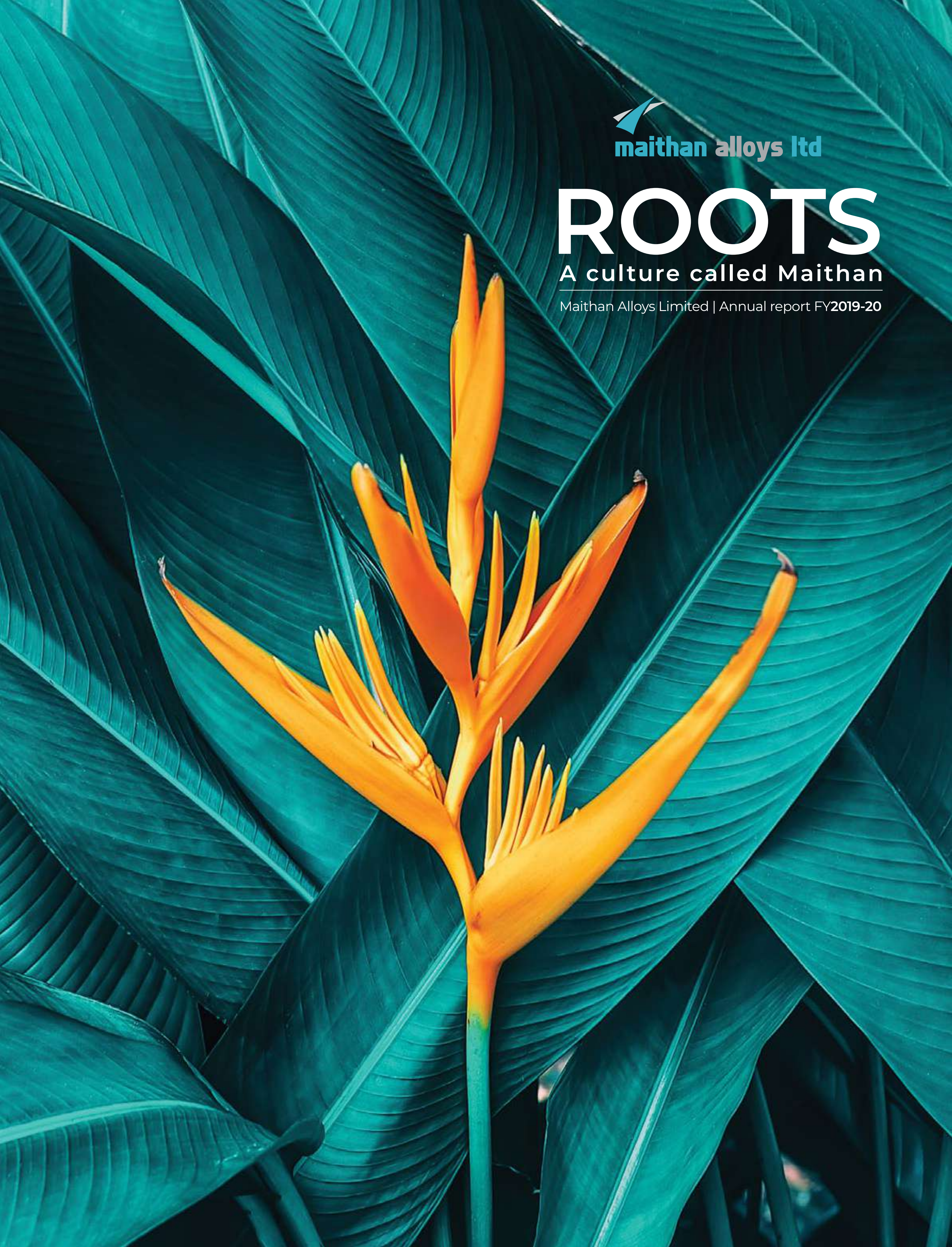
maithan alloys ltd

ROOTS

A culture called Maithan

Maithan Alloys Limited | Annual report FY**2019-20**



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OVERALL PERFORMANCE HIGHLIGHTS, **FY2019-20**

1,897
(₹/crore) Revenue

222
(₹/crore) PAT

OPERATIONAL PERFORMANCE HIGHLIGHTS, **FY2019-20**

1,831
(₹/crore) Revenue from operations

233
(₹/crore) EBIDTA

13
(%) EBIDTA margin

39
(%) ROCE

ROOTS.

At Maithan Alloys, where we come from influences what we are and what we do.

We draw on these roots – values, experiences and knowledge - to sustain across challenging market cycles and respond with speed when realities improve.

These roots have translated into superior value for all our stakeholders, strengthening our business sustainability.

Maithan Alloys Limited.

One of India's largest manganese alloys manufacturer.
Growing out of accruals.
Sustainable across market cycles.
Enhancing value for its stakeholders.

RICH EXPERIENCE

Maithan Alloys Limited is among India's leading manufacturers and exporters of niche value-added manganese alloys. The company is promoted and managed by the Asansol-based Agarwalla family that possesses extensive multi-decade industry experience and exposure.

DIVERSIFIED PRODUCT PORTFOLIO

The Company is engaged in the manufacture of ferro alloys including ferro manganese, silico-manganese and ferro silicon.

PRESENCE

The Company is headquartered in Kolkata and exports products to more than 35 countries across South America, Europe, Africa, the Middle East, South & South East Asia and Australia. The company's customised manganese alloys are used by large and growing steel companies across the world.

LISTING

The equity shares of the Company are listed on Bombay Stock Exchange and National Stock Exchange where they are traded actively, with a market capitalisation of ₹1019.05 crore and ₹1024.14 crore, respectively, as on 31 March 2020.

STATE-OF-THE-ART FACILITIES

The Company's manufacturing units are located in Kalyaneshwari (West Bengal), Visakhapatnam (Andhra Pradesh) and Byrnihat (Meghalaya) with an aggregate manufacturing capacity equivalent to 137.25 MVA. The Company invested in cutting-edge technologies that translated into a capacity utilisation of >95% as on 31 March 2020.

EXTENSIVE COMPLIANCE

The Company has been accredited with the ISO 9001:2000 certification for quality processes, ISO 18001:2007 for health and safety. The Company has been investing consistently in cutting-edge technologies with the objective to offer quality products to customers.

CLIENTELE

The Company has established a client base across India, marked by long-term relationships with prominent steel manufacturing clients like SAIL, Tata Steel, JSW, JSPL and JSL. The Company also caters to international clients across more than 35 countries.

CREDIT RATING

Maithan's strong Balance Sheet translated into superior appraisal by credit rating agencies (CARE AA, CRISIL AA (Stable), CARE/ CRISIