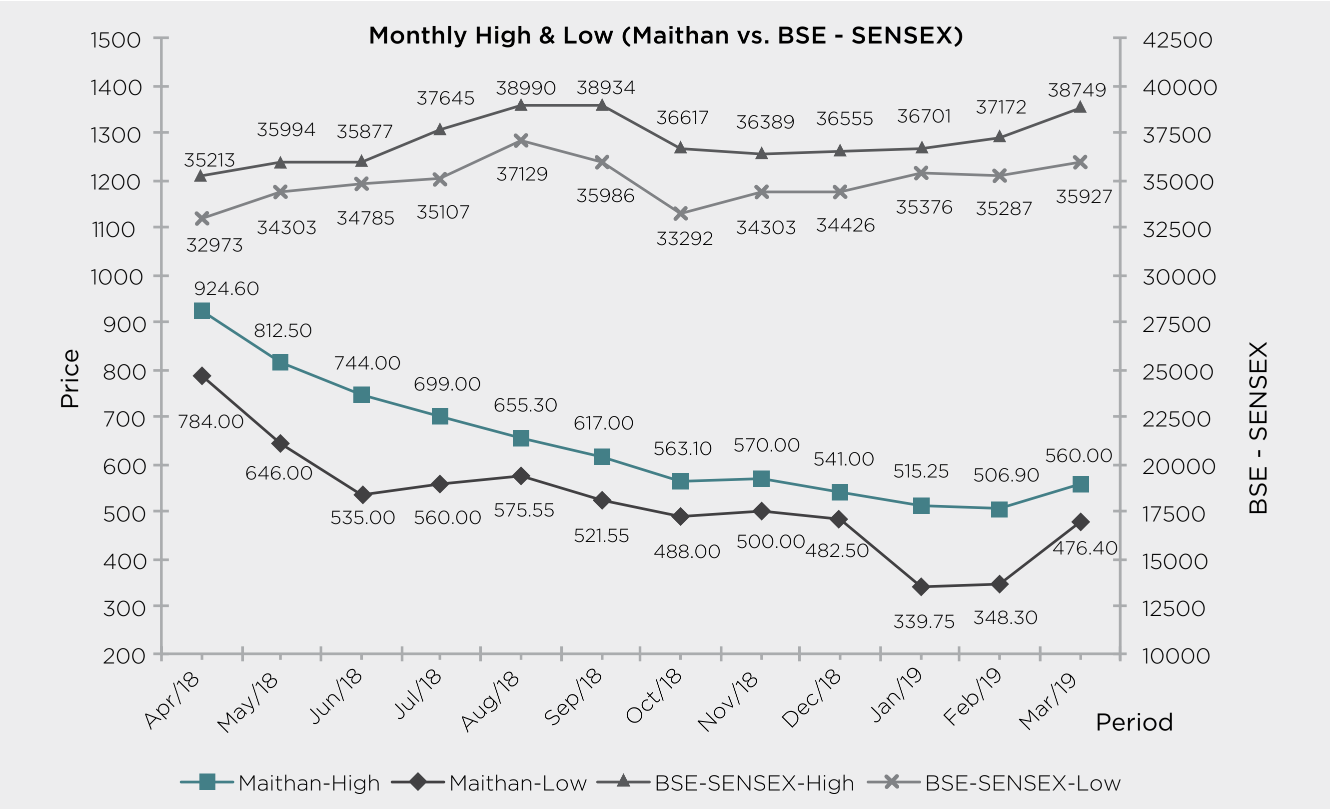
BSE Limited (BSE)

The trading details at BSE are given below:

Month	High price (₹)	Low price (₹)	No. of shares
Apr-18	924.60	784.00	11,93,480
May-18	812.50	646.00	1,34,461
Jun-18	744.00	535.00	1,17,533
Jul-18	699.00	560.00	1,25,204
Aug-18	655.30	575.55	87,580
Sep-18	617.00	521.55	74,330
Oct-18	563.10	488.00	55,828
Nov-18	570.00	500.00	26,441
Dec-18	541.00	482.50	41,129
Jan-19	515.25	339.75	60,986
Feb-19	506.90	348.30	2,13,731
Mar-19	560.00	476.40	1,10,874

(Source: www.bseindia.com)

Stock performance of Maithan Alloys Limited in comparison to BSE-SENSEX Index at BSE:



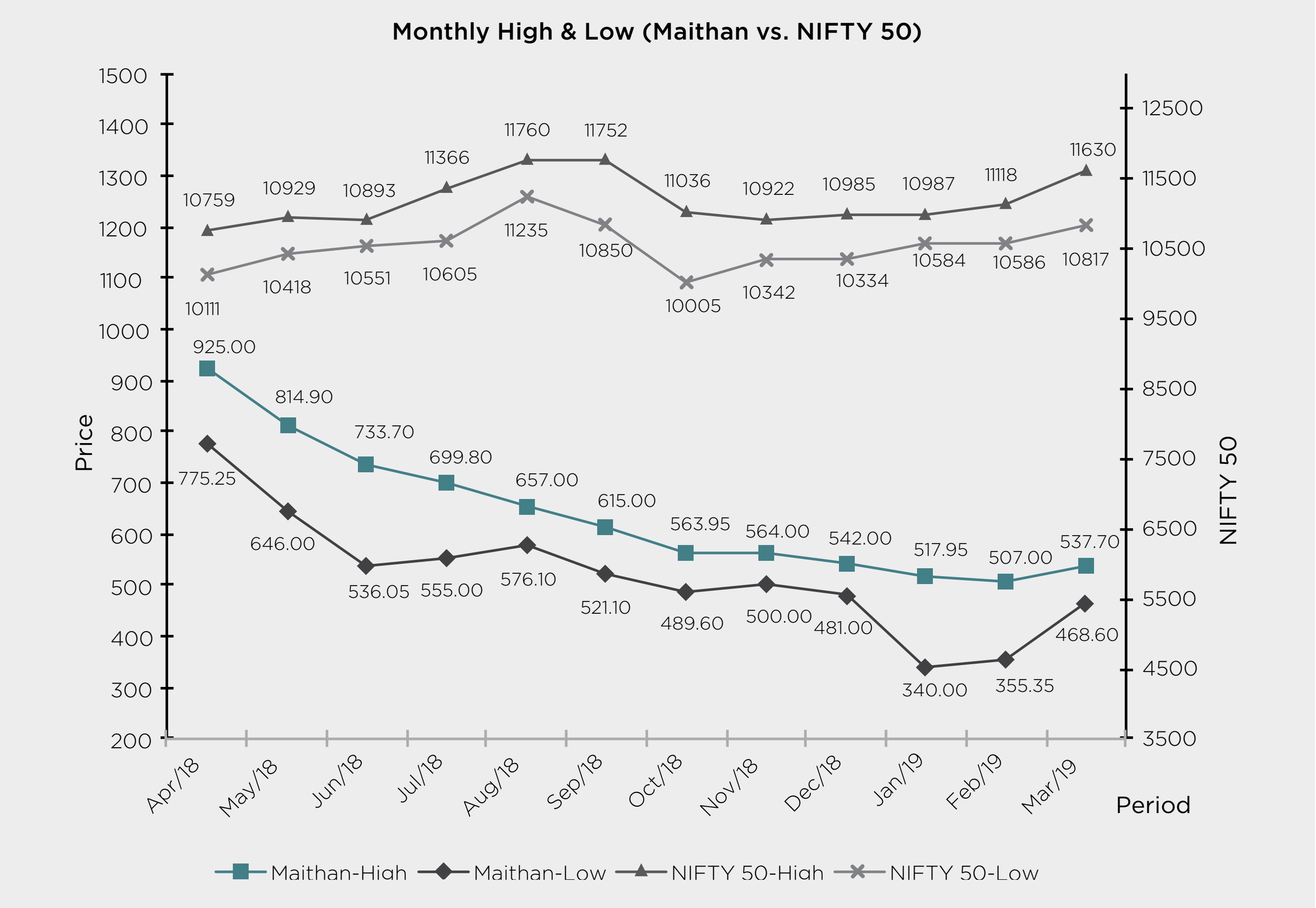
National Stock Exchange of India Limited (NSE)

The trading details at NSE are given below:

Month	High price (₹)	Low price (₹)	No. of shares
Apr-18	925.00	775.25	11,10,649
May-18	814.90	646.00	8,86,114
Jun-18	733.70	536.05	12,41,524
Jul-18	699.80	555.00	10,89,376
Aug-18	657.00	576.10	6,39,505
Sep-18	615.00	521.10	7,01,458
Oct-18	563.95	489.60	5,88,740
Nov-18	564.00	500.00	2,66,294
Dec-18	542.00	481.00	3,56,344
Jan-19	517.95	340.00	9,42,989
Feb-19	507.00	355.35	14,20,876
Mar-19	537.70	468.60	7,52,771

(Source: www.nseindia.com)

Stock performance of Maithan Alloys Limited in comparison to NIFTY 50 Index at NSE:



q) Distribution of shareholding as on 31 March 2019

No. of Shares	Shareholders		Shareholding	
	Number	% of total	Shares	% of total
Upto 500	18,893	91.82	13,53,387	4.65
501 - 1,000	737	3.58	5,56,548	1.91
1,001 - 2,000	424	2.06	6,32,321	2.17
2,001 - 3,000	149	0.73	3,84,749	1.32
3,001 - 4,000	66	0.32	2,32,456	0.80
4,001 - 5,000	48	0.23	2,18,020	0.75
5,001 - 10,000	124	0.60	8,73,195	3.00
10,001 and above	135	0.66	2,48,60,874	85.40
Total	**20,576**	**100.00**	**2,91,11,550**	**100.00**
No. of shares in physical mode	53	0.26	97,615	0.34
No. of shares in demat mode				
- NSDL	9,549	46.41	2,57,74,280	88.53
- CDSL	10,974	53.33	32,39,655	11.13
Total	**20,576**	**100.00**	**2,91,11,550**	**100.00**

r) Plant/Works location	
- Ferro Alloys division	1] **West Bengal** P.O. Kalyaneshwari-713 369, Dist. Paschim Bardhaman (W.B.) 2] **Meghalaya** A-6, EPIP, Byrnihat, Dist. Ri-Bhoi, Meghalaya - 793 101 3] **Andhra Pradesh** Plot No. 42 & 43, APSEZ, P.O. Atchutapuram, Dist. Visakhapatnam-531 011
- Wind mill division	1] **Rajasthan** Vill. Hansuwa, Dist. Jaisalmer, Rajasthan 2] **Maharashtra** Vill. Ghatnandre (Dhalgaon), Tal. Kawathe Mahankal, Dist. Sangli, Maharashtra

s) Commodity price risk or Foreign Exchange risk and hedging activities:

The Company has adequate risk assessment and minimisation system in place which is applicable for Commodity price risk as well as Foreign Exchange risk. The Risk Management Policy of the Company is available on the website of the Company at www.maithanalloys.com and the weblink thereof is 'http://www.maithanalloys.com/wp-content/uploads/2019/07/Risk-Management-Policy.pdf'.

1] Commodity price risk and Commodity hedging activities:

Your Company is materially exposed to domestic and international market fluctuations of price of commodities like manganese ore and coal/coke. Almost entire purchase and sale of commodities of the Company are exposed to Commodity Price Risk. The Company manages the risk associated with commodity price by maintaining similar duration of order book and inventory book. The Company does not enter into commodity hedging activities.

The Management based on their intelligence and monitoring, track commodity prices and its movements and ensures that the Company is adequately protected from the market volatility in terms of price and availability.

Accordingly, the Company does not have any exposure hedged through commodity derivatives during the financial year 2018-19. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15 November 2018 other than stated above.

2] Foreign Exchange risk and hedging activities:
The Board monitors the foreign exchange exposures on a regular basis as well as the steps taken by the management to limit the risks of adverse exchange rate movement. Further, the currency fluctuation risk is mitigated through natural hedge resulting from the Company's export and import. During the financial year 2018-19, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against its exports and imports, as and when deemed necessary. The details of foreign currency exposure are disclosed in Note No. 41 to the Standalone Financial Statement.

13. OTHER DISCLOSURES

A. Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

- There were no materially significant transactions made by the Company with its related parties during the financial year 2018-19. Attention of the Members is drawn to the details of transaction with the related parties set out in Note No. 47 under Notes to the Standalone Financial Statement forming part of this Annual Report.
- None of the transactions with any of the related parties were in conflict with the interests of the Company at large.
- The Company enters into related party transactions based on various business exigencies such as liquidity, profitability and capital resources. All related party transactions are negotiated at arm's length and are only intended to promote the interests of the Company.

B. Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or the SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

- During the last three years, no penalties or strictures have been imposed on the Company by the Stock Exchanges or the SEBI or any other statutory authority on any matter related to capital markets.

C. Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel have been denied access to the Audit Committee:

- The Company has adopted a Vigil Mechanism Policy also known as the Whistle Blower Policy, for its Directors and Employees to report genuine concerns relating to the Company and provides adequate safeguards against victimisation of persons who use such mechanism. The Vigil Mechanism Policy as framed is available on the website of the Company at 'www.maithanalloys.com'
- None of the personnel were restrained from approaching the Audit Committee.

D. Weblink where policy for determining 'material' subsidiaries is disclosed:

The policy for determining 'material' subsidiaries is available on the Company's website at 'www.maithanalloys.com' and weblink for the same is 'http://www.maithanalloys.com/wp-content/uploads/2019/07/Policy-on-Material-Subsidiary.pdf'.

E. Weblink where policy on dealing with related party transactions is disclosed:

The policy on dealing with related party transactions is available on the Company's website at 'www.maithanalloys.com' and weblink for the same is 'http://www.maithanalloys.com/wp-content/uploads/2019/07/Related-Party-Transaction-Policy.pdf'.

F. Disclosure of commodity price risks and commodity hedging activities:

- Manganese Ore is the primary material

consumed in the manufacturing of Ferro Alloys. The Company procured more than 86% by value of its Manganese Ore through imports during the financial year 2018-19. At times, prices of Manganese Ore become volatile due to sudden changes in demand/supply situation. The Company procures Manganese Ore mostly at prevailing prices and there is no long-term contract for pricing. The management monitors volatility in the prices of commodities/raw materials and suitable steps are taken accordingly to minimise the risk on the same.

- As a policy, the Company does not enter into Commodity hedging activities. Accordingly, as on 31 March 2019, there is no open position held by the Company on commodity futures or options.

G. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations:

The Company has not raised any funds through preferential allotment or qualified institutions placement during the financial year 2018-19.

H. A certificate from a company secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority:

The Certificate of Company Secretary in practice is annexed herewith as **Schedule 2**.

I. Recommendation of the Committees of the Board:

The Board has accepted all recommendations received from its Committees during the financial year 2018-19.

J. Total fees paid on a consolidated basis to the Statutory Auditors by the Company and its Subsidiaries:

Details of total fees for all services, paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors have been provided in Note No. 36 under Notes to the Consolidated Financial Statement forming part of this Annual Report.

K. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- number of complaints filed during the financial year - NIL
- number of complaints disposed of during the financial year - N.A.
- number of complaints pending as on end of the financial year - NIL

14. DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of Financial Statement, the Accounting Standards referred to in Section 133 of the Companies Act, 2013 have been followed. The significant accounting policies which have been applied are set out in the Notes to the Standalone Financial Statement.

15. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT

There has been no instance of non-compliance of any requirement of Corporate Governance Report.

16. DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF THE LISTING REGULATIONS

- The Company has complied with all the mandatory requirements of the Listing Regulations.
- The Company adopted the following non-mandatory requirements of the Listing Regulations, as listed out in Part E of Schedule II of the said Regulations, during the financial year 2018-19:

  (i) Modified opinion(s) in audit report: The reports submitted by Auditors on financial statements of the Company are with unmodified opinion.

  (ii) Separate post for Chairperson (Chairman) and Chief Executive Officer: The post of Chairman and Chief Executive Officer are held by Mr. Subhas Chandra Agarwalla and Mr. Subodh Agarwalla, respectively.

(iii) **Reporting of Internal Auditor:** The Internal Auditors of the Company report directly to the Audit Committee of the Company.

17. THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company has fully complied with the applicable requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation 2 of Regulation 46 of the Listing Regulations.

18. SUBSIDIARY COMPANY

The Company has no material non-listed Indian Subsidiary Company as on 31 March 2019. The Financial Statement and investments made, if any, by Subsidiary Companies, are reviewed by the Audit Committee. The minutes of the Board Meetings of the Subsidiary Companies are placed at the Board Meeting of the Company.

The management of the unlisted subsidiaries periodically brings to the notice of the Board, a statement of all significant transactions, if any, entered into by the unlisted subsidiaries.

19. CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER CERTIFICATION

The 'Whole-time Director and Chief Executive Officer' and 'President and Chief Financial Officer' of the Company have certified to the Board on the prescribed matters as required under Regulation 17(8) read with Part B of Schedule II to the Listing Regulations and the said certificate was considered by the Board at its meeting held on 30 April 2019.

20. AFFIRMATION OF CODE OF CONDUCT

The Board has approved the 'Code of Conduct' for Board Members and Senior Management Personnel and the same has been posted on the Company's website. The Directors and the Senior Management Personnel of the Company have submitted their declarations, confirming compliance of the provisions of the above Code of Conduct during the financial year 2018-19. A declaration to this effect, signed by the Whole-time Director and Chief Executive Officer of the Company is annexed herewith as **Schedule 3**.

21. COMPLIANCE CERTIFICATE FROM THE AUDITORS

The Company has obtained a Certificate from M Choudhury & Co., the Statutory Auditors of the Company, regarding the compliance with the provisions of Corporate Governance as required under the Listing Regulations. The same is annexed to the Directors' Report as **Annexure-"G"**.

22. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

Disclosures required pursuant to Regulation 34(3) read with Clause F of Schedule V of the Listing Regulations are not applicable.

For and on behalf of the Board of Directors

	S. C. Agarwalla	**Subodh Agarwalla**
Place: Kolkata	*Chairman & Managing Director*	*Whole-time Director & CEO*
Date: 30 April 2019	DIN: 00088384	DIN: 00339855

Schedule-1

Remuneration **Policy**

(Adopted by the Board of Directors on 28 January 2019 to be effective from 1 April 2019)

PURPOSE

The Remuneration Policy of Maithan Alloys Limited ("the Company") applies to all Directors, KMP and other Employees on the pay roll of the Company. The Board of Directors of the Company ("the Board") have adopted this Remuneration Policy at the recommendation of the Nomination and Remuneration Committee (the "NRC").

The policy reflects the Company's objectives for good corporate governance as well as sustained and long-term value creation for shareholders. In addition, it ensures that:

- the Company is able to attract, develop and retain high-performing and motivated Employees in a competitive domestic market.
- Employees are offered a competitive and market aligned remuneration package making fixed salaries a significant remuneration component.

The Board has established a Nomination and Remuneration Committee to set guidelines for the review and control of compliance with the Remuneration Policy of the Company. The NRC works as an extended arm for the Board with respect to remuneration issues.

DEFINITIONS

Words and expression used in these regulations shall have the same meanings respectively assigned to them in the Companies Act, 2013 (the "Act") and rules and regulations made thereunder or as defined under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

PROCEDURE FOR APPOINTMENT AND CESSATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP) AND OTHER EMPLOYEES

1. **Appointment criteria and qualifications:**
   a) The NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or KMP and recommend to the Board his / her appointment.

   b) A person should possess positive attributes like resilient, practical, trustworthy, etc. apart from adequate qualification or expertise or experience for the position he / she is considered for appointment. The NRC has discretion to decide whether qualification, expertise and/or experience possessed by a person is sufficient/ satisfactory for the concerned position.

   c) The Company shall not appoint or continue the employment of any person as Executive Director who has attained the age of seventy years unless prior approval of shareholders has been obtained by passing a special resolution.

   d) The Chairman, Managing Director and/or Whole-time Director of the Company shall jointly or severally identify and ascertain the integrity, qualification, expertise and experience of the person, required for appointment as Employee(s) to carry out business operations and functions.

2. **Term / Tenure:**
   a) Managing Director/Whole-time Director:
   The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of his/her term.

   b) Non-Executive Director:
   The Company shall not appoint or continue the directorship of any person as Non-Executive Director who has attained the age limit as prescribed under the law, unless prior approval of shareholder has been obtained by passing a special resolution for his appointment.

   c) Independent Director:
   - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.
   - No Independent Director shall hold office for

more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- At the time of appointment of Independent Director it should be ensured that he/ she meets such criteria of independence as prescribed under the Act, the Listing Regulations and other applicable laws.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves, is within the limits prescribed under the Act, the Listing Regulations and other applicable laws.

d) KMP & Other Employees:

The Company shall appoint or re-appoint any person as its KMP or Employee upto the age of retirement of such KMP or Employee. The age of retirement of KMP or Employees shall be 58 years.

The Chairman, Managing Director and/or Whole-time Director and in case of their inability to do so the Board, shall have the power to appoint/re-appointment/retain any KMP or Employee even after their attaining the retirement age, for the benefit of the Company.

3. **Removal:**

Due to the reasons for any disqualification mentioned in the Act or under any other applicable law, rules and regulations, the NRC may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP or Employee subject to the provisions and compliance of the said Act, Law, Rules and Regulations.

4. **Retirement:**

The KMP and other Employees shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to appoint/re-appoint/ retain the KMP and other Employees in the same position/ remuneration or otherwise even after their attaining the retirement age, for the benefit of the Company.

REMUNERATION MATTERS

i. To consider and determine the Remuneration, based on the principles of:

   a) pay for responsibilities,

   b) pay for performance and potential, and

   c) pay for growth and ensure that the remuneration fixed is reasonable and sufficient to attract, retain and motivate the Employees;

ii. To take into account, financial position of the Company, trend in the Industry, appointee's qualification, experience, past performance, past remuneration, etc.;

iii. To bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders;

iv. To consider other factors as the NRC shall deem appropriate for elements of the remuneration of the members of the Board and ensure compliance of the provisions of the Act and other applicable laws;

v. To consider any other matters as may be requested by the Board.

REMUNERATION COMPONENTS

The various remuneration components are combined to ensure an appropriate and balanced remuneration package.

The remuneration components are:

- Fixed Remuneration (including fixed supplements)
- Performance-based remuneration (variable remuneration)
- Other benefits in kind
- Severance payment, where applicable

Fixed Remuneration:

The fixed remuneration is determined on the basis of the role and position of the individual Employee, including professional experience, responsibility, job complexity and local market conditions.

Performance-based remuneration:

The NRC may determine a maximum percentage of performance-based remuneration relative to the fixed remuneration. This percentage may vary according to the type of position held by the Director, KMP or Employee.

Performance-based remuneration may be disbursed as cash or cash equivalents, bonus, shares, share based instruments, including conditional shares and other generally approved instruments, all on the basis of applicable local legislation.

Performance-based remuneration is granted to Employees with particular influence on Company's results and shareholder value. As an overall starting point the Company ensures a split between fixed remuneration and variable remuneration.

Other benefits in kind:
Other benefits in kind includes rent free or subsidised rate of residential accommodation, car, gas, electricity, mobile bill, telephone bill, club membership fees, reimbursement of personal expense, etc.

Severance payments:
Severance payments are payable in accordance with relevant local legislation and/or as mutually agreed between the Company and Director/KMP/Employee.

Subject to individual agreements, KMP/other Employees are entitled to a maximum of 1 months' salary on dismissal. However, some agreements with senior management may provide for maximum 3 months' salary.

Remuneration of the Executive Director including Managing Director & Whole-time Director:
The remuneration of the Executive Director is intended to ensure the Company's continued ability to attract and retain the most experienced Executive Director and to provide solid basis for succession planning.

The NRC shall submit its recommendations for adjustments in remuneration of the Executive Director for the approval of the Board. The remuneration of the Executive Director may consist of fixed remuneration and supplements, incentive, etc. Subject to individual agreement, Executive Director shall also be entitled to a company car, phone and other fixed benefits. The maximum severance pay is 3 months' salary inclusive of the value of variable remuneration and other benefits.

Remuneration of the Non- Executive Directors:
Members of the Board other than Executive Director(s) shall receive a fee for attending each meeting of the Board or Committee thereof or for any purpose whatsoever as may be decided by the Board. The Independent Director shall receive a fixed fee for attending each separate meeting as may be required to be held in compliance with the provisions of the Act, the Listing Regulations or other applicable laws.

Based on the recommendation of the NRC, the Board may approve the fee(s)/remuneration(s) payable to the Non-Executive Directors or changes thereof.

The remuneration of the Non-Executive Directors shall be specified in the annual report.

Remuneration of the KMP:
The Chairman, Managing Director and Whole-time Director shall jointly or severally, decide and approve the terms and conditions of the employment including payment of remuneration of the KMP other than Executive/Non-Executive Directors appointed as KMP, if any. The remuneration of the KMP may consist of fixed remuneration or variable remuneration or partly fixed and partly variable remuneration and/or, incentive, etc.

Remuneration of other Employees:
The Chairman, Managing Director and Whole-time Director shall jointly or severally, decide and approve the terms and conditions of the employment including payment of remuneration of the Employees other than Executive/Non-Executive Directors and KMP of the Company. The remuneration of the other Employees may consist of fixed remuneration or variable remuneration or partly fixed and partly variable remuneration and/or, incentive, etc.

The remuneration of other Employees shall be fixed from time to time considering industry standards and cost of living. In addition to basic salary they shall also be provided perquisites and retirement benefits as per prevailing scheme(s) of the Company and statutory requirements, where applicable. Reward/ Severance payments are applicable to this category of personnel also.

CRITERIA FOR PERFORMANCE EVALUATION

A] Independent & Non-Executive Directors:

Criteria for performance evaluation of Directors other than Executive Directors are:

- Educational, professional background or experience possessed by Director;
- Contribution to Company's corporate governance practices;
- Contribution to introduce best practices to address top management issues;
- Time devoted and Participation in long-term strategic planning;
- Fulfillment of the criteria as specified in the Act read with its allied Rules, Listing Regulations and other provisions/law governing the said matter;

- Commitment to the fulfillment of a Directors' obligations and fiduciary responsibilities;
- General understanding of the Company's business, global business and social perspective;
- Personal and professional ethics, integrity and values;
- Performance of the Director(s);
- Attendance at the meetings.

B] Executive Directors:

Apart from above criteria as may be applicable to Executive Directors, the following additional criteria shall also be considered for performance evaluation of Executive Directors:

- Relationships and Communications with Board, Employees and other stakeholders;
- Participation and contribution in the performance of the Company;
- Contribution in strategic planning and risk management vision, team spirit and consensus building, effective leadership;
- Contribution in Compliance and Governance;
- Foresight to avoid crisis and effectiveness in crisis management.

C] Board as whole:

Criteria for performance evaluation of Board as whole:

- Composition and Diversity;
- Endeavor for adaptation of the good Corporate Governance Practices;
- Number of Board Meetings;
- Discussions at Board Meetings;
- Cohesiveness of Board decisions;
- Strategy and Growth of the Company;
- Working relationships and communications among the Board, Employees and other stakeholders;
- Vision, Mission and consensus building;
- Foresight to avoid crisis and effectiveness in crisis management;
- Board Procedure, Performance & Culture.

D] Committees of the Board:

Criteria for performance evaluation of all Committees of the Board:

- Composition and terms of reference of the Committee of the Board;
- Compliance to the Committee's terms of reference;
- Frequency of the meetings of the Committee;
- Performance and reporting of the actions taken by the Committee to the Board;
- Opportunity given to the members to share their views;
- Effectivity of the suggestions and recommendations from the Committee;
- Working relationships and communications with the Board, Employees and other stakeholders.

AMENDMENTS TO THE POLICY

The Board on its own can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications, etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In case any amendment(s), clarification(s), circular(s), etc. issued by the relevant authorities are not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

MISCELLANEOUS

- No Director/KMP/ other Employee shall be involved in deciding his or her own remuneration or that of his or her relatives who are Employees.
- To the extent legally acceptable under applicable law, the Board may deviate from this policy in individual cases, if justified by extraordinary and exceptional circumstances.
- In any circumstances where the provisions of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the relevant law, rule, regulation or standard will take precedent over this Policy.
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately.
- The Company's Remuneration Policy shall be published on its website.

Schedule-2

Certificate of
Non-disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Part C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Maithan Alloys Limited

We have examined the relevant registers, records, forms, returns and disclosures of the Directors of Maithan Alloys Limited (CIN: L27101WB1985PLC039503) having its Registered Office at 4th Floor, 9 AJC Bose Road, Kolkata – 700 017 (hereinafter referred to as 'the Company'), and other documents produced before us by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Clause 10(i) of Part-C to Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that as on 31st March, 2019 none of the Directors on the Board of the Company as stated below have been debarred or disqualified for the financial year ending on 31st March, 2019 from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Subhas Chandra Agarwalla	00088384	15 April 1992
2.	Mr. Subodh Agarwalla	00339855	1 July 2006
3.	Mr. Nand Kishore Agarwal	00378444	17 August 2001
4.	Mr. Ashok Bhandari	00012210	30 March 2017
5.	Mr. Vikash Kumar Jewrajka	01495403	23 July 2008
6.	Mr. Palghat Krishnan Venkatramani	05303022	29 June 2012
7.	Mrs. Kalpana Biswas Kundu	07006341	8 November 2014
8.	Mr. Parasanta Chattopadyay	06968122	10 November 2016

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Patnaik & Patnaik
Company Secretaries

S. K. Patnaik
Partner
FCS No.: 5699
C.P. No.:7117

Place: Kolkata
Date: 30 April, 2019

Schedule-3

Declaration by the
Whole-time Director & Chief Executive Officer

To,
The Members,
Maithan Alloys Limited

In compliance with the requirement of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby declared that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management adopted by the Board, for the financial year ended 31 March 2019.

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Place: Kolkata
Date: 30 April 2019

ANNEXURE TO THE DIRECTORS' REPORT "G"

Independent Auditors' Certificate on Corporate Governance

To,
The Members,
Maithan Alloys Limited

1. We M Choudhury & Co., Chartered Accountants, the Statutory Auditors of MAITHAN ALLOYS LIMITED ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company for the year ended 31 March 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Paras C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

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

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Paras C and D of Schedule V of the Listing Regulations during the year ended 31 March 2019.

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

For M Choudhury & Co.
Chartered Accountants
Firm Registration No: 302186E

D Choudhury
Partner
Membership No.: 052066

Place: Kolkata
Date: 30 April 2019

INDEPENDENT AUDITORS' REPORT

To the Members of
Maithan Alloys Limited

Report on the Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and the Profit and other Comprehensive Income, changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. We have determined that there are no key audit matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

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

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

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

Management's Responsibility for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the Financial Position, Financial Performance, changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.

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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's Financial Reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;

(e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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 our separate Report in "Annexure B";

(g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019.

For **M Choudhury & Co.**
Chartered Accountants
FRN.: 302186E

D Choudhury
Partner
Membership No.: 052066

Place: Kolkata
Date: 30 April 2019

Annexure A to Independent Auditor's Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of MAITHAN ALLOYS LIMITED on the Standalone Financial Statements for the year ended 31 March 2019.

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management at reasonable intervals and no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. The physical verification of inventory has been conducted at reasonable intervals by the Management and no material discrepancies were noticed on such verification.

iii. The Company has not granted any loans, secured or unsecured, to companies, limited liability partnership firm, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)[(a), (b) and (c)] of the said Order are not applicable to the Company.

iv. The Company has neither granted any loan nor provided any guarantee or security hence the provisions of Section 185 of the Act are not applicable to the Company. In our opinion and according to the informations and explanations given to us with respect to the investments made, the Company has complied with the provisions of Section 186 of the Act.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the provision of clause 3(v) of the order is not applicable on the Company.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain Cost Records as specified under Sec 148(1) of the act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) The Company is regular in depositing the undisputed statutory dues, including provident fund, Employees' State Insurance, Income tax, Goods and Service tax, Customs Duty, cess and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March 2019 for a period of more than six months from the date of becoming payable.

b) The particulars of dues of Service tax, Excise duty, cess, etc., which have not been deposited as at 31 March 2019 on account of dispute, are given as follows:

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty & Service Tax	10,45,052	2006-07	CESTAT, Kolkata
The Central Excise Act, 1944	Excise Duty & Service Tax	12,36,512	2008-09	CESTAT, Kolkata
The Central Excise Act, 1944	Excise Duty & Service Tax	4,98,473	2008-09	Commissioner (Appeal), Kolkata
The Central Excise Act, 1944	Excise Duty & Service Tax	42,84,911	2009-10	CESTAT, Kolkata
The Central Excise Act, 1944	Excise Duty & Service Tax	6,60,880	2013-14	Addl. Commissioner, Bolpur
The Central Excise Act, 1944	Excise Duty & Service Tax	31,51,800	2013-14	CESTAT, Kolkata
The Central Excise Act, 1944	Excise Duty & Service Tax	60,15,000	2014-15	CESTAT, Kolkata
The Central Excise Act, 1944	Excise Duty & Service Tax	50,90,935	2016-17	CESTAT, Kolkata
Finance Act, 1994	Service Tax	11,62,272	2017-18	Commissioner (Appeal),Siliguri
Finance Act, 1994	Service Tax	5,57,442	2017-18	Commissioner (Appeal), Siliguri
Finance Act, 1994	Service Tax	1,27,680	2017-18	Commissioner (Appeal), Siliguri

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty & Service Tax	9,01,462	2017-18	Assistant Commissioner, Asansol
The Central Excise Act, 1944	Excise Duty & Service Tax	33,51,688	2013-14	Assistant Commissioner, Asansol
The Central Excise Act, 1944	Excise Duty & Service Tax	79,45,242	Sept'14-March'16	Addl. Commissioner, Bolpur
The Central Excise Act, 1944	Excise Duty & Service Tax	89,39,616	2016-17 & UPTO June'17	Addl. Commissioner, Bolpur

viii. The Company has not defaulted in repayment of loans or borrowings to any Financial Institution or banks as at the Balance Sheet date. The Company has neither issued any debentures nor has taken any loans or borrowings from the Government as at the Balance Sheet date.

ix. The Company has not raised any money by way of initial public offer/further public offer (including debt instruments)/term loans during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.

x. We have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.

xii. As the Company is not a Nidhi Company, the provisions of clause 3(xii) of the Order are not applicable.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

xiv. No money was raised through preferential allotment/ private placements of shares/fully/partly convertible debentures during the year under review, hence, the provisions of clause 3(xiv) of the said order is not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or person connected with them. Accordingly, clause 3(xv) of the Order is not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly the provision of clause 3(xvi) are not applicable to the Company.

For **M Choudhury & Co.**
Chartered Accountants
FRN.: 302186E

D Choudhury
Partner
Membership No.: 052066

Place: Kolkata
Date: 30 April 2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MAITHAN ALLOYS LIMITED

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of MAITHAN ALLOYS LIMITED on the Standalone Financial Statements for the year ended 31 March 2019.

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

We have audited the internal financial controls over financial reporting of Maithan Alloys Limited ("the Company") as at 31 March 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's 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 Act 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone 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 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M Choudhury & Co.**
Chartered Accountants
FRN.: 302186E

D Choudhury
Partner
Membership No.: 052066

Place: Kolkata
Date: 30 April 2019

Standalone Balance Sheet as at 31 March 2019

(₹ in lakh)

Particulars	Notes	As At 31 March 2019	As At 31 March 2018
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	4	21,937.30	23,334.87
(b) Intangible Assets	4	10.48	6.43
(c) Financial Assets			
(i) Investments	5	2,827.56	2,957.80
(ii) Other Financial Assets	6	3,343.22	2,767.66
(d) Non Current Tax Assets (Net)	7	609.96	324.58
(e) Other Non-Current Assets	8	99.49	68.43
Total Non-Current Assets		**28,828.01**	**29,459.77**
(2) Current Assets			
(a) Inventories	9	26,094.23	24,818.77
(b) Financial Assets			
(i) Investments	10	62,077.58	33,292.53
(ii) Trade Receivables	11	25,665.51	24,372.51
(iii) Cash and Cash Equivalents	12	1,632.74	2,535.59
(iv) Bank Balances (other than (iii) above)	13	2,664.13	2,534.49
(v) Loans	14	99.01	93.87
(vi) Other Financial Assets	15	421.49	377.55
(c) Other Current Assets	16	5,075.02	4,704.92
Total Current Assets		**1,23,729.71**	**92,730.23**
Total Assets		**1,52,557.72**	**1,22,190.00**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	17	2,911.16	2,911.16
(b) Other Equity		1,09,076.34	84,600.61
Total Equity		**1,11,987.50**	**87,511.77**
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	362.02	366.83
(b) Provisions	19	233.51	188.01
(c) Deferred Tax Liabilities (Net)	20	2,797.15	2,470.25
(d) Other Non-Current Liabilities	21	107.48	116.57
Total Non-Current Liabilities		**3,500.16**	**3,141.66**
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	343.03	2,499.88
(ii) Trade Payables	23	24,623.87	14,728.49
(iii) Other Financial Liabilities	24	2,671.77	4,590.20
(b) Provisions	25	142.26	127.09
(c) Current Tax Liabilities (Net)	26	31.33	643.34
(d) Other Current Liabilities	27	9,257.80	8,947.57
Total Current Liabilities		**37,070.06**	**31,536.57**
Total Liabilities		**40,570.22**	**34,678.23**
Total Equity and Liabilities		**1,52,557.72**	**1,22,190.00**

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

For **M Choudhury & Co.**
Chartered Accountants
FRN.: 302186E

D. Choudhury
Partner
Membership No.: 052066

Place: Kolkata
Date: 30 April 2019

For and on behalf of the Board of Directors

S. C. Agarwalla
Chairman & Managing Director
DIN: 00088384

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Sudhanshu Agarwalla
President & CFO

Rajesh K. Shah
Company Secretary

Standalone Statement of Profit and Loss for the year ended 31 March 2019

(₹ in lakh)

Particulars	Notes	Year Ended 31 March 2019	Year Ended 31 March 2018
Income			
Revenue from Operations	28	1,98,793.01	1,89,099.93
Other Income	29	2,606.96	1,469.49
Total Income		**2,01,399.97**	**1,90,569.42**
Expenses			
Cost of Material Consumed	30	95,642.24	80,307.15
Purchases of Stock In Trade	31	16,579.34	16,365.74
Changes In Inventories	32	403.22	285.58
Excise Duty Payable		-	1,203.45
Employee Benefits Expenses	33	4,413.10	4,522.73
Power Cost	34	37,339.80	36,654.58
Finance Cost	35	590.81	405.34
Depreciation and Amortisation Expense	36	1,563.27	1,544.43
Other Expenses	37	12,185.46	11,689.94
Total Expenses		**1,68,717.24**	**1,52,978.94**
Profit Before Tax		**32,682.73**	**37,590.48**
Tax Expenses			
(a) Current Tax	39	6,815.00	8,530.82
(b) Deferred Tax	39	341.45	(114.97)
Total Tax Expenses		**7,156.45**	**8,415.85**
Profit for the year (A)		**25,526.28**	**29,174.63**
Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss			
- Re-measurements of the Net Defined Benefit Plans		1.79	16.98
- Equity Instruments through Other Comprehensive Income		(130.25)	(13.28)
(ii) Income tax relating to above items	39	14.55	(5.88)
B (i) Items that may be reclassified to Profit or Loss :			
- Effective portion of gains/(losses) on designated portion of Hedging Instruments in a Cash Flow Hedge		116.23	(34.47)
Other Comprehensive Income/(Loss) for the year (B)		**2.32**	**(36.65)**
Total Comprehensive Income for the year (A+B)		**25,528.60**	**29,137.98**
Earnings Per Share (of ₹10/- each)			
(1) Basic (in ₹)	38	87.68	100.22
(2) Diluted (in ₹)	38	87.68	100.22

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

For **M Choudhury & Co.**
Chartered Accountants
FRN.: 302186E

D. Choudhury
Partner
Membership No.: 052066

Place: Kolkata
Date: 30 April 2019

For and on behalf of the Board of Directors

S. C. Agarwalla
Chairman & Managing Director
DIN: 00088384

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Sudhanshu Agarwalla
President & CFO

Rajesh K. Shah
Company Secretary

Standalone Statement of Changes in Equity for the year ended 31 March 2019

a. Equity Share Capital

(₹ in lakh)

Particulars	Note	Amount
Equity Shares of ₹10 each Issued, Subscribed and Fully Paid		
As At 1 April 2017	17	2,911.16
Issue of share capital		-
As At 31 March 2018		**2,911.16**
Issue of share capital		-
As At 31 March 2019		**2,911.16**

b. Other equity

(₹ in lakh)

Particulars	Reserves and Surplus			Items of Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	Retained Earnings	Equity Instruments through OCI	Cash Flow Hedge Reserve	
As At 1 April 2017	170.29	3,186.70	52,813.38	168.21	-	**56,338.58**
Profit for the year	-	-	29,174.63	-	-	29,174.63
Other Comprehensive Income for the year	-	-	11.10	(13.28)	(34.47)	(36.65)
Dividends paid including DDT	-	-	(875.95)	-	-	(875.95)
As At 31 March 2018	**170.29**	**3,186.70**	**81,123.16**	**154.93**	**(34.47)**	**84,600.61**
Profit for the year	-	-	25,526.28	-	-	25,526.28
Other Comprehensive Income for the year	-	-	1.17	(115.08)	116.23	2.32
Dividends paid including DDT	-	-	(1,052.87)	-	-	(1,052.87)
As At 31 March 2019	**170.29**	**3,186.70**	**1,05,597.74**	**39.85**	**81.76**	**1,09,076.34**

Capital Reserve

This reserve represents the difference between value of the net assets transferred and consideration paid for such assets in the course of amalgamation and also relates to forfeiture of shares.

Securities Premium

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

Retained Earnings

This reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

Equity Instruments through Other Comprehensive Income

This reserve represents the cumulative gains (net of losses) arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income, net of tax. The same shall be transferred to retained earnings when those instruments are disposed off.

Cash Flow Hedge Reserve

This reserve represents the cumulative effective portion of changes in fair value of derivatives that are designated as Cash Flow Hedges. It may be reclassified to profit or loss or included in the carrying amount of the non-financial asset in accordance with the Company's accounting policy.

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

For **M Choudhury & Co.**
Chartered Accountants
FRN.: 302186E

D. Choudhury
Partner
Membership No.: 052066

Place: Kolkata
Date: 30 April 2019

For and on behalf of the Board of Directors

S. C. Agarwalla
Chairman & Managing Director
DIN: 00088384

Sudhanshu Agarwalla
President & CFO

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Rajesh K. Shah
Company Secretary

Standalone Cash Flow Statement for the year ended 31 March 2019

(₹ in lakh)

Particulars	31 March 2019	31 March 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	32,682.73	37,590.48
Adjusted for :		
Depreciation and Amortisation	1,563.27	1,544.43
Interest Expense	590.81	405.34
Interest Income	(447.11)	(287.29)
Irrecoverable Balances Written Off/Back	(281.59)	84.02
Gain on Investment	(397.43)	138.55
Unrealised Forex (Gain) / Loss	(110.84)	(139.61)
Deferred Revenue Grant	(9.09)	(6.25)
Dividend Received	(1,318.63)	(1,343.92)
Loss / (Profit) on Sale of Property, Plant and Equipment	9.82	(0.66)
	(400.79)	**394.61**
Operating Profit Before Working Capital Changes	**32,281.94**	**37,985.09**
Adjusted for :		
Trade and Other Receivables	(2,079.97)	(1,172.25)
Inventories	(1,275.46)	(6,161.49)
Trade and Other Payables	10,269.84	6,634.53
	6,914.41	**(699.21)**
Cash Generated from Operations	39,196.35	37,285.88
Income Tax Paid	7,712.39	8,842.04
NET CASH FROM OPERATING ACTIVITIES (A)	**31,483.96**	**28,443.84**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(204.52)	(1,137.86)
Sale of Property, Plant and Equipment	25.00	15.84
Purchase of Investments	(1,04,993.05)	(46,602.84)
Sale of Investments	76,605.43	19,168.92
Dividend Received	1,318.63	1,343.92
Interest Income Received	401.15	283.34
Investments in Fixed Deposits	(129.64)	(1,106.24)
NET CASH USED IN INVESTING ACTIVITIES (B)	**(26,977.00)**	**(28,034.92)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(592.22)	(372.46)
Dividend Paid including Tax on Dividend	(1,052.87)	(875.95)
Subsequent acquisition of shares in subsidiary	-	(600.00)
Proceeds/ (Repayment) from/ of Borrowings	(3,764.72)	(3,606.08)
NET CASH FROM FINANCING ACTIVITIES (C)	**(5,409.81)**	**(5,454.49)**
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(902.85)	(5,045.57)
Cash and Cash Equivalents at the beginning of the year	2,535.59	7,581.16
Cash and Cash Equivalents at the end of the year	**1,632.74**	**2,535.59**
Cash and Cash Equivalent includes:		
Cash and Cash Equivalent	1,632.74	2,535.59
Less: Deposits held as margin money	-	-
	1,632.74	**2,535.59**

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

For **M Choudhury & Co.**
Chartered Accountants
FRN.: 302186E

D. Choudhury
Partner
Membership No.: 052066

Place: Kolkata
Date: 30 April 2019

For and on behalf of the Board of Directors

S. C. Agarwalla
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Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Sudhanshu Agarwalla
President & CFO

Rajesh K. Shah
Company Secretary

Notes to Standalone Financial Statements for the year ended 31 March 2019

1. Corporate Information

Maithan Alloys Limited ("the Company") is a public company limited by shares, incorporated on 19 September 1985 and domiciled in India. Its shares are listed on Calcutta Stock Exchange (CSE) and the National Stock Exchange (NSE) and are traded on Bombay Stock Exchange (BSE) under Permitted category. The Company is engaged in the business of manufacturing and exporting of all three bulk Ferro alloys- Ferro Manganese, Silico Manganese and Ferro Silicon. It is also engaged in the generation and supply of Wind Power and has a Captive Power Plant.

2. Basis of Preparation of Financial Statements

a. Statement of Compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 read with Rule 4A of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 ,as amended, and other provisions of the Companies Act, 2013 ("the Act"). The Company adopted Ind AS from 1 April, 2017.

b. Basis of Measurement

The financial statements have been prepared on historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities that are measured at fair value/ amortised cost. (Refer note 3(j) below).

c. Use of Estimates and Judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

d. Functional Currency and Presentation Currency

The financial statements are prepared in Indian Rupees (₹) which is the Company's functional currency for all its operations.

e. Current and Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the schedule III to the Companies Act, 2013 and Ind AS 1 – 'Presentation of Financial Statements'.

All assets and liabilities are classified as current when it is expected to be realised or settled within the Company's normal operating cycle, i.e. twelve months. All other assets and liabilities are classified as non-current.

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

3. Significant Accounting Policies

a. Property, Plant and Equipments

Property, plant and equipment are stated at their cost of acquisition, installation or construction (net of taxes and other recoverable, wherever applicable) less accumulated depreciation and impairment losses, if any, except freehold land which is carried at cost.

The cost of property, plant and equipment comprises its purchase price, including inward freight, import duties and non-refundable purchase taxes, and any cost directly attributable to bringing the asset to working condition and location for its intended use. Stores and spare parts are capitalised when they meet the definition of property, plant and equipment.

If significant parts of an item of property, plant and equipment have different useful life, then they are accounted for as separate items (major components) of property, plant and equipment. Likewise, expenditure towards major inspections and overhauls are identified as a separate component and depreciated over the expected period till the next overhaul expenditure.

b. Depreciation

Depreciation on property, plant and equipment is provided on straight line method (SLM), except on additions made after 1 April, 2006 to Building and Plant & Machineries of Ferro Alloys Unit at Byrnihat and Kalyaneshwari on which depreciation has been provided on written down value (WDV) method.

Depreciation is provided to allocate the costs of property, plant and equipment, net of their residual values, over their useful life as specified in Schedule II of the Companies Act, 2013, other than in case of factory building and plant & machinery in Vishakapatnam Unit where useful life has been considered by the management to be of 20 years.

The assets residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate.

c. Leases

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a Finance Lease. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as Operating Leases. A lease is classified at the inception date as a finance lease or an operating lease.

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is amortised over the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

d. Intangible Assets and Amortisation

Intangible assets acquired separately are initially measured at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Computer software is amortised over its estimated useful life of 3 years on a straight line basis.

The amortisation period and the amortisation method are reviewed at least at each financial year end, if the expected useful life of the asset is different from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

e. Non-Current Assets Held for Sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are not depreciated and are measured at the lower of carrying amount and fair value less costs to sell. Such assets and disposal groups are presented separately on the face of the Balance Sheet.

f. Impairment of Non- Financial Assets

The Company assesses at each reporting date to determine if there is any indication of impairment, based on internal/external factors. If any such indication exists, then an impairment review is undertaken and the recoverable amount is calculated as the higher of fair value less costs of disposal and the asset's value in use.

Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effect of factors that may be specific to the entity and not applicable to entities in general. Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal.

Impairment charges and reversals are assessed at the level of cash-generating unit (CGU). A cash-generating unit (CGU) is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

A cash generating unit is treated as impaired when the carrying amount of the assets or cash generating unit exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which asset or cash generating unit is identified as impaired.

Impairment loss recognised in prior accounting period(s) is reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation, if there was no impairment. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

g. Foreign Currency Translation

Foreign currency transactions are translated into the functional currency at the exchange rates that approximates the rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated into the functional currency at the exchange rates prevailing on the reporting date. Non-monetary items are translated using the exchange rates prevailing on the transaction date, subsequently measured at historical cost and not retranslated at period end.

All exchange differences on monetary items are recognised in the Statement of Profit and Loss except any exchange differences on monetary items designated as an effective hedging instrument which are recognised in the Other Comprehensive Income.

h. Government Grants and Subsidies

Grants and subsidies from the Government are recognised when there is reasonable assurance that the grant/subsidy will be received and the Company will comply with the conditions attached to them. When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in profit or loss over the periods necessary to match them with the related costs, which they are intended to compensate. When the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related assets and presented within other income.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

i. Financial Instruments

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.

(i) Financial Assets -

➢ Recognition And Initial Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

➢ Classification and Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt Instruments at Amortised Cost;
- Debt Instruments at Fair Value Through Other Comprehensive Income (FVOCI);
- Debt Instruments at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

o Debt Instruments at Amortised Cost: A debt instrument is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

o Debt Instruments at FVOCI: A debt instrument is measured at the FVOCI if both of the following conditions are met:

- The objective of the business model is achieved by collecting contractual cash flows and selling the financial assets; and
- The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognised in Other Comprehensive Income. However, the interest income, losses & reversals, and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Interest calculated using the Effective Interest Rate (EIR) method is recognised in the Statement of Profit and Loss as investment income.

o Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVOCI, is classified as FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity Instruments measured at FVOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value. The Company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable. In case the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument are recognised in the Other Comprehensive Income. There is no reclassification of the amounts from Other Comprehensive Income to profit or loss, even on sale of investment. Dividends on investments are credited to profit or loss.

- Equity Investments: Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment, if any.

➢ Derecognition

The Company derecognises a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

➢ Impairment of Financial Assets

The Company assesses at the end of the reporting period whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Financial Liabilities

➢ Recognition And Initial Measurement

Financial liabilities are initially measured at fair value. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and borrowings including bank overdrafts and derivative financial instruments.

➢ Subsequent Measurement

Financial liabilities are measured subsequently at amortised cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

- Derecognition

  A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

- Offsetting Financial Instruments

  Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

(iii) Derivative Financial Instruments and Hedge Accounting

The Company enters into interest rate swaps and forward contracts to mitigate the risk of changes in interest rates and exchange rates. The Company does not hold derivative financial instruments for speculative purposes. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise, except for the effective portion of cash flow hedges which is recognised in Other comprehensive Income and accumulated under the heading of cash flow hedging reserve. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Amounts previously recognised in Other comprehensive Income and accumulated in equity relating to effective portion as described above are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in Other Comprehensive Income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit and Loss.

j. Inventories

Inventories (including work-in-progress) are stated at cost and net realisable value, whichever is lower. Cost is determined on weighted average method and comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is determined based on estimated selling price, less further costs expected to be incurred to completion and disposal. Obsolete, slow moving and defective inventories are identified at the time of physical verification and where necessary, provision is made for such inventories.

k. Revenue Recognition

Revenues are measured at fair value of the consideration received or receivable, net of returns and discounts to customers. Revenue from the sale of goods includes duties which the Company pays as a principal but excludes amounts collected on behalf of third parties.

a) Revenue from sales of goods is recognised when all significant risks and rewards of ownership of goods are transferred to the customer, which generally coincides with delivery. Revenue from sale of power is recognised when delivered and measured based on rates as per bilateral contractual agreements with buyers and at rate arrived at based on the principles laid down under the relevant Tariff Regulations as notified by the regulatory bodies, as applicable.

b) Revenue from rendering of services is recognised in the periods in which the services are rendered.

c) Export entitlements in the form of Duty Drawback and MEIS scheme are recognised in the Statement of Profit and Loss Account when right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant exports proceeds.

d) Interest income is recognised basis using the effective interest rate method.

e) For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

f) Dividend Income is recognised only when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

l. Employee Benefits

a) Short-Term Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by the employees are recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

b) Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified monthly contributions to Provident Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

c) Defined Benefit Plans

The Company provides for gratuity and leave encashment, a defined benefit plan (the "Gratuity Plan and Leave Encashment Plan") covering eligible employees. The cost of providing defined benefits plan is determined by actuarial valuation separately for each plan using the Projected Unit Credit Method by independent qualified actuaries as at the year end. Actuarial gains/losses arising in the year are recognised in full in Other Comprehensive Income and are not reclassified in the profit or loss. Re-measurement gains and losses arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity. Change in the present value of defined benefit obligations resulting from plan adjustments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

m. Tax Expense

Income tax expense represents the sum of current tax and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in Equity or Other Comprehensive Income.

a) Current Tax

The current tax is based on taxable profit for the year under the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

b) Deferred Tax

Deferred tax is recognised on all temporary differences between the tax bases of assets and liabilities and their carrying amounts in the Company's financial statements except when the deferred tax arises from the initial recognition of goodwill or initial recognition of an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profits or loss at the time of transaction. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised for deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent it is probable that future taxable profits will be available against which the deductible temporary difference, the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when the same relate to items that are recognised in Other Comprehensive Income or directly in Equity, in which case, the current and deferred tax relating to such items are also recognised in Other Comprehensive Income or directly in Equity respectively.

n. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets until such time as the assets are substantially ready for their intended use. Where surplus funds are available out of money borrowed specifically to finance a project are invested temporarily and the money generated from such current investments is deducted from the total borrowing cost to be capitalised. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

o. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalent includes cash on hand, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, cash at bank, and bank overdraft and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

p. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

q. Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of a past events, and it is probable that an outflow of resources will be required to settle such an obligation and the amount can be estimated reliably. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate.

Contingent Liabilities

Contingent liabilities are possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond 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. Contingent Liabilities are not recognised but disclosed in the financial statements when the possibility of an outflow of resources embodying economic benefits is more.

Contingent Assets

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

r. Earnings per share

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

s. Dividends

Dividends paid (including dividend distribution tax thereon) are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders and is recognised directly in equity.

t. Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Inter-segment revenues have been accounted for based on prices normally negotiated between the segments with reference to the costs, market prices and business risks, within an overall optimization objective for the Company. Revenue and expenses are identified with segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, will be included under "Unallocated/ Others".

u. Critical Accounting Estimates, Assumptions and Judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, and disclosures of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the paragraphs that follow.

(i) Useful Economic Lives and Impairment of Other Assets

The estimated useful life of property, plant and equipment (PPE) and intangible asset is based on a number of factors including the effects of obsolescence, usage of the asset and other economic factors (such as known technological advances).

The Company reviews the useful life of PPE and intangibles at the end of each reporting date and any changes could affect the depreciation rates prospectively.

The Company also reviews its property, plant and equipment for possible impairment if there are events or changes in circumstances that indicate that the carrying value of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits, such as the Company's business plans and changes in regulatory environment are taken into consideration.

(ii) Contingencies and Commitments

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability.

(iii) Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend on assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(iv) Fair Value Measurements and Valuation Processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

(v) Recognition of Deferred Tax Assets For Carried Forward Tax Losses and Unused Tax Credit

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised. In addition significant judgement is required in assessing the impact of any legal or economic limits.

v. Recent Accounting Developments: Standards issued but not yet effective

(i) Ind AS 116 – "Leases"

Ind AS 116 was notified by Ministry of Corporate Affairs on 30 March 2019 and it is applicable for annual reporting periods beginning on or after 1 April 2019. Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

The Statement of profit and loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change. Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities.

Presently, the Company is in the process of evaluating the impact that application of Ind AS 116 is expected to have on its financial statements. The Company intends to apply simplified transition approach and will not restate comparative information in the financial statements for the year ending 31 March 2020 to show the impact of adopting Ind AS 116.

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

This appendix was notified by Ministry of Corporate Affairs on 30 March 2019 and it is applicable for annual reporting periods beginning on or after 1 April 2019. The appendix explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

1. how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or
2. together as a group, depending on which approach better predicts the resolution of the uncertainty;
3. that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;
4. that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;
5. that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty; and
6. that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

Presently, the Company is in the process of evaluating the impact that application of this appendix is expected to have on its financial statements. The Company intends to apply this appendix retrospectively, with the cumulative effect of initially applying the appendix recognised at the date of initial application as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate).

Notes to Standalone Financial Statements for the year ended 31 March 2019

(4) (i) Property, Plant and Equipment

(₹ in lakh)

Particulars	Freehold Land	Leasehold Land	Factory Building	Administrative and Other Building	Plant and Machinery	Furniture and Fixture	Equipment	Vehicle	Computers	Total
Gross Carrying Value										
As At 1 April 2017	177.86	2,549.32	1,308.25	1,608.62	20,178.00	73.29	26.18	308.27	30.06	26,259.85
Additions	-	-	0.19	934.45	39.98	-	5.06	154.58	3.83	1,138.09
Sale/Deduction	-	-	-	-	-	-	-	37.21	7.28	44.49
As At 31 March 2018	**177.86**	**2,549.32**	**1,308.44**	**2,543.07**	**20,217.98**	**73.29**	**31.24**	**425.64**	**26.61**	**27,353.45**
Additions	-	-	-	-	71.46	8.40	4.03	84.28	25.55	193.72
Sale/Deduction	-	-	-	-	-	-	-	46.10	-	46.10
As At 31 March 2019	**177.86**	**2,549.32**	**1,308.44**	**2,543.07**	**20,289.44**	**81.69**	**35.27**	**463.82**	**52.16**	**27,501.07**
Accumulated Depreciation										
As At 1 April 2017	-	99.03	130.71	91.11	2,124.54	14.36	9.98	36.82	5.05	2,511.60
For the year	-	99.03	87.04	112.99	1,157.71	13.39	6.25	54.99	8.06	1,539.46
Adjustment	-	-	-	-	-	-	-	25.56	6.92	32.48
As At 31 March 2018	**-**	**198.06**	**217.75**	**204.10**	**3,282.25**	**27.75**	**16.23**	**66.25**	**6.19**	**4,018.58**
For the year	-	99.03	83.40	125.48	1,153.27	13.67	4.94	64.67	12.06	1,556.52
Adjustment	-	-	-	-	-	-	-	11.28	-	11.28
As At 31 March 2019	**-**	**297.09**	**301.15**	**329.58**	**4,435.52**	**41.42**	**21.17**	**119.64**	**18.25**	**5,563.82**
Net Book Value										
As At 31 March 2019	**177.86**	**2,252.23**	**1,007.29**	**2,213.49**	**15,853.97**	**40.27**	**14.10**	**344.18**	**33.91**	**21,937.30**
As At 31 March 2018	**177.86**	**2,351.26**	**1,090.69**	**2,338.97**	**16,935.73**	**45.54**	**15.01**	**359.39**	**20.42**	**23,334.87**

(4) (ii) Intangible Assets

(₹ in lakh)

Particulars	Software
Gross Carrying Value	
As At 1 April 2017	25.77
Additions	-
As At 31 March 2018	**25.77**
Additions	10.80
As At 31 March 2019	**36.57**
Amortisation and Impairment	
As At 1 April 2017	14.35
Amortisation	4.99
As At 31 March 2018	**19.34**
Amortisation	6.75
As At 31 March 2019	**26.09**
Net Book Value	
As At 31 March 2019	**10.48**
As At 31 March 2018	**6.43**

(4) (iii): Entire Property, Plant and Equipment are given as security against borrowings, the details related to which have been described in Note 22 on "Borrowings".

4 (iv) Leases

The Company has taken land under finance leases. Significant leasing arrangements include assets dedicated for use under long term arrangements. The arrangements covers a substantial part of the economic life of the underlying asset and contain a renewal option on expiry. Payments under long term arrangements involving use of dedicated assets are allocated between those relating to the right to use of assets, executory services and for output based on the underlying contractual terms and conditions. Any change in the allocation assumptions may have an impact on lease assessment and/or lease classification.

The minimum lease payments and the present value of minimum lease payments in respect of arrangements classified as finance leases are as below:

(₹ in lakh)

Particulars	As At 31 March 2019		As At 31 March 2018	
	Minimum Lease Payments	Present Value of Minimum Lease Payments	Minimum Lease Payments	Present Value of Minimum Lease Payments
Not later than one year	39.28	4.46	39.28	3.72
Later than one year but not later than 5 years	205.24	30.66	201.72	26.74
Later than five years	630.73	331.36	712.83	340.09
Total future minimum lease commitments	**875.25**	**366.48**	**953.83**	**370.55**
Less: Future finance charges	508.77		583.28	
Present Value of Minimum Lease Payments	**366.48**		**370.55**	
Disclosed as:				
Non-Current Borrowings (refer note 18)	362.02		366.83	
Other Financial Liabilities - Current (refer note 24)	4.46		3.72	
	366.48		**370.55**	

Notes to Standalone Financial Statements for the year ended 31 March 2019

(5) Non-Current Investments

(₹ in lakh)

Particulars				As At 31 March 2019	As At 31 March 2018
Investments in Subsidiaries measured at Cost	Face Value (₹)	No. of Shares			
		31 March 2019	31 March 2018		
Investment in Unquoted Equity Shares (fully paid up)					
AXL Exploration Pvt. Ltd.	100.00	2,42,625.00	2,42,625.00	549.07	549.07
Anjaney Minerals Ltd.	10.00	1,10,00,000.00	1,10,00,000.00	1,062.38	1,062.38
Salanpur Sinters Pvt. Ltd.	10.00	60,40,000.00	60,40,000.00	602.84	602.84
Investments measured through OCI (FVOCI)					
Investment in Unquoted Equity Shares (fully paid up) Ideal Centre Services Pvt. Ltd.	10.00	1,500.00	1,500.00	0.15	0.15
Investment in Quoted Equity Shares (fully paid up) Hindustan Petroleum Corporation Ltd.	10.00	2,16,000.00	2,16,000.00	613.12	743.36
				2,827.56	**2,957.80**

5.1

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Aggregate Cost of Quoted Investments	588.44	588.44
Market Value of Quoted Investments	613.12	743.36
Aggregate Amount of Unquoted Investments	2,214.43	2,214.43

(6) Other Non-Current Financial Assets

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Unsecured, Considered Good		
Security Deposits	3,343.22	2,767.66
	3,343.22	**2,767.66**

(7) Non-Current Tax Asset (Net)

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Advance Tax (Net of Provisions)	609.96	324.58
	609.96	**324.58**

(8) Other Non-Current Assets

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Unsecured, Considered Good		
Capital Advances	99.49	68.43
	99.49	**68.43**

Notes to Standalone Financial Statements for the year ended 31 March 2019

(9) Inventories

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Raw Materials		
- Ferro Alloys	12,140.81	14,313.41
- Power Plant	183.63	566.56
Raw Materials in Transit	8,300.98	4,141.99
Work - In - Progress	175.96	134.26
Finished Goods	3,786.12	4,003.66
Finished Goods in Transit	-	10.83
Finished Goods - Trading Goods	6.87	-
Slag and Waste	686.20	902.75
Stores and Spares Parts	813.66	745.31
	26,094.23	**24,818.77**

9.1 For method of valuation of inventories refer note 3(j).

9.2 Inventories have been hypothecated as security against certain bank borrowings of the Company (Refer note 22).

(10) Current Investments

(₹ in lakh)

Particulars	No. of units / Debentures		As At 31 March 2019	As At 31 March 2018
Investments in Units of Mutual Funds - FVTPL	**31 March 2019**	**31 March 2018**		
Edelweiss Arbitrage Fund	-	2,39,98,582.61	-	2,544.45
Edelweiss Arbitrage Monthly Dividend Direct Plan	-	7,21,57,255.91	-	9,021.97
Kotak Equity Arbitrage Fund	-	6,00,50,278.01	-	6,600.43
Kotak Equity Arbitrage Fund Fortnightly Dividend	98,00,643.46	2,12,62,705.56	2,306.96	5,009.07
Reliance Arbitrage Advantage Fund	63,81,620.93	8,01,10,081.81	701.72	10,116.61
SBI Liquid Fund Direct Growth	4,10,639.07	-	12,025.85	-
Investments in Market Linked Debentures - FVTPL				
Citicorp Finance India Ltd.	16,841.00	-	16,999.31	-
Piramal Enterprises Ltd.	1,500.00	-	15,000.00	-
IIFL Wealth Finance Ltd.	15,000.00	-	15,043.74	-
			62,077.58	**33,292.53**

Notes to Standalone Financial Statements for the year ended 31 March 2019

(11) Trade Receivables

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Unsecured, Considered Good		
Trade Receivables	25,665.51	24,372.51
	25,665.51	**24,372.51**

11.1 Trade Receivables have been hypothecated as security against bank borrowings of the Company (Refer note 22).

(12) Cash and Cash Equivalents

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Cash on Hand	13.57	18.09
Cheques in Hand	114.16	0.04
Balance with Banks		
-In Current Accounts	1,486.65	2,432.08
-Debit Balances in Cash Credit Accounts	18.35	85.38
	1,632.74	**2,535.59**

(13) Other Bank Balances (other than note 12 above)

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Bank Deposits with original maturity of more than 3 months and up to 12 months	2,659.37	2,529.51
Earmarked Unpaid Dividend Accounts	4.76	4.98
	2,664.13	**2,534.49**

13.1 Bank deposit are restricted in use as it relates to margin money.

13.2 Earmarked unpaid dividend accounts are restricted in use as it relates to unclaimed or unpaid dividend.

(14) Loans - Current

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Unsecured, Considered Good	99.01	93.87
Advances to Subsidiary Company	**99.01**	**93.87**

(15) Other Current Financial Assets

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Unsecured, Considered Good		
Insurance Claim Receivable	-	200.62
Financial Asset on Forward Contract	192.88	-
Interest Accrued on Bank Deposits	207.17	161.20
Staff Advance	21.44	15.73
	421.49	**377.55**

(16) Other Current Assets

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Unsecured, Considered Good		
Advance for Raw Materials and Stores	2,487.31	2,114.09
Balances with Statutory/Government Authorities	559.78	628.08
Export Incentives Receivable	1,291.18	1,121.23
Income Tax Refundable	8.93	5.05
Prepaid Expenses	43.88	62.41
Others	683.94	774.06
	5,075.02	**4,704.92**

(17) Share Capital

(₹ in lakh)

Particulars	As At 31 March 2019		As At 31 March 2018	
	Nos.	Amount (₹)	Nos.	Amount (₹)
Authorised Share Capital				
Equity Shares of ₹10/- each	8,00,00,000	8,000.00	8,00,00,000	8,000.00
Issued, Subscribed and Paid-up Share Capital				
Equity Shares of ₹10/- each	2,91,11,550	**2,911.16**	2,91,11,550	**2,911.16**

a) Rights, Preferences and Restrictions attached to Equity Shares

The Company has only one class of equity share having a face value of ₹10/- per share with one vote per equity share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after settling off all outside liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Details of shareholders holding more than 5% shares in the Company

Name of shareholders	As At 31 March 2019		As At 31 March 2018	
	Nos.	% of holding	Nos.	% of holding
Maithan Smelters Pvt. Ltd.	53,97,357	18.54%	53,97,357	18.54%
H. S. Consultancy Pvt. Ltd.	32,59,200	11.20%	32,59,200	11.20%

c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Particulars	As At 31 March 2019	As At 31 March 2018
Issue of bonus shares in FY 2015-16	1,45,55,775	1,45,55,775

(18) Borrowings - Non-Current

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Finance Lease Obligations	362.02	366.83
	362.02	**366.83**

(19) Non-Current Provisions

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Provisions for Employee Benefits	233.51	188.01
	233.51	**188.01**

19.1 Movement in Provisions

(₹ in lakh)

Balance As At 1 April 2017	169.71
Provision Created	18.30
Balance As At 31 March 2018	**188.01**
Provision Utilised	(11.65)
Provision Created	57.15
Balance As At 31 March 2019	**233.51**

(20) Deferred Tax Liabilities (Net)

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Deferred Tax Liabilities		
- Fixed Assets	2,873.91	2,541.55
- Fair Value Gain on Mutual Fund	13.05	-
Gross Deferred Tax Liabilities	**2,886.96**	**2,541.54**
Deferred Tax Assets		
- Employee benefits	89.81	71.29
Gross Deferred Tax Asset	**89.81**	**71.29**
Deferred Tax Liabilities / (Assets) (Net)	**2,797.15**	**2,470.25**

(21) Other Non-Current Liabilities

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Deferred Government Grant	107.48	116.57
	107.48	**116.57**

(22) Borrowings - Current

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Working Capital Loan from Banks (Secured)		
- Rupee Loan	343.03	2,499.88
	343.03	**2,499.88**

22.1 Working capital loans are secured by first charge and hypothecation of raw materials, work in progress, finished goods, stores and consumables, receivables, bills, etc. These are further secured by first charge on moveable and immoveable property, plant and equipment both present and future of both Kalyaneshwari and Byrnihat Units and second charge on moveable and immoveable property, plant and equipment both present and future of Visakhapatnam Unit.

Notes to Standalone Financial Statements for the year ended 31 March 2019

(23) Trade Payables

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Creditors	24,623.87	14,728.49
	24,623.87	**14,728.49**

23.1 Trade payables are non-interest bearing and have an average term of two to three months.

23.2 There are no dues to Micro and Small Enterprises as at 31 March 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

(24) Other Current Financial Liabilities

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Current Maturities of Long Term Borrowings	-	1,603.79
Current Maturities of Finance Lease Obligations	4.46	3.72
Financial Liability on Forward Contract	-	34.19
Interest Accrued but not due on Borrowings	-	1.41
Creditors for Capital Goods	-	2.91
Unclaimed Dividend*	4.77	4.98
Other Liabilities		
- Employee Dues	473.94	569.39
- Liability for Expenses	2,136.07	2,349.98
- Others	52.53	19.83
	2,671.77	**4,590.20**

*There are no amount due for payment to the Investors Education and Protection Fund at the year end.

(25) Provisions - Current

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Provisions for Employee Benefits	142.26	127.09
	142.26	**127.09**

25.1 Movement in Provisions:

(₹ in lakh)

Balance As At 1 April 2017	107.77
Provision Utilised	(103.60)
Provision Reversed	(0.14)
Provision Created	123.06
Balance As At 31 March 2018	**127.09**
Provision Utilised	(109.74)
Provision Reversed	(0.81)
Provision Created	125.72
Balance As At 31 March 2019	**142.26**

Notes to Standalone Financial Statements for the year ended 31 March 2019

(26) Current Tax Liabilities

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Provision for Tax (Net of Advance Tax)	31.33	643.34
	31.33	**643.34**

(27) Other Current Liabilities

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Current portion of Deferred Government Grant	9.09	9.09
Other Liabilities		
- Statutory Dues	1,182.00	1,516.38
- Advance from Customer	1,131.54	1,231.54
- Others	6,935.17	6,190.56
	9,257.80	**8,947.57**

(28) Revenue from Operations

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Sale of Products		
- Manufactured Goods		
- Ferro Alloys	1,70,428.86	1,62,560.44
- Wind Power	184.02	191.24
- Traded Goods		
- Ferro Alloys	10,022.29	5,766.13
- Manganese Ore	5,292.29	9,951.48
- Others	2,332.95	1,833.24
Other Operating Revenue		
- Sale of Slag and Waste	4,323.78	3,630.70
- Forex Fluctuation Gain	3,346.86	1,942.39
- Tax Refund / Remission	780.34	656.98
- Export Incentives	2,081.62	2,567.33
	1,98,793.01	**1,89,099.93**

(29) Other Income

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Interest Income	447.11	287.29
Deferred Revenue Grant	9.09	7.30
Gain on Investments	397.43	(138.55)
Dividend Received	1,318.63	1,343.92
Commission Received	-	1.42
Insurance Claim Received	139.31	-
Sundry Balances Written Off	281.59	(84.02)
Miscellaneous Receipts	13.80	52.13
	2,606.96	**1,469.49**

Notes to Standalone Financial Statements for the year ended 31 March 2019

(30) Cost of Material Consumed

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Opening Stock	14,313.41	5,869.46
Add: Purchases	93,469.65	88,751.10
	1,07,783.05	**94,620.56**
Less: Closing Stock	12,140.81	14,313.41
Raw Material Consumed	**95,642.24**	**80,307.15**

30.1 Raw material purchases are net of sale of unusable raw materials.

(31) Purchases of Stock In Trade

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Ferro Alloys	9,264.76	5,379.28
Manganese Ore	5,048.66	9,308.06
Others	2,265.92	1,678.40
	16,579.34	**16,365.74**

(32) Changes In Inventories

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Stock at the end of the year		
Finished Goods	3,786.12	4,014.49
Work-In-Process	175.96	134.26
Slag and Waste	686.20	902.75
	4,648.28	**5,051.50**
Stock at the beginning of the year		
Finished Goods	4,014.49	4,558.27
Work-In-Process	134.26	157.50
Slag and Waste	902.75	621.31
	5,051.50	**5,337.08**
(Increase) / Decrease in stock of:		
Finished Goods	228.37	543.78
Work-In-Process	(41.70)	23.24
Slag and Waste	216.55	(281.44)
Total (Increase)/ Decrease in Inventories	**403.22**	**285.58**

(33) Employee Benefits Expense

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Salaries and Wages	2,551.62	2,427.13
Directors' Remuneration	1,703.10	1,939.76
Contribution to Provident and Other Funds	95.18	107.42
Staff Welfare Expenses	63.20	48.42
	4,413.10	**4,522.73**

Notes to Standalone Financial Statements for the year ended 31 March 2019

(34) Power Cost

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Raw Material Consumed in Power Plant	1,901.94	3,717.96
Electricity Charges	34,701.76	32,716.66
Electricity Duty	601.08	30.28
Operation and Maintenance of Power Plant	135.02	189.68
	37,339.80	**36,654.58**

(35) Finance Cost

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Interest on Finance Lease Obligation	35.20	35.55
Interest on Borrowings	555.61	369.79
	590.81	**405.34**

(36) Depreciation and Amortisation Expenses

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Depreciation on Property, Plant and Equipment	1,556.52	1,539.44
Amortisation on Intangible Assets	6.75	4.99
	1,563.27	**1,544.43**

(37) Other Expenses

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Export Expenses	3,450.30	3,448.46
Stores and Packing Materials	1,607.40	1,257.73
Packing and Forwarding Expenses	1,056.98	1,063.59
Carriage Outward	772.72	900.85
Rebate and Discounts	885.58	531.03
Other Manufacturing Expenses	507.05	470.76
Brokerage and Commission	484.09	444.35
Bank Commission and Charges	230.99	376.81
Pollution Control Expenses	393.98	310.59
Entry Tax	-	84.93
Carriage Inward	28.08	20.40
Service Tax Expenses	0.19	19.91
Excise Duty (Refer note 37.1)	-	(310.13)
Repairs to Machinery	1,012.16	1,275.74
Repairs to Building	79.16	110.30
Repairs to Others	56.09	49.35
Rates and Taxes	49.44	436.95
Loss on Sale of Property Plant & Equipment	9.82	(0.66)
Professional Charges	180.95	289.53
CSR Expenses (Refer note 37.2)	489.22	281.91
Insurance Premium	66.14	63.11

(37) Other Expenses

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Directors' Sitting Fees	4.80	4.23
Rent	23.08	24.96
Demurrage Charges	109.09	-
Auditors Remuneration		
- Statutory Audit Fee	12.00	12.00
- Tax Audit Fee	1.25	1.25
- Other Services	2.75	3.52
- Reimbursement of Expenses	-	0.70
Miscellaneous Expenses	672.15	517.77
	12,185.46	**11,689.94**

37.1 Represents excise duty related to the difference between the closing stock and opening stock.

37.2 Expenditure on Corporate Social Responsibility (CSR) activities

(i) Details of CSR Expenditure:

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
(a) Gross amount required to be spent by the Company during the year	489.10	281.56
(b) Amount spent during the year:		
(i) Construction/Acquisition of any asset	-	-
(ii) On purposes - in cash	**489.22**	**281.91**

(ii) The various heads under which the CSR expenditure were incurred in cash is detailed as follows:

(₹ in lakh)

Relevant Clause of Schedule VII to the Act	Description of CSR activities	Year Ended 31 March 2019	Year Ended 31 March 2018
Clause (i) & (ii)	Promoting healthcare including preventive healthcare and promoting education	19.00	5.00
Clause (i)	Eradicating hunger, poverty and malnutrition, Promoting healthcare including preventive healthcare	51.00	0.22
Clause (ii)	Promoting education, including special education and employment enhancing vocational training and livelihood enhancement projects*	399.00	271.00
Clause (iii)	Setting up homes and other facilities for orphans, senior citizens and for socially and economically backward groups.	-	4.61
Clause (iv)	Ensuring animal welfare	20.00	-
Clause (vii)	Promoting rural and nationally recognised sports	-	0.54
Clause (x)	Rural development projects	0.22	0.54
		489.22	**281.91**

(38) Earnings Per Share (EPS)

(₹ in lakh)

Particulars	31 March 2019	31 March 2018
i. Profit after tax as per Statement of Profit and Loss	25,526.27	29,174.64
ii. Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	291.12	291.12
iii. Weighted Average Potential Equity Shares	-	-
iv. Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	291.12	291.12
v. Basic Earnings Per Shares (₹)	87.68	100.22
vi. Diluted Earnings Per Share (₹)	87.68	100.22
vii. Face Value Per Equity Share (₹)	10.00	10.00

(39) Tax Expenses

39.1 Amount recognised in Profit or Loss

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Current Tax:		
Income Tax for the year	6,815.00	8,530.50
Charge /(Credit) in respect of Current Tax for earlier years	-	0.32
Total Current Tax	**6,815.00**	**8,530.82**
Deferred Tax:		
Origination and Reversal of Temporary Differences	341.45	(114.97)
Total Deferred Tax	**341.45**	**(114.97)**
Total Tax Expenses	**7,156.45**	**8,415.85**

39.2 Amount recognised in Other Comprehensive Income

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
The Tax (Charge)/ Credit arising on Income and Expenses recognised in Other Comprehensive Income is as follows:		
Deferred tax		
On Items that will not be Reclassified to Profit or Loss		
Remeasurement Gains/(Losses) on Defined Benefit Plans	(0.62)	(5.88)
Equity Instruments through OCI	15.17	-
Total	**14.55**	**(5.88)**

39.3 Movements in Deferred Tax (Liabilities) / Assets

The Company has accrued significant amounts of deferred tax. The majority of the Deferred Tax Liability represents accelerated tax relief for the depreciation of Property, Plant and Equipment and Net of Losses carried forward and unused Tax Credit in the form of MAT credits carried forward. Significant components of Deferred Tax Assets & (Liabilities) recognised in the Balance Sheet as follows:

39.3 Movements in Deferred Tax (Liabilities) / Assets (Contd.)

(₹ in lakh)

Particulars	Fixed Assets	Fair Value of Financial Instrument	Employee Benefits and Others	Total
As At 1 April 2017	(2,644.30)	-	64.96	(2,579.34)
(Charged) / Credited to :				
- Profit or Loss	102.75	-	12.22	114.97
- Other Comprehensive Income	-	-	(5.88)	(5.88)
As At 31 March 2018	**(2,541.55)**	**-**	**71.30**	**(2,470.25)**
(Charged) / Credited to :				
- Profit or Loss	(332.36)	(28.22)	19.13	(341.45)
- Other Comprehensive Income	-	15.17	(0.62)	14.55
As At 31 March 2019	**(2,873.91)**	**(13.05)**	**89.81**	**(2,797.15)**

(40) Employee Benefit Obligations

a) Defined Contributory Plans

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2019
The followings recognised in the Statement of Profit and Loss		
Contribution to Employees Provident Fund	67.31	62.33

b) Defined Benefit Plans

(₹ in lakh)

Particulars	As At 31 March 2019		As At 31 March 2018	
	Current	Non-current	Current	Non-current
Leave Encashment	8.12	33.34	7.59	28.75
Gratuity	15.38	200.17	10.40	159.26

I. Leave Encashment

The liabilities for leave encashment are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit Method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Other Comprehensive Income.

A. Amount recognised in the Balance Sheet

(₹ in lakh)

Particulars	As At 31 March 2019	As At 1 April 2018
Present Value of the Plan Liabilities	41.46	36.34
Fair Value of Plan Assets	-	-
Net Liabilities / (Assets)	**41.46**	**36.34**

(40) Employee Benefit Obligations (Contd.)

B. Movements in Plan Assets and Plan Liabilities

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
As At 1 April	36.34	38.19
Current Service Cost	6.51	8.06
Net interest	2.58	2.85
Net impact on Profit Before Tax	**9.09**	**10.91**
Actuarial (Gain)/Loss arising from changes in-		
- Financial Assumptions	0.17	(0.82)
- Experience Adjustments	1.21	(3.18)
Net Gain recognised in Other Comprehensive Income	**1.38**	**(4.00)**
Curtailment Cost	-	(6.41)
Benefits Paid	(5.35)	(2.35)
As At 31 March	**41.46**	**36.34**

C. Assumptions

Principal actuarial assumptions as at the Balance Sheet date:

Particulars	As At 31 March 2019	As At 1 April 2018
Discount Rate (%)	7.65%	7.70%
Salary Escalation Rate (%)	6.00%	6.00%

D. Sensitivity

The sensitivity of the defined benefit obligation (DBO) to changes in the weighted key assumptions are:

(₹ in lakh)

Particulars	Year Ended 31 March 2019			Year Ended 31 March 2018		
	Change in assumption	Impact on DBO if rate increases	Impact on DBO if rate decreases	Change in assumption	Impact on DBO if rate increases	Impact on DBO if rate decreases
Discount Rate	0.50%	34.13	38.61	0.50%	29.35	33.39
Salary Escalation Rate	0.50%	38.63	34.10	0.50%	33.40	29.32

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

E. Maturity

The defined benefit obligations shall mature as follows:

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Year 1	8.43	7.88
Year 2	1.31	0.66
Year 3	0.53	1.09
Year 4	1.20	0.47
Year 5	1.45	1.24
Next 5 years	109.61	101.01

The weighted average duration of defined benefit obligation is 11 years.

(40) Employee Benefit Obligations (Contd.)

II. Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

A. Amount recognised in the Balance Sheet

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Present value of the Plan Liabilities	215.55	169.66
Fair Value of Plan Assets	-	-
Net Liabilities	**215.55**	**169.66**

B. Movements in Plan Assets and Plan Liabilities

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
As At 1 April	169.66	149.51
Current Service Cost	37.36	34.28
Plan Amendments : Vested portion at the end of period(past services)	5.39	-
Interest Expense/ Income	12.68	11.04
Net impact on Profit Before Tax	**55.43**	**45.32**
Actuarial (Gain)/Loss arising from changes in-		
- Financial Assumptions	1.21	(4.24)
- Experience Adjustments	(3.00)	(8.74)
Net Gain recognised in Other Comprehensive Income	**(1.79)**	**(12.98)**
Benefits Paid	(7.75)	(12.19)
As At 31 March	**215.55**	**169.66**

C. Assumptions

Principal actuarial assumptions as at the Balance Sheet date:

Particulars	As At 31 March 2019	As At 31 March 2018
Discount Rate (%)	7.65%	7.70%
Salary Escalation Rate (%)	6.00%	6.00%

(40) Employee Benefit Obligations (Contd.)

D. Sensitivity

The sensitivity of the defined benefit obligation (DBO) to changes in the weighted key assumptions are:

(₹ in lakh)

Particulars	Year Ended 31 March 2019			Year Ended 31 March 2018		
	Change in assumption	Impact on DBO if rate increases	Impact on DBO if rate decreases	Change in assumption	Impact on DBO if rate increases	Impact on DBO if rate decreases
Discount Rate	1.00%	202.51	227.31	1.00%	158.79	179.63
Salary Escalation Rate	1.00%	227.33	202.34	1.00%	178.94	159.24

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

E. Maturity

The defined benefit obligations shall mature as follows:

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Year 1	15.96	10.80
Year 2	11.17	3.94
Year 3	3.28	9.31
Year 4	6.35	2.25
Year 5	11.31	5.67
Next 5 years	591.64	510.59

The weighted average duration of defined benefit obligation is 11 years.

(41) Financial Risk Management

The Company has a system-based approach to risk management, anchored to policies & procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities.

Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulations. It also seeks to drive accountability in this regard.

The Company's financial liabilities includes Borrowings, Trade Payables and Other Financial Liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Trade Receivables, Cash and Cash Equivalents and Other Financial Assets that are derived directly from its operations.

It is the Company's policy that derivatives are used exclusively for hedging purposes and not for trading or speculative purposes.

(41) Financial Risk Management (Contd.)

Risk	Exposure arising from	Measurement	Management
Market Risk – Price Risk	Investments in equity securities	Sensitivity analysis	Continuous monitoring the performance of investments
Market Risk – Foreign Exchange	Future commercial transactions and recognised Financial Assets & Liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Projecting cash flows and considering the forecast of fluctuation in exchange rates
Market Risk – Interest Rate	Borrowings at floating interest rates	Sensitivity analysis	Exposure to floating interest rate debt is only to the extent of Working Capital requirement .
Credit Risk	Trade receivables and other Financial Assets measured at amortised cost	Ageing analysis	Diversification of customer base
Liquidity Risk	Financial liabilities that are settled by delivering cash or another Financial Asset.	Cash flow forecasts	Projecting cash flows and considering the level of liquid assets necessary to meet the liabilities

The Board of Directors reviewed policies for managing each of these risks which are summarised below:-

(a) Market Risk

(i) Commodity Price Risk

Alloy industry being cyclical in nature, realisations gets adversely affected during downturn. Higher input prices or higher production than the demand ultimately affects the profitability. The Company has mitigated this risk by well integrated business model.

(ii) Price Risk

Market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

The Company also invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risk of the underlying assets, whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

Sensitivity

The table below summarises the impact of increases/decreases of the share prices on the Company's investment:

(₹ in lakh)

Particulars	Impact on profit before tax	
	31 March 2019	31 March 2018
Increase by 5% (2018: 5%)*	3,134.54	0.02
Decrease by 5% (2018: 5%)*	(3,134.54)	(0.02)

* Holding all other variables constant

(41) Financial Risk Management (Contd.)

(iii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in the market interest rates relates primarily to the Company's borrowings obligations with floating interest rates. The borrowings of the Company are principally denominated in Indian Rupees linked to MCLR with floating rates of interest.

The Company invests surplus funds in Short-Term Deposits and Mutual Funds, some of which generate a tax-free return, to achieve the Company's goal of maintaining liquidity, carrying manageable risk and achieving satisfactory returns.

The exposure of the Group's financial liabilities to interest rate risk is as follows:

(₹ in lakh)

Particulars	As At 31 March 2019	As At 1 April 2018
Floating Rate		
Rupee Borrowings	343.03	2,499.88
Total	**343.03**	**2,499.88**

Sensitivity

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates as below:

(₹ in lakh)

Particulars	Impact on profit before tax	
	31 March 2019	31 March 2018
Interest expense rates – increase by 50 basis points (2018: 50 bps)*	(1.72)	(12.50)
Interest expense rates – decrease by 50 basis points (2018: 50 bps)*	1.72	12.50

* Holding all other variables constant

(iv) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated Borrowings, Creditors and Debtors. This foreign currency risk is covered by using foreign exchange forward contracts.

Since the Company has both imports as well as exports (exports are more than imports) the currency fluctuation risk is largely mitigated by matching the export inflows with import outflows. Surplus exports are hedged using simple forward exchange contracts depending on the market conditions.

The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency rates is appropriately managed. The following analysis is based on the gross exposure as at the reporting date which could affect the Profit or Loss or Other Comprehensive Income. The exposure summarised below is mitigated by some of the derivative contracts entered into by the Company as disclosed under the section on "Derivative financial instruments".

(41) Financial Risk Management (Contd.)

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:- (₹ in lakh)

Particulars	As At 31 March 2019		As At 31 March 2018	
	USD	Euro	USD	Euro
Trade Receivables	7,667.48	2,899.92	9,320.64	1,085.36
Trade Payables	22,028.00	-	12,806.32	-
Foreign Currency Borrowings	-	-	1,603.79	-
Net Exposure	**(14,360.52)**	**2,899.92**	(5,089.47)	1,085.36

Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have no material impact on profit.

(v) Derivative Financial Instruments and Risk Management

The Company has entered into variety of foreign currency forward contracts to manage its exposure to fluctuations in foreign exchange rates. These financial exposures are managed in accordance with the Company's risk management policies and procedures.

The Company uses forward exchange contracts to hedge its exposures in foreign currency arising from firm commitments and highly probable forecast transactions. Forward exchange contracts, designated under hedging, that were outstanding on respective reporting dates, expressed in INR:

(₹ in lakh)

Currency	Gross Currency	As At 31 March 2019		As At 31 March 2018	
		Buy	Sell	Buy	Sell
US Dollar	INR	-	4,005.02	-	5,555.56
Euro	INR	-	17,273.21	-	1,082.91

The aforesaid hedges have a maturity of less than 1 year from the year end.

(b) Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit risk on receivables is limited as almost all domestic sales are against advance payment or letters of credit (except sale made to PSU's) and export sales are on the basis of documents against payment or letters of credit.

i) Financial Instruments and Deposits

For current investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. This, therefore, results in diversification of credit risk for the Company's mutual fund investments.

With respect to the Company's investing activities, counter parties are shortlisted and exposure limits determined on the basis of their credit rating (by independent agencies), financial statements and other relevant information. Taking into account the experience of the Company over time, the counter party risk attached to such assets is considered to be insignificant.

None of the Company's Cash and Cash Equivalents, including Time Deposits with banks, are past due or impaired. Regarding Trade Receivables, Loans and Other Financial Assets (both current and non-current), there were no indications as at 31 March 2019, that defaults in payment obligations will occur .

ii) Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally

(41) Financial Risk Management (Contd.)

carrying 30 days credit terms. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically. The ageing of trade receivables as of Balance Sheet date is given below. The age analysis have been considered from the due date:

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Neither past due nor impaired	19,764.15	15,661.26
Past due but not impaired		
Due less than 6 months	5,335.09	8,290.47
Due between 6–12 months	305.93	64.73
Due greater than 12 months	260.34	356.05
Total	**25,665.51**	24,372.51

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer. The Company based on past experiences does not expect any material loss on its receivables and hence no allowance is deemed necessary on account of Expected Credit Loss.

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Company uses simplified approach for impairment of financial assets. If credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

(c) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the underlying business, the Company maintains sufficient cash and liquid investments available to meet its obligation.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The management also considers the cash flow projections and level of liquid assets necessary to meet these on a regular basis.

(i) Financing Arrangements

The Company had access to the following undrawn funding facilities at the end of the reporting period:

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Expiring within one year (bank overdraft and other facilities)	8,656.97	7,850.00
	8,656.97	7,850.00

(41) Financial Risk Management (Contd.)

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities in INR may be drawn at any time.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening the financial position. The maturity profile of the Company's financial liabilities based on the remaining period from the date of Balance Sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	> 5 years	Total
As At 31 March 2019					
Borrowings*	382.31	82.09	123.14	630.73	1,218.27
Derivative Financial Liabilities	-	-	-	-	-
Trade Payables	24,623.87	-	-	-	24,623.87
Other Financial Liabilities**	2,667.31	-	-	-	2,667.31
Total	**27,673.49**	**82.09**	**123.14**	**630.73**	**28,509.45**

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	> 5 years	Total
As At 31 March 2018					
Borrowings	4,144.10	78.02	122.33	712.29	5,056.74
Derivative Financial Liabilities	34.19	-	-	-	34.19
Trade Payables	14,728.49	-	-	-	14,728.49
Other Financial Liabilities **	2,947.09	-	-	-	2,947.09
Total	21,853.87	78.02	122.33	712.29	22,766.51

* Includes non-current borrowings, current borrowings, current maturities of non-current borrowings and committed interest payments including finance lease obligations.

** Includes other non-current and current financial liabilities but excludes current maturities of non-current borrowings and derivatives and committed interest payments on borrowings.

(42) Capital Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation and borrowings. The Company's policy is to use current and non-current borrowings to meet anticipated funding requirements.

The Company monitors capital on the basis of the gearing ratio which is net debt divided by total capital (equity plus net debt) . The Company is not subject to any externally imposed capital requirements. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares .

(42) Capital Management (Contd.)

The Gearing Ratio at the end of the reporting period was as follows: (₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Long-Term Borrowings	362.02	366.83
Short-Term Borrowings and Current Maturities of Long-Term Borrowings	347.49	4,107.39
Total Borrowings (a)	709.51	4,474.22
Less:		
Cash and Cash Equivalents	1,632.74	2,535.59
Current Investments	62,077.58	33,292.53
Total Cash (b)	**63,710.32**	35,828.12
Net Debt (c = a-b)	(63,000.81)	(31,353.90)
Total Equity (as per Balance Sheet) (d)	1,11,987.50	87,511.77
Total Capital (e = c + d)	**48,986.69**	56,157.87
Gearing Ratio (c/e)	**(1.29)**	(0.56)

(b) Dividends Paid and Proposed (₹ in lakh)

Particulars	As At 31 March 2018	As At 31 March 2017
(i) Final dividend (including DDT) paid for the year ended 31 March 2018 of ₹3.00 (31 March 2017 – ₹2.50) per fully paid share	1,052.87	875.95
(ii) Dividends not recognised at the end of the reporting period		
The Board of Directors have recommended dividend of ₹6.00 (31 March 2018: ₹3.00) per fully paid up Equity Shares of ₹10.00 each. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	1,746.69	873.35
Dividend distribution tax (DDT) on above	359.04	179.52

(43) Disclosures on Financial Instruments

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the financial statements.

Categories of Financial Instruments (₹ in lakh)

Particulars	Notes	As At 31 March 2019	As At 31 March 2018
Financial Assets			
a) Measured at Amortised Cost			
i) Cash and Cash Equivalents	12	1,632.74	2,535.59
ii) Other Bank Balances	13	2,664.13	2,534.49
iii) Trade Receivables	11	25,665.51	24,372.51
iv) Other Financial Assets	6 & 15	3,571.83	3,145.21
Sub-Total		**33,534.21**	**32,587.80**

(43) Disclosures on Financial Instruments (Contd.)

b) Measured at Fair Value through OCI (FVOCI)			
i) Investment in Quoted Equity Shares	5	613.12	743.36
ii) Investment in Unquoted Equity Shares	5	0.15	0.15
Sub-Total		**613.27**	**743.51**
c) Measured at Fair Value through Profit and Loss (FVTPL)			
i) Investment	10	62,077.58	33,292.53
Sub-Total		62,077.58	33,292.53
d) Derivatives Measured at Fair Value			
ii) Derivative Instruments designated as Hedging Instruments	15	192.88	-
Sub-Total		192.88	**-**
Total Financial Assets		**96,417.94**	66,623.84
Financial Liabilities			
a) Measured at Amortised Cost			
i) Borrowings	18, 22 & 24	709.51	4,474.22
ii) Trade Payables	23	24,623.87	14,728.49
iii) Other Financial Liabilities	24	2,667.31	2,948.50
Sub-Total		**28,000.69**	**22,151.21**
b) Derivatives Measured at Fair Value			
i) Derivative Instruments designated as Hedging Instruments	24	-	34.19
Sub-Total		-	34.19
Total Financial Liabilities		**28,000.69**	22,185.40

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its Financial Instruments into the three levels prescribed under the accounting standards.

Level 1: Level 1 hierarchy includes Financial Instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation Technique used to determine Fair Value

Specific valuation techniques used to value financial instruments include:

• the fair value of all assets and liabilities

• the fair value of the financial instruments is determined using discounted cash flow analysis.

(iii) Fair value of Financial Assets and Liabilities measured at fair value - recurring fair value measurements

Particulars	As At 31 March 2019		As At 31 March 2018	
	Level 1	Level 3	Level 1	Level 3
Financial Assets				
Investment in Equity Instruments	613.12	0.15	743.36	0.15
Total Financial Assets	**613.12**	**0.15**	743.36	0.15

(43) Disclosures on Financial Instruments (Contd.)

(iv) Fair Value of Financial Assets and Liabilities Measured at Amortised Cost

Particulars	As At 31 March 2019		As At 31 March 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Liabilities				
Borrowings	709.51	709.51	4,474.22	4,474.22
Total Financial Liabilities	**709.51**	**709.51**	4,474.22	4,474.22

The carrying amounts of all other financial assets and financial liabilities are considered to be the same as their fair values, due to their short-term nature.

(v) Significant Estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (ii) above.

(44) Contingent Liabilities and Commitments

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flow.

(a) Contingent Liabilities:

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
a) Claims against the Company/ disputed liabilities not acknowledged as debt		
- Excise Duty and Service Tax Demand	449.69	171.64
b) Letters of Credit issued by Banks and Outstanding	6,298.77	3,241.78
c) Bank Guarantees issued by Banks and Outstanding	8,006.80	2,303.32
d) Bill Discounted backed by LC's	399.25	534.41

The amounts shown above represent the possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals.

(b) Commitments:

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Estimated amount of contracts remaining to be executed on capital commitments	63.00	13.52

Notes to Standalone Financial Statements for the year ended 31 March 2019

(45) Segment Reporting

The Company is primarily in the business of manufacturing of " Ferro Alloys ". Revenue from other activities is not material. Accordingly, there are no reportable business segments as per Ind AS 108.

Additional information:

45.1 Geographical Information

(₹ in lakh)

1. Revenue from External Customers	Year Ended 31 March 2019	Year Ended 31 March 2018
- Within India	86,685.85	81,874.62
- Outside India	1,05,898.34	1,02,058.61
Total	**1,92,584.19**	1,83,933.23
2. Non-Current Assets	**Year Ended 31 March 2019**	**Year Ended 31 March 2018**
- Within India	22,657.23	23,734.31
- Outside India	-	-
Total	**22,657.23**	23,734.31

45.2 For product wise information refer note 28.

45.3 The Company is not reliant on revenue from transactions with any single external customer.

(46) Assets Pledged as Security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
First charge		
Current		
Trade Receivables	25,665.51	24,372.51
Inventories	26,094.23	24,818.77
	51,759.74	49,191.28
Non-Current		
Property, Plant and Equipment	21,937.30	23,334.87
	21,937.30	23,334.87
Total assets pledged as security	**73,697.04**	72,526.15

(47) Related Party Disclosures

a) Name of the Related Parties and Description of Relationship:

I. Subsidiary Companies

1. AXL Exploration Pvt. Ltd.
2. Anjaney Minerals Ltd.
3. Salanpur Sinters Pvt. Ltd.

II. Key Managerial Personnel

1.	Mr. S. C. Agarwalla	Chairman and Managing Director
2.	Mr. Subodh Agarwalla	Whole-time Director and Chief Executive Officer
3.	Mr. Parasanta Chattopadyay	Non-Executive Director

III. Relatives of Key Managerial Personnel

1. Mr. Sudhanshu Agarwalla

IV. Enterprises over which Key Managerial Personnel are able to exercise significant influence

1. BMA Foundation

(47) Related Party Disclosures (Contd.)

b) Transactions during the year with Related Parties

(₹ in lakh)

Sl. No.	Gross Currency	Subsidiaries		Enterprises influenced by KMP		Key Management Personnel and their Relatives	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
1.	**Services Received**						
	Mr. Sudhanshu Agarwalla	-	-	-	-	588.56	571.09
2.	**Remuneration Paid**						
	Mr. S. C. Agarwalla	-	-	-	-	946.17	1,077.64
	Mr. Subodh Agarwalla	-	-	-	-	756.93	862.11
3.	**Sitting Fees**						
	Mr. Parasanta Chattopadyay	-	-	-	-	0.40	0.40
4.	**Purchase of Shares**						
	Salanpur Sinters (P) Ltd.	-	600.00	-	-	-	-
	Mr. S. C. Agarwalla	-	-	-	-	-	-
	Mr. Subodh Agarwalla	-	-	-	-	-	1.41
	Mr. Sudhanshu Agarwalla	-	-	-	-	-	1.41
5.	**CSR Expenses**						
	BMA Foundation	-	-	395.00	6.00	-	-
6.	**Loans / Advances given / (refund)**						
	Mr. Subodh Agarwalla	-	-	-	-	-	12.14
	BMA Foundation	-	-	(70.70)	70.70	-	-
	AXL Exploration Pvt. Ltd.	5.14	3.41	-	-	-	-
7.	**Reimbursement of Expenses**						
	Anjaney Minerals Ltd.	4.93	0.04	-	-	-	-
	Salanpur Sinters Pvt. Ltd.	26.10	0.03	-	-	-	-

c) Balance Outstanding :

(₹ in lakh)

Sl. No.	Gross Currency	Subsidiaries		Enterprises influenced by KMP		Key Management Personnel and their relatives	
		As At 31 March 2019	As At 31 March 2018	As At 31 March 2019	As At 31 March 2018	As At 31 March 2019	As At 31 March 2018
1.	**Remuneration Payable**						
	Mr. S. C. Agarwalla	-	-	-	-	141.58	189.81
	Mr. Subodh Agarwalla	-	-	-	-	114.93	151.45
2.	**Other Payables**						
	Mr. Sudhanshu Agarwalla	-	-	-	-	69.39	68.87
3.	**Loans and Advances - Current**						
	AXL Exploration Pvt. Ltd.	99.01	93.87	-	-	-	-
5.	**Other Receivables**						
	BMA Foundation	-	-	-	70.70	-	-

(47) Related Party Disclosures (Contd.)

d) Compensation to Key Management Personnel

(₹ in lakh)

Particulars	31 March 2019	31 March 2018
Short Term Employee Benefits	1,703.50	1,940.15
Post Employment Benefits*	-	-
Other Long Term Benefits*	-	-
	1,703.50	**1,940.15**

* Post employment benefits and long term employee benefits are determined on the basis of actuarial valuation for the Company as a whole and hence segregation is not available.

(48) Entities in Promoter/Promoter Group Holding 10% or More Shareholding

a) Name of the Parties:

1. Maithan Smelters Pvt. Ltd.
2. H.S. Consultancy Pvt. Ltd.

b) Transactions during the year with the Parties:

(₹ in lakh)

Sl. No.	Types of Transactions	Transactions		Balances	
		2018-19	2017-18	31 March 2019	31 March 2018
1.	**Dividend Paid**				
	Maithan Smelters Pvt. Ltd.	161.92	134.93	-	-
	H.S. Consultancy Pvt. Ltd.	97.78	81.48	-	-

(49) The previous year figures have been reclassified and regrouped where considered necessary to confirm to this year's presentations.

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

For and on behalf of the Board of Directors

For **M Choudhury & Co.**
Chartered Accountants
FRN.: 302186E

S. C. Agarwalla
Chairman & Managing Director
DIN: 00088384

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

D. Choudhury
Partner
Membership No.: 052066

Sudhanshu Agarwalla
President & CFO

Rajesh K. Shah
Company Secretary

Place: Kolkata
Date: 30 April 2019

INDEPENDENT AUDITORS' REPORT

To the Members of
Maithan Alloys Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Maithan Alloys Limited ("hereinafter referred to as the Holding Company"), and its three Subsidiary Companies (the Holding Company and its Subsidiaries collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated State of Affairs of the Group as at 31 March 2019, the Consolidated Profit, consolidated Other Comprehensive income, Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. We have determined that there are no key audit matters to be communicated in our report.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

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

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

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance, Consolidated Changes in Equity and Consolidated Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of the preparation of the Consolidated Financial Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the Company's financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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 of the aforesaid Consolidated Financial Statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019, taken on record by the Board of Directors of Holding Company and its subsidiaries incorporated in India, none of the directors is disqualified as on 31 March 2019 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 Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

(g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    i. The Consolidated Financial Statements disclose the impact of pending litigation on the Consolidated Financial Position of the Group.

    ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

    iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiary Companies incorporated in India during the year ended 31 March 2019.

For **M Choudhury & Co.**

Chartered Accountants

FRN.: 302186E

D Choudhury

Partner

Membership No.: 052066

Place: Kolkata

Date: 30 April 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MAITHAN ALLOYS LIMITED

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

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of Maithan Alloys Limited ("the Holding Company") and its three Subsidiary Companies which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its Subsidiaries, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 respective Companies' 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 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiaries, which are incorporated in India, 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 Act to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 internal financial controls system over financial reporting of the Holding Company and its Subsidiaries, which are incorporated in India.

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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with the authorisation of the management and the 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 Consolidated 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 Holding Company and its Subsidiaries, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **M Choudhury & Co.**
Chartered Accountants
FRN.: 302186E

D Choudhury
Partner
Membership No.: 052066

Place: Kolkata
Date: 30 April 2019

Consolidated Balance Sheet as at 31 March 2019

(₹ in lakh)

Particulars	Notes	As At 31 March 2019	As At 31 March 2018
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	4	22,910.89	23,766.02
(b) Intangible Assets	4	10.47	6.43
(c) Financial Assets			
(i) Investments	5	613.27	743.51
(ii) Other Financial Assets	6	3,344.91	2,767.82
(d) Non Current Tax Assets (Net)	7	610.02	324.73
(e) Other Non-Current Assets	8	413.36	382.29
Total Non-Current Assets		**27,902.92**	**27,990.80**
(2) Current Assets			
(a) Inventories	9	26,094.25	24,818.77
(b) Financial Assets			
(i) Investments	10	62,185.31	33,516.71
(ii) Trade Receivables	11	25,665.51	24,372.51
(iii) Cash and Cash Equivalents	12	1,660.45	3,160.67
(iv) Bank Balances (other than (iii) above)	13	2,880.94	2,578.93
(v) Other Financial Assets	14	425.69	380.62
(c) Other Current Assets	15	5,075.23	4,705.06
Total Current Assets		**1,23,987.38**	**93,533.27**
Total Assets		**1,51,890.30**	**1,21,524.07**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	2,911.16	2,911.16
(b) Other Equity		1,08,343.00	83,871.43
(c) Non-Controlling Interest		54.36	55.46
Total Equity		**1,11,308.52**	**86,838.05**
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	362.02	366.83
(b) Provisions	18	233.51	188.01
(c) Deferred Tax Liabilities (Net)	19	2,800.10	2,475.60
(d) Other Non-Current Liabilities	20	107.48	116.57
Total Non-Current Liabilities		**3,503.11**	**3,147.01**
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	343.03	2,499.88
(ii) Trade Payables	22	24,623.87	14,728.49
(iii) Other Financial Liabilities	23	2,673.36	4,573.60
(b) Provisions	24	142.26	127.09
(c) Current Tax Liabilities (Net)	25	38.19	643.61
(d) Other Current Liabilities	26	9,257.96	8,966.34
Total Current Liabilities		**37,078.67**	**31,539.01**
Total Liabilities		**40,581.78**	**34,686.02**
Total Equity and Liabilities		**1,51,890.30**	**1,21,524.07**

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

For **M Choudhury & Co.**
Chartered Accountants
FRN.: 302186E

D. Choudhury
Partner
Membership No.: 052066

Place: Kolkata
Date: 30 April 2019

For and on behalf of the Board of Directors

S. C. Agarwalla
Chairman & Managing Director
DIN: 00088384

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Sudhanshu Agarwalla
President & CFO

Rajesh K. Shah
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31 March 2019

(₹ in lakh)

Particulars	Notes	Year Ended 31 March 2019	Year Ended 31 March 2018
Income			
Revenue from Operations	27	1,98,793.01	1,89,099.93
Other Income	28	2,618.91	1,488.46
Total Income		**2,01,411.92**	**1,90,588.39**
Expenses			
Cost of Material Consumed	29	95,642.24	80,307.15
Purchases of Stock In Trade	30	16,579.34	16,365.74
Changes In Inventories	31	403.22	285.57
Excise Duty Payable		-	1,203.45
Employee Benefits Expenses	32	4,419.64	4,529.43
Power Cost	33	37,339.80	36,654.58
Finance Cost	34	591.33	405.34
Depreciation and Amortisation Expense	35	1,563.27	1,544.43
Other Expenses	36	12,186.42	11,694.09
Total Expenses		**1,68,725.26**	**1,52,989.78**
Profit Before Tax		**32,686.66**	**37,598.61**
Tax Expenses			
(a) Current Tax	38	6,826.57	8,531.38
(b) Deferred Tax	38	339.05	(112.89)
Total Tax Expenses		**7,165.62**	**8,418.49**
Profit for the year (A)		**25,521.04**	**29,180.12**
Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss			
- Re-measurements of the Net Defined Benefit Plans		1.79	16.98
- Equity Instruments through Other Comprehensive Income		(130.25)	(13.28)
(ii) Income tax relating to above items	38	14.55	(5.88)
B (i) Items that may be reclassified to Profit or Loss :			
- Effective portion of gains/(losses) on designated portion of Hedging Instruments in a Cash Flow Hedge		116.23	(34.47)
Other Comprehensive Income/(Loss) for the year (B)		**2.32**	**(36.65)**
Total Comprehensive Income for the year (A+B)		**25,523.36**	**29,143.47**
Profit attributable to:			
(a) Owners of the Company		25,522.13	29,181.33
(b) Non-Controlling Interest		(1.09)	(1.21)
Other Comprehensive Income Attributable to:			
(a) Owners of the Company		2.32	(36.65)
(b) Non-Controlling Interest		-	-
Total Comprehensive Income Attributable to:			
(a) Owners of the Company		25,524.45	29,144.68
(b) Non-Controlling Interest		(1.09)	(1.21)
Earnings Per Share (of ₹10/- each)			
(1) Basic (in ₹)	37	87.67	100.24
(2) Diluted (in ₹)	37	87.67	100.24

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

For **M Choudhury & Co.**
Chartered Accountants
FRN.: 302186E

D. Choudhury
Partner
Membership No.: 052066

Place: Kolkata
Date: 30 April 2019

For and on behalf of the Board of Directors

S. C. Agarwalla
Chairman & Managing Director
DIN: 00088384

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Sudhanshu Agarwalla
President & CFO

Rajesh K. Shah
Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31 March 2019

a. Equity Share Capital

(₹ in lakh)

Particulars	Note	Amount
Equity Shares of ₹10 each Issued, Subscribed and Fully Paid		
As At 1 April 2017	16	2,911.16
Issue of share capital		-
As At 31 March 2018		**2,911.16**
Issue of share capital		-
As At 31 March 2019		**2,911.16**

b. Other Equity

(₹ in lakh)

Particulars	Reserves and Surplus			Items of Other Comprehensive Income		Equity Attributable to Owners	Non-Controlling Interest	Total
	Capital Reserve	Securities Premium	Retained Earnings	Equity Instruments through OCI	Cash Flow Hedge Reserve			
As At 1 April 2017	170.29	3,186.70	52,077.49	168.21	-	**55,602.70**	**56.67**	**55,659.37**
Profit for the year	-	-	29,181.33	-	-	**29,181.33**	**(1.21)**	29,180.12
Other Comprehensive Income for the year	-	-	11.11	(13.28)	(34.47)	**(36.65)**	**-**	(36.65)
Dividends paid including DDT	-	-	(875.95)	-	-	**(875.95)**	**-**	(875.95)
As At 31 March 2018	**170.29**	**3,186.70**	**80,393.98**	**154.93**	**(34.47)**	**83,871.43**	**55.46**	**83,926.89**
Profit for the year	-	-	25,522.13	-	-	**25,522.13**	**(1.10)**	25,521.03
Other Comprehensive Income for the year	-	-	1.16	(115.08)	116.23	**2.31**	**-**	2.31
Dividends paid including DDT	-	-	(1,052.87)	-	-	**(1,052.87)**	**-**	(1,052.87)
As At 31 March 2019	**170.29**	**3,186.70**	**1,04,865.40**	**39.85**	**81.76**	**1,08,343.00**	**54.36**	**1,08,397.36**

Capital Reserve

This reserve represents the difference between value of the net assets transferred and consideration paid for such assets in the course of amalgamation and also relates to forfeiture of shares.

Securities Premium

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

Retained Earnings

This reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

Equity Instruments through Other Comprehensive Income (OCI)

This reserve represents the cumulative gains (net of losses) arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income, net of tax. The same shall be transferred to retained earnings when those instruments are disposed off.

Effective portion of Cash Flow Hedge Reserve

This reserve represents the cumulative effective portion of changes in fair value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit or loss or included in the carrying amount of the non-financial asset in accordance with the Company's accounting policy.

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

For **M Choudhury & Co.**
Chartered Accountants
FRN.: 302186E

D. Choudhury
Partner
Membership No.: 052066

Place: Kolkata
Date: 30 April 2019

For and on behalf of the Board of Directors

S. C. Agarwalla
Chairman & Managing Director
DIN: 00088384

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Sudhanshu Agarwalla
President & CFO

Rajesh K. Shah
Company Secretary

Consolidated Cash Flow Statement for the year ended 31 March 2019

(₹ in lakh)

Particulars	31 March 2019	31 March 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	32,686.66	37,598.61
Adjusted for :		
Depreciation and Amortisation	1,563.27	1,544.43
Interest Expense	591.33	405.34
Interest Income	(453.04)	(290.23)
Irrecoverable Balances Written Off/ Back	(281.72)	84.02
Fair Value Gain on Investment	(404.30)	127.44
Unrealised Forex (Gain) / Loss	(110.84)	(139.61)
Deferred Revenue Income	(9.09)	(6.25)
Dividend Received	(1,319.14)	(1,348.83)
Loss / (Profit) on Sale of Property, Plant and Equipment	9.82	(3.72)
	(413.71)	**372.59**
Operating Profit Before Working Capital Changes	**32,272.95**	**37,971.20**
Adjusted for :		
Trade and Other Receivables	(2,076.42)	(1,172.25)
Inventories	(1,275.48)	(6,161.49)
Trade and Other Payables	10,269.56	6,638.35
	6,917.66	**(695.39)**
Cash Generated from Operations	**39,190.61**	**37,275.81**
Income Tax Paid	7,717.28	8,842.35
NET CASH FROM OPERATING ACTIVITIES (A)	**31,473.33**	**28,433.46**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(747.01)	(1,137.86)
Sale of Property, Plant and Equipment	25.00	31.53
Purchase of Investments	(1,05,018.05)	(46,600.00)
Sale of Investments	76,753.75	19,168.92
Dividend Received	1,319.14	1,348.83
Interest Income Received	405.95	284.11
Investments in Fixed Deposits	(302.01)	(1,121.44)
NET CASH USED IN INVESTING ACTIVITIES (B)	**(27,563.23)**	**(28,025.91)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(592.74)	(372.46)
Dividend paid including Tax on Dividend	(1,052.87)	(875.95)
Proceeds/ (Repayment) from / of Borrowings	(3,764.71)	(3,606.08)
NET CASH FROM FINANCING ACTIVITIES (C)	**(5,410.32)**	**(4,854.49)**
Net increase /(decrease) in Cash and Cash Equivalents (A+B+C)	(1,500.22)	(4,446.94)
Cash and Cash Equivalents at the beginning of the year	3,160.67	7,607.61
Cash and Cash Equivalents at the end of the year	**1,660.45**	**3,160.67**
Cash and Cash Equivalent Includes:		
Cash and Cash Equivalent	1,660.45	3,160.67
Less: Deposits held as margin money	-	-
	1,660.45	**3,160.67**

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

For **M Choudhury & Co.**
Chartered Accountants
FRN.: 302186E

D. Choudhury
Partner
Membership No.: 052066

Place: Kolkata
Date: 30 April 2019

For and on behalf of the Board of Directors

S. C. Agarwalla
Chairman & Managing Director
DIN: 00088384

Sudhanshu Agarwalla
President & CFO

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Rajesh K. Shah
Company Secretary

1. Basis of Preparation of Financial Statements

a. Statement of Compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 read with Rule 4A of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended, and other provisions of the Companies Act, 2013 ("the Act"). The Company adopted Ind AS from 1 April 2017.

b. Basis of Measurement

The financial statements have been prepared on historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities that are measured at fair value/ amortised cost. (Refer note 3(j) below).

c. Use of Estimates and Judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

d. Functional Currency and Presentation Currency

The financial statements are prepared in Indian Rupees (₹) which is the Group's functional currency for all its operations. All financial information presented in Indian Rupees (₹) has been rounded to the nearest lakh with two decimal places, unless otherwise stated.

e. Current and Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle (twelve months) and other criteria set out in the schedule III to the Companies Act, 2013 and Ind AS 1 – 'Presentation of Financial Statements'.

All assets and liabilities are classified as current when it is expected to be realised or settled within the Group's normal operating cycle, i.e. twelve months. All other assets and liabilities are classified as non-current.

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

2. Basis of Consolidation

a. Principles of Consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

The Group presents the non-controlling interest in the Consolidated Balance Sheet within Equity, separately from the Equity of the Group as owners.

b. Business Combinations

Business combinations are accounted for using the acquisition method as at the date of the acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

c. Goodwill on Consolidation

Goodwill arising on consolidation is stated at cost less impairment losses, where applicable. On disposal of subsidiary, attributable amount of goodwill is included in the determination of the profit or loss recognised in Statement of Profit and Loss.

Impairment loss, if any, to the extent the carrying amount exceed the recoverable amount is charged off to the Statement of Profit and Loss as it arises and it is not reversed.

3. Significant Accounting Policies

a. Property, Plant and Equipment

Property, Plant and Equipment are stated at their cost of acquisition, installation or construction (net of taxes and other recoverable, wherever applicable) less accumulated depreciation and impairment losses, if any, except freehold land which is carried at cost.

The cost of Property, Plant and Equipment comprises its purchase price, including inward freight, import duties and non-refundable purchase taxes, and any cost directly attributable to bringing the asset to working condition and location for its intended use. Stores and spare parts are capitalised when they meet the definition of Property, Plant and Equipment.

If significant parts of an item of Property, Plant and Equipment have different useful life, then they are accounted for as separate items (major components) of Property, Plant and Equipment. Likewise, expenditure towards major inspections and overhauls are identified as a separate component and depreciated over the expected period till the next overhaul expenditure.

b. Depreciation

Depreciation on Property, Plant and Equipment is provided on straight line method (SLM), except on additions made after 1 April 2006 to Building and Plant & Machineries of Ferro Alloys Unit at Byrnihat and Kalyaneshwari on which depreciation has been provided on written down value (WDV) method.

Depreciation is provided to allocate the costs of Property, Plant and Equipment, net of their residual values, over their useful life as specified in Schedule II of the Companies Act, 2013, other than in case of Factory Building and Plant and Machinery in Vishakapatnam Unit where useful life has been considered by the management to be of 20 years.

The assets residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate.

c. Leases

A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a Finance Lease. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as Operating Leases. A lease is classified at the inception date as a Finance Lease or an Operating Lease.

Assets held under Finance Leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a Finance Lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is amortised over the lease term.

Operating Lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

d. Capital Work in Progress

Capital work in progress comprises expenditure for acquisition and construction of assets that are not yet ready for their intended use. Costs, net of income, associated with the commissioning of the asset are capitalised until the period of commissioning has been completed and the asset is ready for its intended use. At the point when the asset is capable of operating in the manner intended by the management, the cost of construction is transferred to the appropriate category of Property, Plant and Equipment.

e. Intangible Assets and Amortisation

Intangible assets acquired separately are initially measured at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Computer software is amortised over its estimated useful life of 3 years on a straight line basis.

The amortisation period and the amortisation method are reviewed at least at each financial year end, if the expected useful life of the asset is different from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

f. Non-Current Assets Held for Sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are not depreciated and are measured at the lower of carrying amount and fair value less costs to sell. Such assets and disposal groups are presented separately on the face of the Balance Sheet.

g. Impairment of Non- Financial Assets

The Group assesses at each reporting date to determine if there is any indication of impairment, based on internal/external factors. If any such indication exists, then an impairment review is undertaken and the recoverable amount is calculated as the higher of fair value less costs of disposal and the asset's value in use.

Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effect of factors that may be specific to the entity and not applicable to entities in general. Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal.

Impairment charges and reversals are assessed at the level of Cash-Generating Unit (CGU). A Cash-Generating Unit (CGU) is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

A cash generating unit is treated as impaired when the carrying amount of the assets or cash generating unit exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which asset or cash generating unit is identified as impaired.

Impairment loss recognised in prior accounting period(s) is reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation, if there was no impairment. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

h. Foreign Currency Translation

Foreign currency transactions are translated into the functional currency at the exchange rates that approximates the rate as at the date of the transaction. Monetary Assets and Liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated into the functional currency at the exchange rates prevailing on the reporting date. Non-monetary items are translated using the exchange rates prevailing on the transaction date, subsequently measured at historical cost and not retranslated at period end.

All exchange differences on monetary items are recognised in the Statement of Profit and Loss except any exchange differences on monetary items designated as an effective hedging instrument which are recognised in the Other Comprehensive Income.

i. Government Grants and Subsidies

Grants and subsidies from the Government are recognised when there is reasonable assurance that the grant/subsidy will be received and the Group will comply with the conditions attached to them. When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in Profit or Loss over the periods necessary to match them with the related costs, which they are intended to compensate. When the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related assets and presented within other income.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

j. Financial Instruments

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.

(i) Financial Assets -

➢ Recognition And Initial Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not re-corded at fair value through Profit or Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs directly attributable to the acquisition of financial assets at fair value through Profit or Loss are recognised immediately in the Statement of Profit and Loss.

➢ Classification and Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt Instruments at Amortised Cost;
- Debt Instruments at Fair Value Through Other Comprehensive Income (FVOCI);
- Debt Instruments at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

- o Debt Instruments at Amortised Cost: A debt instrument is measured at the amortised cost if both the following conditions are met:
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method.
- o Debt Instruments at FVOCI: A debt instrument is measured at the FVOCI if both of the following conditions are met:
- The objective of the business model is achieved by collecting contractual cash flows and selling the financial assets; and
- The asset's contractual cash flows represent SPPI.

  Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognised in Other Comprehensive Income. However, the interest income, losses & reversals, and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Interest calculated using the Effective Interest Rate (EIR) method is recognised in the Statement of Profit and Loss as investment income.
- o Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVOCI, is classified as FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

  Equity Instruments measured at FVOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value. The Group makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable. In case the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument are recognised in the Other Comprehensive Income. There is no reclassification of the amounts from Other Comprehensive Income to Profit or Loss, even on sale of investment. Dividends on investments are credited to profit or loss.

➢ Derecognition

The Group derecognises a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

➢ Impairment of Financial Assets

The Group assesses at the end of the reporting period whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Financial Liabilities

➢ Recognition and Initial Measurement

Financial Liabilities are initially measured at fair value. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and borrowings including bank overdrafts and derivative financial instruments.

➢ Subsequent Measurement

Financial liabilities are measured subsequently at amortised cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Profit or Loss.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and Losses are recognised in profit or loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in Profit or Loss.

➢ Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

➢ Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

(iii) Derivative Financial Instruments and Hedge Accounting

The Group enters into interest rate swaps and forward contracts to mitigate the risk of changes in interest rates and exchange rates. The Group does not hold derivative financial instruments for speculative purposes. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and accumulated under the heading of cash flow hedging reserve. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Amounts previously recognised in Other Comprehensive Income and accumulated in Equity relating to effective portion as described above are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from Equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in OCI and accumulated in Equity at that time remains in Equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in Equity is recognised immediately in the Statement of Profit and Loss.

k. Inventories

Inventories (including work-in-progress) are stated at cost and net realisable value, whichever is lower. Cost is determined on weighted average method and comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is determined based on estimated selling price, less further costs expected to be incurred to completion and disposal. Obsolete, slow moving and defective inventories are identified at the time of physical verification and where necessary, provision is made for such inventories.

l. Revenue Recognition

Revenues are measured at fair value of the consideration received or receivable, net of returns and discounts to customers. Revenue from the sale of goods includes duties which the Group pays as a principal but excludes amounts collected on behalf of third parties.

a) Revenue from sales of goods is recognised when all significant risks and rewards of ownership of goods are transferred to the customer, which generally coincides with delivery. Revenue from sale of power is recognised when delivered and measured based on rates as per bilateral contractual agreements with buyers and at rate arrived at based on the principles laid down under the relevant Tariff Regulations as notified by the regulatory bodies, as applicable.

b) Revenue from rendering of services is recognised in the periods in which the services are rendered.

c) Export entitlements in the form of Duty Drawback and MEIS scheme are recognised in the Statement of Profit and Loss Account when right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant exports proceeds.

d) Interest Income is recognised using the effective interest rate method.

e) For all financial instruments measured at amortised cost, interest income is recorded using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

f) Dividend Income is recognised only when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

m. Employee Benefits

a) Short-Term Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by the employees are recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

b) Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Group pays specified monthly contributions to Provident Fund. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

c) Defined Benefit Plans

The Group provides for gratuity and leave encashment, a defined benefit plan (the "Gratuity Plan and Leave Encashment Plan") covering eligible employees. The cost of providing defined benefits plan is determined by actuarial valuation separately for each plan using the Projected Unit Credit Method by independent qualified actuaries as at the year end. Actuarial gains/losses arising in the year are recognised in full in Other Comprehensive Income and are not reclassified in the Profit or Loss. Re-measurement gains and losses arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity. Change in the present value of defined benefit obligations resulting from plan adjustments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

n. Tax Expense

Income tax expense represents the sum of Current Tax and Deferred Tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in Equity or Other Comprehensive Income.

a) Current Tax

The current tax is based on taxable profit for the year under the Income Tax Act, 1961. Current Tax Assets and Liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

b) Deferred Tax

Deferred Tax is recognised on all temporary differences between the tax bases of Assets and Liabilities and their carrying amounts in the Group's financial statements except when the Deferred Tax arises from the initial recognition of Goodwill or initial recognition of an Asset or Liability in a transaction that is not a business combination and affects neither the accounting nor taxable Profits or Loss at the time of transaction. Deferred Tax Assets and Liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the Asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Deferred Tax Assets are recognised for deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent it is probable that future taxable profits will be available against which the deductible temporary difference, the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of Deferred Tax Assets (including MAT credit available) is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred Tax Assets and Liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax Assets and Liabilities on a net basis.

Minimum Alternate Tax credit is recognised as Deferred Tax Asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal Income Tax during the specified period.

Current and Deferred Tax are recognised in the Statement of Profit and Loss, except when the same relate to items that are recognised in Other Comprehensive Income or directly in Equity, in which case, the Current and Deferred Tax relating to such items are also recognised in Other Comprehensive Income or directly in Equity respectively.

o. Borrowing Costs

Borrowing Costs that are directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets until such time as the assets are substantially ready for their intended use. Where surplus funds are available out of money borrowed specifically to finance a project, the money generated from such Current Investments is deducted from the total capitalised borrowing cost. Capitalisation of borrowing costs is suspended and charged to Profit and Loss during the extended periods when the active development on the qualifying assets is interrupted. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

p. Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash Flows, Cash and Cash Equivalent includes Cash on Hand, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of Cash, Cash at Bank and Bank Overdraft and which are subject to an insignificant risk of changes in value. Bank Overdrafts are shown within borrowings in Current Liabilities in the Balance Sheet.

q. Cash Flow Statement

Cash Flows are reported using the indirect method, whereby Profit Before Tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with Investing or Financing Cash Flows. The Cash Flows are segregated into Operating, Investing and Financing activities.

r. Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of a past events, and it is probable that an outflow of resources will be required to settle such an obligation and the amount can be estimated reliably. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate.

Contingent Liabilities

Contingent Liabilities are possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group 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. Contingent Liabilities are not recognised but disclosed in the Financial Statements when the possibility of an outflow of resources embodying economic benefits is more.

Contingent Assets

Contingent Assets are not recognised but disclosed in the Financial Statements when an inflow of economic benefits is probable.

s. Earnings Per Share

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders of the Group by the weighted average number of Equity shares outstanding for the effects of all dilutive potential equity shares.

t. Dividends

Dividends paid (including dividend distribution tax thereon) is recognised in the period in which the interim Dividends are approved by the Board of Directors, or in respect of the Final Dividend when approved by Shareholders and same is recognised directly in Equity.

u. Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the Accounting Policies adopted for the Group. Inter-segment revenues have been accounted for based on prices normally negotiated between the segments with reference to the costs, market prices and business risks, within an overall optimization objective for the Group. Revenue and Expenses are identified with segments on the basis of their relationship to the operating activities of the segment. Revenue and Expenses, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, will be included under "Unallocated/ Others".

v. Critical Accounting Estimates, Assumptions and Judgments

The preparation of the Financial Statements in conformity with Ind AS requires management to make Judgements, Estimates and Assumptions that affect the application of Accounting Policies and the reported amounts of assets, liabilities, income, expenses, and disclosures of Contingent Assets and Liabilities at the date of the Financial Statements and the results of operations during the reporting period end. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates.

Estimates and Underlying Assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The Estimates and Assumptions that have a significant risk of causing a material adjustment to the carrying amounts of Assets and Liabilities within the next financial year are discussed in the paragraphs that follow.

(i) Useful Economic Lives and Impairment of Other Assets

The estimated useful life of Property, Plant and Equipment (PPE) and Intangible Asset is based on a number of factors including the effects of obsolescence, usage of the asset and other economic factors (such as known technological advances).

The Group reviews the useful life of PPE and intangibles at the end of each reporting date and any changes could affect the depreciation rates prospectively.

The Group also reviews its Property, Plant and Equipment for possible impairment if there are events or changes in circumstances that indicate that the carrying value of the Assets may not be recoverable. In assessing the Property, Plant and Equipment for impairment, factors leading to significant reduction in profits, such as the Group's business plans and changes in regulatory environment are taken into consideration.

(ii) Contingencies and Commitments

In the normal course of business, Contingent Liabilities may arise from litigation, taxation and other claims against the Group. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the Liability. Such liabilities are disclosed in the notes but are not provided for in the Financial Statements.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Group does not expect them to have a materially adverse impact on the Group's Financial Position or Profitability.

(iii) Actuarial Valuation

The determination of Group's Liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend on assumptions determined after taking into account Inflation, Seniority, Promotion and other relevant factors such as Supply and Demand factors in the employment market.

(iv) Fair Value Measurements and Valuation Processes

Some of the Group's Assets and Liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an Asset or a Liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various Assets and Liabilities are disclosed in the notes to the Financial Statements.

(v) Recognition of Deferred Tax Assets for Carried Forward Tax Losses and Unused Tax Credit

The extent to which Deferred Tax Assets can be recognised is based on an assessment of the probability of the Group's future taxable income against which the Deferred Tax Assets can be utilised. In addition significant judgement is required in assessing the impact of any Legal or Economic limits.

w. Recent Accounting Developments: Standards issued but not yet effective

(i) Ind AS 116: Leases

Ind AS 116 was notified by Ministry of Corporate Affairs on 30 March 2019 and it is applicable for annual reporting periods beginning on or after 1 April 2019. Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on Balance Sheet. The standard removes the current distinction between Operating and Finance Leases and requires recognition of an Asset (the right-of-use the leased item) and a Financial Liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

The Statement of Profit and Loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, Operating Expense will be replaced with Interest and Depreciation, so key metrics like EBITDA will change. Operating Cash Flows will be higher as repayments of the Lease Liability and related interest are classified within financing activities.

Presently, the Group is in the process of evaluating the impact that application of Ind AS 116 is expected to have on its Financial Statements. The Group intends to apply simplified transition approach and will not restate comparative information in the Financial Statements for the year ending 31 March 2020 to show the impact of adopting Ind AS 116.

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

This appendix was notified by Ministry of Corporate Affairs on 30 March 2019 and it is applicable for annual reporting periods beginning on or after 1 April 2019. The appendix explains how to recognise and measure Deferred and Current Income Tax Assets and Liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

1. How to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or
2. Together as a group, depending on which approach better predicts the resolution of the uncertainty;
3. That the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;
4. That the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;
5. That the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty; and
6. That the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

Presently, the Company is in the process of evaluating the impact that application of this appendix is expected to have on its Financial Statements. The Company intends to apply this appendix retrospectively, with the cumulative effect of initially applying the appendix recognised at the date of initial application as an adjustment to the Opening Balance of Retained Earnings (or other component of Equity, as appropriate).

(4) (i) Property, Plant and Equipment

(₹ in lakh)

Particulars	Freehold Land	Leasehold Land	Factory Building	Admin-istrative and Other Building	Plant and Machinery	Furniture and Fixture	Equipment	Vehicle	Computers	Total
Gross Carrying Value										
As At 1 April 2017	620.09	2,549.32	1,308.25	1,608.62	20,178.00	73.29	26.20	308.52	30.06	26,702.35
Additions	-	-	0.19	934.45	39.98	-	5.06	154.58	3.83	1,138.09
Sale/Deduction	11.35	-	-	-	-	-	-	37.21	7.28	55.84
As At 31 March 2018	**608.74**	**2,549.32**	**1,308.44**	**2,543.07**	**20,217.98**	**73.29**	**31.26**	**425.89**	**26.61**	**27,784.60**
Additions	542.44	-	-	-	71.51	8.40	4.03	84.28	25.55	736.21
Sale/Deduction	-	-	-	-	-	-	-	46.10	-	46.10
As At 31 March 2019	**1,151.18**	**2,549.32**	**1,308.44**	**2,543.07**	**20,289.49**	**81.69**	**35.29**	**464.07**	**52.16**	**28,474.71**
Accumulated Depreciation										
As At 1 April 2017	-	99.03	130.71	91.11	2,124.54	14.36	9.98	36.82	5.05	2,511.60
Additions	-	99.03	87.04	112.99	1,157.71	13.39	6.25	54.99	8.06	1,539.46
Sale/Deduction	-	-	-	-	-	-	-	25.56	6.92	32.48
As At 31 March 2018	**-**	**198.06**	**217.75**	**204.10**	**3,282.25**	**27.75**	**16.23**	**66.25**	**6.19**	**4,018.58**
Additions	-	99.03	83.40	125.48	1,153.27	13.67	4.94	64.67	12.06	1,556.52
Sale/Deduction	-	-	-	-	-	-	-	11.28	-	11.28
As At 31 March 2019	**-**	**297.09**	**301.15**	**329.58**	**4,435.52**	**41.42**	**21.17**	**119.64**	**18.25**	**5,563.82**
Net Book Value										
As At 31 March 2019	**1,151.18**	**2,252.23**	**1,007.29**	**2,213.49**	**15,853.97**	**40.27**	**14.12**	**344.43**	**33.91**	**22,910.89**
As At 31 March 2018	**608.74**	**2,351.26**	**1,090.69**	**2,338.97**	**16,935.73**	**45.54**	**15.03**	**359.64**	**20.42**	**23,766.02**

(4) (ii) Intangible Assets

(₹ in lakh)

Particulars	Software
Gross Carrying Value	
As At 1 April 2017	25.76
Additions	-
As At 31 March 2018	**25.76**
Additions	10.80
As At 31 March 2019	**36.56**
Amortisation and Impairment	
As At 1 April 2017	14.35
Additions	4.99
As At 31 March 2018	**19.34**
Additions	6.75
As At 31 March 2019	**26.09**
Net Book Value	
As At 31 March 2019	**10.47**
As At 31 March 2018	**6.43**

(4) (iii): Entire Property, Plant and Equipment are given as security against borrowings, the details related to which have been described in Note 21 on “Borrowings”.

4 (iv) Leases

The Company has taken land under finance leases. Significant leasing arrangements include assets dedicated for use under long term arrangements. The arrangements covers a substantial part of the economic life of the underlying asset and contain a renewal option on expiry. Payments under long term arrangements involving use of dedicated assets are allocated between those relating to the right to use of assets, executory services and for output based on the underlying contractual terms and conditions. Any change in the allocation assumptions may have an impact on lease assessment and/or lease classification.

The minimum lease payments and the present value of minimum lease payments in respect of arrangements classified as finance leases are as below:

(₹ in lakh)

Particulars	As At 31 March 2019		As At 31 March 2018	
	Minimum Lease Payments	Present Value of Minimum Lease Payments	Minimum Lease Payments	Present Value of Minimum Lease Payments
Not later than one year	39.28	4.46	39.28	3.72
Later than one year but not later than 5 years	205.24	30.66	201.72	26.74
Later than five years	630.73	331.36	712.83	340.09
Total future minimum lease commitments	**875.25**	**366.48**	**953.83**	**370.38**
Less: Future finance charges	508.77		583.28	
Present Value of Minimum Lease Payments	**366.48**		**370.55**	
Disclosed as:				
Non-Current Borrowings (refer note 17)	362.02		366.83	
Other Financial Liabilities - Current (refer note 23)	4.46		3.72	
	366.48		**370.55**	

Notes to Consolidated Financial Statements for the year ended 31 March 2019

(5) Non-Current Investments

(₹ in lakh)

Particulars	Face Value (₹)	No. of Shares 31 March 2019	No. of Shares 31 March 2018	As At 31 March 2019	As At 31 March 2018
Investments measured through OCI (FVOCI)					
Investment in Unquoted Equity Shares (fully paid up)					
Ideal Centre Services Pvt. Ltd.	10.00	1,500	1,500	0.15	0.15
Investment in Quoted Equity Shares (fully paid up)					
Hindustan Petroleum Corporation Ltd.	10.00	2,16,000	2,16,000	613.12	743.36
				613.27	**743.51**

5.1

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Aggregate Cost of Quoted Investments	588.44	588.44
Market Value of Quoted Investments	613.12	743.36
Aggregate Amount of Unquoted Investments	0.15	0.15

(6) Other Non-Current Financial Assets

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Unsecured, Considered Good		
Security Deposits	3,344.91	2,767.82
	3,344.91	**2,767.82**

(7) Non-Current Tax Asset (Net)

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Advance Tax (Net of Provisions)	610.02	324.73
	610.02	**324.73**

(8) Other Non-Current Assets

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Unsecured, Considered Good		
Capital Advances	99.49	68.43
Prepaid Lease	313.87	313.86
	413.36	**382.29**

(9) Inventories

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Raw Materials		
- Ferro Alloys	12,140.81	14,313.41
- Power Plant	183.63	566.56
Raw Materials in Transit	8,300.98	4,141.99
Work - In - Progress	175.96	134.26
Finished Goods	3,786.12	4,003.66
Finished Goods in Transit	-	10.83
Finished Goods - Trading Goods	6.87	-
Slag and Waste	686.20	902.75
Stores and Spares Parts	813.68	745.31
	26,094.25	**24,818.77**

9.1 For method of valuation of inventories, refer note 3(k).

9.2 Inventories have been hypothecated as security against certain bank borrowings of the Company (Refer note 21).

(10) Current Investments

(₹ in lakh)

Particulars	No. of units / Debentures		As At 31 March 2019	As At 31 March 2018
Investments in Units of Mutual Funds - FVTPL	**31 March 2019**	**31 March 2018**		
Edelweiss Arbitrage Fund	-	2,39,98,582.61	-	2,544.45
Edelweiss Arbitrage Monthly Dividend Direct Plan	-	7,21,57,255.91	-	9,021.97
Kotak Equity Arbitrage Fund	-	6,00,50,278.01	-	6,600.43
Kotak Equity Arbitrage Fund Fortnightly Dividend	98,00,643.46	2,12,62,705.56	2,306.96	5,009.07
Reliance Arbitrage Advantage Fund - Dividend	63,81,620.93	8,01,10,081.81	701.72	10,116.62
SBI Liquid Fund Direct Growth	4,10,639.07	-	12,025.85	-
Reliance Arbitrage Advantage Fund - Quarterly	1,94,336.26	-	25.06	-
SBI Short Term Debt Fund - Regular Plan - Growth	3,86,279.36	3,86,279.36	82.67	77.36
SBI Magnum Income Fund - Regular Plan - Growth	-	1,81,365.10	-	76.96
ICICI Prudential Focused Bluechip Equity Fund - Div	-	1,56,041.02	-	33.39
ICICI Prudential Top 100 Fund - Growth	-	11,761.74	-	36.46
Investments in Market Linked Debentures - FVTPL				
CitiCorp Finance India Ltd.	16,841.00	-	16,999.31	-
Piramal Enterprises Ltd.	1,500.00	-	15,000.00	-
IIFL Wealth Finance Ltd.	15,000.00	-	15,043.74	-
			62,185.31	**33,516.71**

Notes to Consolidated Financial Statements for the year ended 31 March 2019

(11) Trade Receivables

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Unsecured, Considered Good		
Trade Receivables	25,665.51	24,372.51
	25,665.51	**24,372.51**

11.1 Trade Receivables have been hypothecated as security against bank borrowings of the Company (Refer note 21).

(12) Cash and Cash Equivalents

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Cash on Hand	17.31	21.15
Cheques in Hand	114.16	0.04
Balance with Banks		
-In Current Accounts	1,510.63	3,054.10
-Debit Balances in Cash Credit Accounts	18.35	85.38
	1,660.45	**3,160.67**

(13) Other Bank Balances (other than note 12 above)

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Bank Deposits with original maturity of more than 3 months and up to 12 months *	2,659.37	2,529.51
Bank Deposits (Other than above)	216.80	44.44
Earmarked Unpaid Dividend Accounts	4.77	4.98
	2,880.94	**2,578.93**

13.1 *Bank deposit are restricted in use as it relates to margin money.

13.2 Earmarked unpaid dividend accounts are restricted in use as it relates to unclaimed or unpaid dividend.

(14) Other Current Financial Assets

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Unsecured, Considered Good		
Insurance Claim Receivable	-	200.62
Financial Asset on Forward Contract	192.88	-
Interest Accrued on Bank Deposits	211.36	164.27
Staff Advance	21.45	15.73
	425.69	**380.62**

Notes to Consolidated Financial Statements for the year ended 31 March 2019

(15) Other Current Assets

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Unsecured, Considered Good		
Advance for Raw Materials and Stores	2,487.31	2,126.28
Balances with Statutory/Government Authorities	559.78	628.08
Export Incentives Receivable	1,291.18	1,121.23
Income Tax Refundable	8.93	5.05
Prepaid Expenses	43.88	62.41
Others	684.15	762.01
	5,075.23	**4,705.06**

(16) Share Capital

(₹ in lakh)

Particulars	As At 31 March 2019		As At 31 March 2018	
	Nos.	Amount (₹)	Nos.	Amount (₹)
Authorised Share Capital				
Equity Shares of ₹10/- each	8,00,00,000	8,000.00	8,00,00,000	8,000.00
Issued, Subscribed and Paid-up Share Capital				
Equity Shares of ₹10/- each	2,91,11,550	**2,911.16**	2,91,11,550	**2,911.16**

a) Rights, Preferences and Restrictions attached to Equity Shares

The Company has only one class of equity share having a face value of ₹10/- per share with one vote per equity share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after settling off all outside liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Details of shareholders holding more than 5% shares in the Company

Name of shareholders	As At 31 March 2019		As At 31 March 2018	
	Nos.	% of holding	Nos.	% of holding
Maithan Smelters Pvt. Ltd.	53,97,357	18.54%	53,97,357	18.54%
H. S. Consultancy Pvt. Ltd.	32,59,200	11.20%	32,59,200	11.20%

c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Particulars	As At 31 March 2019	As At 31 March 2018
Issue of bonus shares in FY 2015-16	1,45,55,775	1,45,55,775

(17) Borrowings - Non-Current

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Finance Lease Obligations	362.02	366.83
	362.02	**366.83**

(18) Non-Current Provisions

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Provisions for Employee Benefits	233.51	188.01
	233.51	**188.01**

18.1 Movement in Provisions

(₹ in lakh)

Balance As At 1 April 2017	169.71
Provision Created	18.30
Balance as at 31 March 2018	**188.01**
Provision Utilised	(11.65)
Provision Created	57.15
Balance as at 31 March 2019	**233.51**

(19) Deferred Tax Liabilities (Net)

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Deferred Tax Liabilities		
- Fixed Assets	2,873.91	2,541.55
- Fair Value Gain on Mutual Fund	16.00	5.35
Gross Deferred Tax Liabilities	**2,889.91**	**2,546.90**
Deferred Tax Assets		
- Employee Benefits	89.81	71.30
Gross Deferred Tax Asset	**89.81**	**71.30**
Deferred Tax Liabilities / (Assets) (Net)	**2,800.10**	**2,475.60**

(20) Other Non-Current Liabilities

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Deferred Government Grant	107.48	116.57
	107.48	**116.57**

(21) Borrowings - Current

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Working Capital Loan from Banks (Secured)		
- Rupee Loan	343.03	2,499.88
	343.03	**2,499.88**

22.1 Working capital loans are secured by first charge and hypothecation of raw materials, work in progress, finished goods, stores and consumables, receivables, bills, etc. These are further secured by first charge on moveable and immoveable property, plant and equipment both present and future of both Kalyaneshwari and Byrnihat Units and second charge on moveable and immoveable property, plant and equipment both present and future of Visakhapatnam Unit.

(22) Trade Payables

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Creditors	24,623.87	14,728.49
	24,623.87	**14,728.49**

22.1 Trade payables are non-interest bearing and have an average term of two to three months.

22.2 There are no dues to Micro and Small Enterprises as at 31 March 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

(23) Other Current Financial Liabilities

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Current Maturities of Long Term Borrowings	-	1,603.79
Current Maturities of Finance Lease Obligations	4.46	3.72
Financial Liability on Forward Contract	-	34.19
Interest Accrued but not due on Borrowings	-	1.41
Creditors for Capital Goods	-	2.91
Unclaimed Dividend*	4.77	4.98
Other Liabilities		
- Employee Dues	474.38	563.96
- Liability for Expenses	2,137.21	2,356.51
- Others	52.54	2.13
	2,673.36	**4,573.60**

* There are no amount due for payment to the Investors Education and Protection Fund at the year end.

(24) Provisions - Current

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Provisions for Employee Benefits	142.26	127.09
	142.26	**127.09**

24.1 Movement in Provisions:

(₹ in lakh)

Balance As At 1 April 2017	107.77
Provision Utilised	(103.60)
Provision Reversed	(0.14)
Provision Created	123.06
Balance As At 31 March 2018	**127.09**
Provision Utilised	(109.74)
Provision Reversed	(0.81)
Provision Created	125.72
Balance As At 31 March 2019	**142.26**

Notes to Consolidated Financial Statements for the year ended 31 March 2019

(25) Current Tax Liabilities

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Provision for Tax (Net of Advance Tax)	38.19	643.61
	38.19	**643.61**

(26) Other Current Liabilities

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Current portion of Deferred Government Grant	9.09	9.09
Other Liabilities		
- Statutory Dues	1,182.15	1,516.46
- Advance from Customer	1,131.54	1,215.59
- Others	6,935.18	6,225.20
	9,257.96	**8,966.34**

(27) Revenue from Operations

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Sale of Products		
- Manufactured Goods		
- Ferro Alloys	1,70,428.86	1,62,560.44
- Wind Power	184.01	191.24
- Traded Goods		
- Ferro Alloys	10,022.29	5,766.13
- Manganese Ore	5,292.29	9,951.48
- Others	2,332.95	1,833.24
Other Operating Revenue		
- Sale of Slag and Waste	4,323.79	3,630.70
- Forex Fluctuation Gain	3,346.86	1,942.39
- Tax Refund / Remission	780.34	656.98
- Export Incentives	2,081.62	2,567.33
	1,98,793.01	**1,89,099.93**

(28) Other Income

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Interest Income	453.04	290.23
Deferred Revenue Grant	9.09	7.30
Gain on Investment	404.30	(127.44)
Dividend Received	1,319.14	1,348.83
Commission Received	-	1.42
Insurance Claim Received	139.31	-
Sundry Balances Written Off	281.72	(84.02)
Miscellaneous Receipts	12.31	52.14
	2,618.91	**1,488.46**

(29) Cost of Material Consumed

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Opening Stock	14,313.41	5,869.46
Add: Purchases	93,469.65	88,751.10
	1,07,783.05	**94,620.56**
Less: Closing Stock	12,140.81	14,313.41
Raw Material Consumed	**95,642.24**	**80,307.15**

29.1 Raw material purchases are net of sale of unusable raw materials.

(30) Purchases of Stock In Trade

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Ferro Alloys	9,264.76	5,379.28
Manganese Ore	5,048.66	9,308.06
Others	2,265.92	1,678.40
	16,579.34	**16,365.74**

(31) Changes in inventories

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Stock at the end of the year		
Finished Goods	3,786.12	4,014.49
Work-In-Progress	175.96	134.26
Slag and Waste	686.20	902.75
	4,648.28	**5,051.50**
Stock at the beginning of the year		
Finished Goods	4,014.49	4,558.27
Work-In-Progress	134.26	157.50
Slag and Waste	902.75	621.31
	5,051.50	**5,337.07**
Increase / (Decrease) in stock of		
Finished Goods	228.37	543.77
Work-In-Progress	(41.70)	23.24
Slag and Waste	216.55	(281.44)
Total (Increase) / Decrease in Inventories	**403.22**	**285.57**

(32) Employee Benefits Expense

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Salaries and Wages	2557.69	2432.81
Directors' Remuneration	1703.10	1939.76
Contribution to Provident and Other Funds	95.67	108.44
Staff Welfare Expenses	63.18	48.42
	4,419.64	**4,529.43**

Notes to Consolidated Financial Statements for the year ended 31 March 2019

(33) Power Cost

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Raw Material Consumed in Power Plant	1901.94	3717.96
Electricity Charges	34701.76	32716.66
Electricity Duty	601.08	30.28
Operation and Maintenance of Power Plant	135.02	189.68
	37,339.80	**36,654.58**

(34) Finance Cost

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Interest on Finance Lease Obligation	35.20	35.56
Interest on Borrowings	556.13	369.78
	591.33	**405.34**

(35) Depreciation and Amortisation Expenses

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Depreciation on Property, Plant and Equipment	1556.52	1539.44
Amortisation on Intangible Assets	6.75	4.99
	1,563.27	**1,544.43**

(36) Other Expenses

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Export Expenses	3,450.30	3,448.46
Stores and Packing Materials	1,607.40	1,257.73
Packing and Forwarding Expenses	1,056.98	1,063.59
Carriage Outward	772.72	900.85
Rebate and Discounts	885.58	531.03
Other Manufacturing Expenses	507.05	470.76
Brokerage and Commission	484.09	444.35
Bank Commission and Charges	231.02	376.82
Pollution Control Expenses	393.98	310.59
Entry Tax	-	84.93
Carriage Inward	28.08	20.40
Service Tax Expenses	0.19	19.91
Excise Duty (Refer note 36.1)	-	(310.13)
Repairs to Machinery	1,012.16	1,275.74
Repairs to Building	79.16	110.30
Repairs to Others	56.09	49.35
Rates and Taxes	49.62	443.36
Loss on Sale of Property Plant and Equipment	9.82	(3.72)
Professional Charges	182.29	289.72
CSR Expenses (Refer note 36.2)	489.22	281.91
Insurance Premium	66.14	63.11

Notes to Consolidated Financial Statements for the year ended 31 March 2019

(36) Other Expenses

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Directors' Sitting Fees	4.80	4.23
Rent	23.08	24.96
Demurrage Charges	109.09	-
Auditors Remuneration		
- Statutory Audit Fee	12.41	12.29
- Tax Audit Fee	1.25	1.25
- Other Services	2.75	3.52
- Reimbursement of Expenses	-	0.70
Miscellaneous Expenses	671.15	518.08
	12,186.42	**11,694.09**

36.1 Represents excise duty related to the difference between the closing stock and opening stock.

36.2 Expenditure on Corporate Social Responsibility (CSR) activities

(i) Details of CSR Expenditure:

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
(a) Gross amount required to be spent by the Company during the year	489.10	281.56
(b) Amount spent during the year:		
(i) Construction / Acquisition of any asset	-	-
(ii) On purposes - in cash	**489.22**	**281.91**

(ii) The various heads under which the CSR expenditure were incurred in cash is detailed as follows:

(₹ in lakh)

Relevant Clause of Schedule VII to the Act	Description of CSR activities	Year Ended 31 March 2019	Year Ended 31 March 2018
Clause (i) & (ii)	Promoting healthcare including preventive healthcare and promoting education	19.00	5.00
Clause (i)	Eradicating hunger, poverty and malnutrition, Promoting healthcare including preventive healthcare	51.00	0.22
Clause (ii)	Promoting education, including special education and employment enhancing vocational training and livelihood enhancement projects*	399.00	271.00
Clause (iii)	Setting up homes and other facilities for orphans, senior citizens and for socially and economically backward groups.	-	4.61
Clause (iv)	Ensuring animal welfare	20.00	-
Clause (vii)	Promoting rural and nationally recognised sports	-	0.54
Clause (x)	Rural development projects	0.22	0.54
		489.22	**281.91**

* Contribution to related trust (BMA Foundation) amounting to ₹395.00 Lakh (31 March 2018 - ₹6.00 Lakh.)

(37) Earnings Per Share (EPS)

(₹ in lakh)

Particulars	31 March 2019	31 March 2018
i. Profit after tax as per Statement of Profit and Loss	25,521.04	29,180.12
ii. Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	2,91,11,550	2,91,11,550
iii. Weighted Average Potential Equity Shares	-	-
iv. Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	2,91,11,550	2,91,11,550
v. Basic Earnings Per Shares (₹)	87.67	100.24
vi. Diluted Earnings Per Share (₹)	87.67	100.24
vii. Face Value Per Equity Share (₹)	10	10

(38) Tax Expenses

38.1 Amount recognised in Profit or Loss

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Current Tax:		
Income Tax for the year	6,822.45	8,531.06
Charge/(Credit) in respect of Current Tax for earlier years	4.12	0.32
Total Current Tax	**6,826.57**	**8,531.38**
Deferred Tax:		
Origination and Reversal of Temporary Differences	339.05	(112.89)
Total Deferred Tax	**339.05**	**(112.89)**
Total Tax Expenses	**7,165.62**	**8,418.49**

38.2 Amount recognised in Other Comprehensive Income

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
The Tax (Charge)/ Credit arising on Income and Expenses recognised in Other Comprehensive Income is as follows:		
Deferred tax		
On Items that will not be Reclassified to Profit or Loss		
Remeasurement Gains / (Losses) on Defined Benefit Plans	(0.62)	(5.88)
Equity Instruments through OCI	15.17	-
Total	**14.55**	**(5.88)**

38.3 Movements in Deferred Tax (Liabilities) / Assets

The Group has accrued significant amounts of deferred tax. The majority of the Deferred Tax Liability represents accelerated tax relief for the depreciation of Property, Plant and Equipment and Net of Losses carried forward and unused Tax Credit in the form of MAT credits carried forward. Significant components of Deferred Tax Assets & (Liabilities) recognised in the Balance Sheet as follows

38.3 Movements in Deferred Tax (Liabilities) / Assets (Contd.)

(₹ in lakh)

Particulars	Fixed Assets	Fair Value of Financial Instrument	Employee benefits and Others	Total
As At 1 April 2017	(2,644.30)	(3.28)	64.97	(2,582.61)
(Charged) / Credited to :				
- Profit or Loss	102.75	(2.07)	12.21	112.89
- Other Comprehensive Income	-	-	(5.88)	(5.88)
As At 31 March 2018	**(2,541.55)**	**(5.35)**	**71.30**	**(2,475.60)**
(Charged) / Credited to :				
- Profit or Loss	(332.36)	(25.82)	19.13	(339.05)
- Other Comprehensive Income	-	15.17	(0.62)	14.55
As At 31 March 2019	**(2,873.91)**	**(16.00)**	**89.81**	**(2,800.10)**

39. Employee Benefit Obligations

a) Defined Contributory Plans

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2019
The followings recognised in the Statement of Profit and Loss		
Contribution to employees provident fund	67.31	62.33

b) Defined Benefit Plans

(₹ in lakh)

Particulars	As At 31 March 2019		As At 31 March 2018	
	Current	Non-current	Current	Non-current
Leave Encashment	8.12	33.34	7.59	28.75
Gratuity	15.38	200.17	10.40	159.26

I. Leave Encashment

The liabilities for leave encashment are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit Method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Other Comprehensive Income.

A. Amount recognised in the Balance Sheet

(₹ in lakh)

Particulars	As At 31 March 2019	As At 1 April 2018
Present Value of the Plan liabilities	41.46	36.34
Fair Value of Plan Assets	-	-
Net Liabilities / (Assets)	**41.46**	**36.34**

39. Employee Benefit Obligations (Contd.)

B. Movements in Plan Assets and Plan Liabilities

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
As At 1 April	36.34	38.19
Current Service Cost	6.51	8.06
Net Interest	2.58	2.85
Net impact on Profit before tax	**9.09**	**10.91**
Actuarial (Gain)/Loss arising from changes in-		
- Financial Assumptions	0.17	(0.82)
- Experience Adjustments	1.21	(3.18)
Net Gain recognised in Other Comprehensive Income	**1.38**	**(4.00)**
Curtailment Cost	-	(6.41)
Benefits Paid	(5.35)	(2.35)
As At 31 March	**41.46**	**36.34**

C. Assumptions

Principal actuarial assumptions as at the Balance Sheet date:

Particulars	As At 31 March 2019	As At 1 April 2018
Discount Rate (%)	7.65%	7.70%
Salary Escalation Rate (%)	6.00%	6.00%

D. Sensitivity

The sensitivity of the defined benefit obligation (DBO) to changes in the weighted key assumptions are:

(₹ in lakh)

Particulars	Year Ended 31 March 2019			Year Ended 31 March 2018		
	Change in assumption	Impact on DBO if rate increases	Impact on DBO if rate decreases	Change in assumption	Impact on DBO if rate increases	Impact on DBO if rate decreases
Discount Rate	0.50%	34.13	38.61	0.50%	29.35	33.39
Salary Escalation Rate	0.50%	38.63	34.10	0.50%	33.40	29.32

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

39. Employee Benefit Obligations (Contd.)

E. Maturity

The defined benefit obligations shall mature as follows:

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Year 1	8.43	7.88
Year 2	1.31	0.66
Year 3	0.53	1.09
Year 4	1.20	0.47
Year 5	1.45	1.24
Next 5 years	109.61	101.01

The weighted average duration of defined benefit obligation is 11 years.

II. Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

A. Amount recognised in the Balance Sheet

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Present Value of the Plan Liabilities	215.55	169.66
Fair Value of Plan Assets	-	-
Net Liabilities	**215.55**	**169.66**

B. Movements in Plan Assets and Plan Liabilities

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
As At 1 April	169.66	149.51
Current Service Cost	37.36	34.28
Plan Amendments : Vested portion at the end of period(past services)	5.39	-
Interest Expense/ Income	12.68	11.04
Net impact on Profit Before Tax	**55.43**	**45.32**
Actuarial (Gain)/Loss arising from changes in-		
- Financial Assumptions	1.21	(4.24)
- Experience Adjustments	(3.00)	(8.74)
Net Gain recognised in Other Comprehensive Income	**(1.79)**	**(12.98)**
Benefits Paid	(7.75)	(12.19)
As At 31 March	**215.55**	**169.66**

39. Employee Benefit Obligations (Contd.)

C. Assumptions

Principal actuarial assumptions as at the Balance Sheet date:

Particulars	As At 31 March 2019	As At 31 March 2018
Discount Rate (%)	7.65%	7.70%
Salary Escalation Rate (%)	6.00%	6.00%

D. Sensitivity

The sensitivity of the defined benefit obligation (DBO) to changes in the weighted key assumptions are:

(₹ in lakh)

Particulars	Year Ended 31 March 2019			Year Ended 31 March 2018		
	Change in assumption	Impact on DBO if rate increases	Impact on DBO if rate decreases	Change in assumption	Impact on DBO if rate increases	Impact on DBO if rate decreases
Discount Rate	1.00%	202.51	227.31	1.00%	158.79	179.63
Salary Escalation Rate	1.00%	227.33	202.34	1.00%	178.94	159.24

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

E. Maturity

The defined benefit obligations shall mature as follows:

(₹ in lakh)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Year 1	15.96	10.80
Year 2	11.17	3.94
Year 3	3.28	9.31
Year 4	6.35	2.25
Year 5	11.31	5.67
Next 5 years	591.64	510.59

The weighted average duration of defined benefit obligation is 11 years.

(40) Financial Risk Management

The Company has a system-based approach to risk management, anchored to policies & procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities.

Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulations. It also seeks to drive accountability in this regard.

(40) Financial Risk Management (Contd.)

The Company's financial liabilities includes Borrowings , Trade payables and Other Financial Liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Trade receivables, Cash & Cash Equivalents and Other Financial Assets that are derived directly from its operations.

It is the Company's policy that derivatives are used exclusively for hedging purposes and not for trading or speculative purposes.

Risk	Exposure arising from	Measurement	Management
Market Risk – Price Risk	Investments in equity securities	Sensitivity analysis	Continuous monitoring the performance of investments
Market Risk – Foreign Exchange	Future commercial transactions and recognised financial Assets & Liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Projecting cash flows and considering the forecast of fluctuation in exchange rates
Market Risk – Interest Rate	Borrowings at floating interest rates	Sensitivity analysis	Exposure to floating interest rate debt is only to the extent of Working Capital requirement .
Credit Risk	Trade receivables and other Financial Assets measured at amortised cost	Ageing analysis	Diversification of customer base
Liquidity Risk	Financial liabilities that are settled by delivering cash or another Financial Asset.	Cash flow forecasts	Projecting cash flows and considering the level of liquid assets necessary to meet the liabilities

The Board of Directors reviewed policies for managing each of these risks which are summarised below:-

(a) Market Risk

(i) Commodity Price Risk

Alloy industry being cyclical in nature, realisations gets adversely affected during downturn. Higher input prices or higher production than the demand ultimately affects the profitability. The Company has mitigated this risk by well integrated business model.

(ii) Price Risk

Market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

The Company also invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risk of the underlying assets, whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

(40) Financial risk management (Contd.)

Sensitivity

The table below summarises the impact of increases/decreases of the share prices on the Company's investment:

(₹ in lakh)

Particulars	Impact on profit before tax	
	31 March 2019	31 March 2018
Increase by 5% (2018: 5%)*	3,139.93	1,713.01
Decrease by 5% (2018: 5%)*	(3,139.93)	(1,713.01)

* Holding all other variables constant

(iii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a Financial Instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in the market interest rates relates primarily to the Company's borrowings obligations with floating interest rates. The borrowings of the Company are principally denominated in Indian Rupees linked to MCLR with floating rates of interest.

The Company invests surplus funds in short-term deposits and mutual funds, some of which generate a tax-free return, to achieve the Company's goal of maintaining liquidity, carrying manageable risk and achieving satisfactory returns.

The exposure of the Company's Financial Liabilities to interest rate risk is as follows:

(₹ in lakh)

Particulars	As At 31 March 2019	As At 1 April 2018
Floating Rate		
Rupee Borrowings	343.03	2,499.88
Total	**343.03**	**2,499.88**

Sensitivity

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates as below:

(₹ in lakh)

Particulars	Impact on profit before tax	
	31 March 2019	31 March 2018
Interest expense rates – increase by 50 basis points (2018: 50 bps)*	(1.72)	(12.50)
Interest expense rates – decrease by 50 basis points (2018: 50 bps)*	1.72	12.50

* Holding all other variables constant

(iv) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated borrowings, creditors and debtors. This foreign currency risk is covered by using foreign exchange forward contracts.

Since the Company has both imports as well as exports (exports are more than imports) the currency fluctuation risk is largely mitigated by matching the export inflows with import outflows. Surplus exports are hedged using simple forward exchange contracts depending on the market conditions.

(40) Financial Risk Management (Contd.)

The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency rates is appropriately managed. The following analysis is based on the gross exposure as at the reporting date which could affect the Profit or Loss or Other Comprehensive Income. The exposure summarised below is mitigated by some of the derivative contracts entered into by the Company as disclosed under the section on “Derivative Financial Instruments”.

The Company’s exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:-

(₹ in lakh)

Particulars	As At 31 March 2019		As At 31 March 2018	
	USD	Euro	USD	Euro
Trade Receivables	7,667.48	2,899.92	9,320.64	1,085.36
Trade Payables	22,028.00	-	12,806.32	-
Foreign Currency Borrowings	-	-	1,603.79	-
Net Exposure	**(14,360.52)**	**2,899.92**	(5,089.47)	1,085.36

Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have no material impact on profit.

(v) Derivative Financial Instruments and Risk Management

The Company has entered into variety of foreign currency forward contracts to manage its exposure to fluctuations in foreign exchange rates. These financial exposures are managed in accordance with the Company’s risk management policies and procedures.

The Company uses forward exchange contracts to hedge its exposures in foreign currency arising from firm commitments and highly probable forecast transactions. Forward exchange contracts, designated under hedging, that were outstanding on respective reporting dates, expressed in INR:

(₹ in lakh)

Currency	Gross Currency	As At 31 March 2019		As At 31 March 2018	
		Buy	Sell	Buy	Sell
US Dollar	INR	-	4,005.02	-	5,555.56
Euro	INR	-	17,273.21	-	1,082.91

The aforesaid hedges have a maturity of less than 1 year from the year end.

(b) Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit Risk on receivables is limited as almost all domestic sales are against advance payment or letters of credit (except sale made to PSU’s) and export sales are on the basis of documents against payment or letters of credit.

i) Financial Instruments and Deposits

For Current Investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. This, therefore, results in diversification of credit risk for the Company’s mutual fund investments.

With respect to the Company’s investing activities, counter parties are shortlisted and exposure limits determined on the basis of their credit rating (by independent agencies), financial statements and other relevant information. Taking into account the experience of the Company over time, the counter party risk attached to such assets is considered to be insignificant.

None of the Company’s Cash and Cash Equivalents, including Time Deposits with banks, are past due or impaired. Regarding Trade Receivables, Loans and Other Financial Assets (both current and non-current), there were no indications as at 31 March 2019, that defaults in payment obligations will occur .

(40) Financial Risk Management (Contd.)

ii) Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying 30 days credit terms. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically. The ageing of trade receivables as of Balance Sheet date is given below. The age analysis have been considered from the due date:

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Neither past due nor impaired	19,764.15	15,661.26
Past due but not impaired		
Due less than 6 months	5,335.09	8,290.47
Due between 6–12 months	305.93	64.73
Due greater than 12 months	260.34	356.05
Total	**25,665.51**	24,372.51

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer. The Company based on past experiences does not expect any material loss on its receivables and hence no allowance is deemed necessary on account of Expected Credit Loss.

The credit quality of the Company's customers is monitored on an on going basis and assessed for impairment where indicators of such impairment exist. The Company uses simplified approach for impairment of financial assets. If credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

(c) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the underlying business, the Company maintains sufficient cash and liquid investments available to meet its obligation.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and Cash and Cash Equivalents on the basis of expected cash flows. The management also considers the Cash Flow projections and level of liquid assets necessary to meet these on a regular basis.

(40) Financial Risk Management (Contd.)

(i) Financing Arrangements

The Company had access to the following undrawn funding facilities at the end of the reporting period:

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Expiring within one year (Bank Overdraft and other facilities)	8,656.97	7,850.00
	8,656.97	7,850.00

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities in INR may be drawn at any time.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening the financial position. The maturity profile of the Company's Financial Liabilities based on the remaining period from the date of Balance Sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	> 5 years	Total
As At 31 March 2019					
Borrowings*	382.31	82.09	123.14	630.73	1,218.27
Derivative Financial Liabilities	-	-	-	-	-
Trade Payables	24,623.87	-	-	-	24,623.87
Other Financial Liabilities**	2,668.90	-	-	-	2,668.90
Total	**27,675.08**	**82.09**	**123.14**	**630.73**	**28,511.04**

Particulars	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	> 5 years	Total
As At 31 March 2018					
Borrowings	4,144.09	78.02	122.33	712.29	5,056.73
Derivative Financial Liabilities	34.19	-	-	-	34.19
Trade Payables	14,728.49	-	-	-	14,728.49
Other Financial Liabilities **	2,930.49	-	-	-	2,930.49
Total	**21,837.26**	**78.02**	**122.33**	**712.29**	**22,749.90**

* Includes non-current borrowings, current borrowings, current maturities of non-current borrowings and committed interest payments including finance lease obligations.

** Includes other non-current and current financial liabilities but excludes current maturities of non-current borrowings and derivatives and committed interest payments on borrowings.

(41) Capital Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

(41) Capital Management (Contd.)

The funding requirements are met through a mixture of equity, internal fund generation and borrowings. The Company's policy is to use current and non-current borrowings to meet anticipated funding requirements.

The Company monitors capital on the basis of the gearing ratio which is net debt divided by total capital (equity plus net debt) . The Company is not subject to any externally imposed capital requirements. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The gearing ratio at the end of the reporting period was as follows: (₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Long-Term Borrowings	362.02	366.83
Short-Term Borrowings and Current Maturities of Long-Term Borrowings	347.49	4,107.39
Total Borrowings (a)	709.51	4,474.22
Less:		
Cash and Cash Equivalents	1,660.45	3,160.67
Current Investments	62,185.31	33,516.71
Total Cash (b)	**63,845.76**	36,677.38
Net Debt (c = a-b)	(63,136.25)	(32,203.16)
Total Equity (as per Balance Sheet) (d)	1,11,308.52	86,838.05
Total Capital (e = c + d)	**48,171.27**	54,634.89
Gearing Ratio (c/e)	**(1.31)**	(0.59)

(b) Dividends Paid and Proposed (₹ in lakh)

Particulars	As At 31 March 2018	As At 31 March 2017
(i) Final dividend (including DDT) paid for the year ended 31 March 2018 of ₹3.00 (31 March 2017 – ₹2.50) per fully paid share	1,052.87	875.95
(ii) Dividends not recognised at the end of the reporting period		
The Board of Directors have recommended dividend of ₹6.00 (31 March 2018: ₹3.00) per fully paid up equity shares of ₹10.00 each. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	1,746.69	873.35
Dividend distribution tax (DDT) on above	359.04	179.52

(42) Disclosures on Financial Instruments

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at Fair Value and (b) measured at amortised cost and for which fair values are disclosed in the Financial Statements.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of Financial Asset, Financial Liability and equity instrument are disclosed in note 3 to the financial statements.

(41) Capital Management (Contd.)

Categories of Financial Instruments

(₹ in lakh)

Particulars	Notes	As At 31 March 2019	As At 31 March 2018
Financial Assets			
a) Measured at Amortised Cost			
i) Cash and Cash Equivalents	12	1,660.45	3,160.67
ii) Other Bank Balances	13	2,880.94	2,578.93
iii) Trade Receivables	11	25,665.51	24,372.51
iv) Other Financial Assets	6 & 14	3,577.72	3,148.44
Sub-Total		**33,784.62**	**33,260.55**
b) Measured at Fair Value through OCI (FVOCI)			
i) Investment in Quoted Equity Shares	5	613.12	743.36
ii) Investment in Unquoted Equity Shares	5	0.15	0.15
Sub-Total		**613.27**	**743.51**
c) Measured at Fair Value through Profit and Loss (FVTPL)			
i) Investment	10	62,185.31	33,516.71
Sub-Total		62,185.31	33,516.71
d) Derivatives Measured at Fair Value			
ii) Derivative Instruments designated as Hedging Instruments	14	192.88	-
Sub-Total		192.88	**-**
Total Financial Assets		**96,776.08**	67,521.77
Financial Liabilities			
a) Measured at Amortised Cost			
i) Borrowings	17,21 & 23	709.51	4,474.22
ii) Trade Payables	22	24,623.87	14,728.49
iii) Other Financial Liabilities	23	2,668.90	2,931.90
Sub-Total		**28,002.28**	**22,135.61**
b) Derivatives Measured at Fair Value			
i) Derivative Instruments designated as Hedging Instruments	23	-	34.19
Sub-Total		-	34.19
Total Financial Liabilities		**28,002.28**	22,169.80

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(42) Disclosures on Financial Instruments (Contd.)

(ii) Valuation Technique used to determine Fair Value

Specific valuation techniques used to value Financial Instruments include:

- the Fair Value of all Assets and Liabilities
- the Fair Value of the Financial Instruments is determined using discounted Cash Flow analysis.

(iii) Fair value of Financial Assets and Liabilities measured at fair value - recurring fair value measurements

Particulars	As At 31 March 2019		As At 31 March 2018	
	Level 1	Level 3	Level 1	Level 3
Financial Assets				
Investment in Equity Instruments	613.12	0.15	743.36	0.15
Total Financial Assets	**613.12**	**0.15**	743.36	0.15

(iv) Fair Value of Financial Assets and Liabilities measured at amortised cost

Particulars	As At 31 March 2019		As At 31 March 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Liabilities				
Borrowings	709.51	709.51	4,474.22	4,474.22
Total Financial Liabilities	**709.51**	**709.51**	4,474.22	4,474.22

The carrying amounts of all other Financial Assets and Financial Liabilities are considered to be the same as their fair values, due to their short-term nature.

(v) Significant Estimates

The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (ii) above.

(43) Contingent Liabilities and Commitments

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an on going basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flow.

(a) Contingent Liabilities:

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
a) Claims against the Company / disputed liabilities not acknowledged as debt		
- Excise duty and service tax demand	449.69	171.64
b) Letters of credit issued by banks and outstanding	6,298.77	3,241.78
c) Bank Guarantees issued by banks and outstanding	8,006.80	2,303.32
d) Bill discounted backed by LC's	399.25	534.41

(43) Contingent Liabilities and Commitments (Contd.)

The amounts shown above represent the possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals.

(b) Commitments:

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
Estimated amount of contracts remaining to be executed on capital commitments	63.00	13.52

(44) Interest in Other Entities

a) The Subsidiaries considered in preparation of these Consolidated Financial Statements are:

Name of the Enterprise	Principal Activities	Proportion of Ownership Interest		Country of Incorporation
		As At 31 March 2019	As At 31 March 2018	
Anjaney Minerals Ltd.	Manufacturing and trading of metals and/or minerals	100%	100%	India
Salanpur Sinters Pvt. Ltd.	Processing of powder and lump	100%	100%	India
AXL Explorations Pvt. Ltd.	Manufacturing and trading of metals and/or minerals	75%	75%	India

Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

b) Additional Information pursuant to Schedule III of the Companies Act, 2013

(₹ in lakh)

Name of the Company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss		Other Comprehensive Income (OCI)		Total Comprehensive Income (TCI)	
	2018-19		2018-19		2018-19		2018-19	
	As % of Consolidated Net Assets	Amount (₹)	As % of Consolidated Profit or Loss	Amount (₹)	As % of Consolidated OCI	Amount (₹)	As % of Consolidated TCI	Amount (₹)
Parent								
Maithan Alloys Ltd.*	98.62%	1,09,773.22	100.01%	25,526.27	100.00%	2.32	100.01%	25,528.59
Subsidiaries								
AXL Explorations Pvt. Ltd. *	0.17%	194.09	-0.01%	(3.78)	0.00%	-	-0.01%	(3.78)
Anjaney Minerals Ltd.	0.65%	719.51	-0.01%	(2.67)	0.00%	-	-0.01%	(2.67)
Salanpur Sinters Pvt. Ltd.	0.54%	598.35	0.01%	1.81	0.00%	-	0.01%	1.81
Non-Controlling Interest	0.05%	54.36	0.00%	(1.10)	0.00%	-	0.00%	(1.10)
Total	100.00%	1,11,308.52	100.00%	25,521.04	100.00%	2.32	100.00%	25,522.85

*The above figures are before inter-company eliminations.

(45) Segment Reporting

The Company is primarily in the business of manufacturing of " Ferro Alloys ". Revenue from other activities is not material. Accordingly, there are no reportable business segments as per Ind AS 108.

Additional information:

45.1 Geographical Information

(₹ in lakh)

1. Revenue from External Customers	Year Ended 31 March 2019	Year Ended 31 March 2018
- Within India	86,685.85	81,874.62
- Outside India	1,05,898.34	1,02,058.61
Total	**1,92,584.19**	1,83,933.23
2. Non-Current Assets	**Year Ended 31 March 2019**	**Year Ended 31 March 2018**
- Within India	23,944.74	24,479.47
- Outside India	-	-
Total	**23,944.74**	24,479.47

45.2 For product wise information refer note 27.

45.3 The Company is not reliant on revenue from transactions with any single external customer.

(46) Assets Pledged as Security

The carrying amounts of assets pledged as security for borrowings are:

(₹ in lakh)

Particulars	As At 31 March 2019	As At 31 March 2018
First Charge		
Current		
Trade Receivables	25,665.51	24,372.51
Inventories	26,094.23	24,818.77
	51,759.74	49,191.28
Non-Current		
Property, Plant and Equipment	21,937.30	23,334.87
	21,937.30	23,334.87
Total Assets Pledged as Security	**73,697.04**	72,526.15

(47) Related Party Disclosures

a) Name of the Related Parties and Description of Relationship:

I Key Managerial Personnel

1 Mr. S. C. Agarwalla

2 Mr. Subodh Agarwalla

3 Mr. Shankar Lal Agarwalla

4 Mr. Sudhanshu Agarwalla

5 Mr. Kunal Agarwala

6 Mr. Parasanta Chattopadyay

7 Mr. Shailendra Kumar Shaw

IV Enterprises over which Key Managerial Personnel are able to exercise significant influence

1 BMA Foundation

b) Transactions during the year with Related Parties

(₹ in lakh)

Sl. No.	Types of Transactions	Enterprises influenced by KMP		Key Management Personnel and their relatives	
		2018-19	2017-18	2018-19	2017-18
1.	**Services Received**				
	Mr. Sudhanshu Agarwalla	-	-	588.56	571.09
2.	**Remuneration Paid**				
	Mr. S. C. Agarwalla	-	-	946.17	1,077.64
	Mr. Subodh Agarwalla	-	-	756.93	862.11
3.	**Sitting Fees**				
	Mr. Parasanta Chattopadyay	-	-	0.40	0.40
4.	**Purchase of Shares**				
	Mr. S. C. Agarwalla	-	-	-	-
	Mr. Subodh Agarwalla	-	-	-	1.41
	Mr. Sudhanshu Agarwalla	-	-	-	1.41
5.	**CSR Expenses**				
	BMA Foundation	395.00	6.00	-	-
6.	**Loans / Advances given / (refund)**				
	Mr. Subodh Agarwalla	-	-	-	12.14
	BMA Foundation	(70.70)	70.70	-	-

c) Balance Outstanding :

(₹ in lakh)

Sl. No.	Particulars	Enterprises influenced by KMP		Key Management Personnel and their relatives	
		As At 31 March 2019	As At 31 March 2018	As At 31 March 2019	As At 31 March 2018
1.	**Remuneration Payable**				
	Mr. S. C. Agarwalla	-	-	141.58	189.81
	Mr. Subodh Agarwalla	-	-	114.93	151.45
2.	**Other Payables**				
	Mr. Sudhanshu Agarwalla	-	-	69.39	68.87
3.	**Other Receivables**				
	BMA Foundation	-	70.70	-	-

d) Compensation to Key Management Personnel

(₹ in lakh)

Particulars	31 March 2019	31 March 2018
Short Term Employee Benefits	1,703.50	1,940.15
Post Employment Benefits*	-	-
Other Long Term Benefits*	-	-
	1,703.50	**1,940.15**

* Post employment benefits and long term employee benefits are determined on the basis of actuarial valuation for the Company as a whole and hence segregation is not available.

(48) The previous year figures have been reclassified and regrouped where considered necessary to confirm to this year's presentations.

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

For and on behalf of the Board of Directors

For **M Choudhury & Co.**
Chartered Accountants
FRN.: 302186E

S. C. Agarwalla
Chairman & Managing Director
DIN: 00088384

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

D. Choudhury
Partner
Membership No.: 052066

Sudhanshu Agarwalla
President & CFO

Rajesh K. Shah
Company Secretary

Place: Kolkata
Date: 30 April 2019

Form AOC-I

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ lakh)

1	**Sl. No.**	**01**	**02**	**03**
2	Name of the subsidiary	Anjaney Minerals Limited	AXL-Exploration Private Limited	Salanpur Sinters Private Limited
3	The date since when subsidiary was acquired	22 October 2008	16 March 2004	28 November 2017
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1 April 2018 to 31 March 2019	1 April 2018 to 31 March 2019	1 April 2018 to 31 March 2019
5	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Indian Rupees	Indian Rupees	Indian Rupees
6	Share capital	1,100.00	323.50	604.00
7	Reserves & surplus	-380.49	-106.05	-5.65
8	Total assets	729.69	317.41	598.75
9	Total liabilities	10.18	99.97	0.40
10	Investments	107.73	Nil	Nil
11	Turnover	Nil	Nil	Nil
12	Profit before taxation	5.85	-4.38	2.45
13	Provision for taxation	8.53	Nil	0.64
14	Profit after taxation	-2.67	-4.38	1.81
15	Proposed dividend	Nil	Nil	Nil
16	Extent of shareholding in percentage	100.00%	75.00%	100.00%

Notes:

1. Anjaney Minerals Limited has acquired some mining lands and has applied for mining licences which are in process and is yet to commence its operations.
2. AXL-Exploration Private Limited has made an application to the government authorities for renewal of its mining lease and necessary approval thereon is awaited. The Company has not undertaken activity pending renewal of mining lease.
3. Salanpur Sinters Private Limited is engaged in dealing and trading of metal and/or minerals.
4. None of the subsidiary(ies) have been liquidated or sold during the financial year 2018-19.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

The Company do not have any associate company or joint ventures.

For and on behalf of the Board of Directors

S. C. Agarwalla
Chairman & Managing Director
DIN: 00088384

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Place: Kolkata
Date: 30 April 2019

Sudhanshu Agarwalla
President & CFO

Rajesh K. Shah
Company Secretary

CORPORATE INFORMATION

Chairman and Managing Director
Mr. S. C. Agarwalla

Whole-time Director and CEO
Mr. Subodh Agarwalla

Directors
Mr. Nand Kishore Agarwal
Mr. Biswajit Choudhuri*
Mr. Ashok Bhandari
Mr. Vikash Kumar Jewrajka
Mr. P. K. Venkatramani
Mrs. Kalpana Biswas Kundu
Mr. Parasanta Chattopadyay

**Ceased to be a Director w.e.f. 11 March 2019*

President and CFO
Mr. Sudhanshu Agarwalla

Company Secretary
Mr. Rajesh K. Shah

Corporate Identification Number
L27101WB1985PLC039503

Auditors
M Choudhury & Co,
Chartered Accountants

Registered Office
Ideal Centre, 4th Floor,
9, AJC Bose Road,
Kolkata - 700 017

Works
Kalyaneshwari (West Bengal)
Ri-Bhoi (Meghalaya)
Visakhapatnam (Andhra Pradesh)
Jaisalmer (Rajasthan)
Sangli (Maharashtra)

Banks/Financial Institutions
State Bank of India
IndusInd Bank Limited
Citibank N.A.
Axis Bank Limited
HDFC Bank Limited

maithan alloys ltd

Registered Office
Ideal Centre, 4th Floor,
9, AJC Bose Road,
Kolkata - 700017
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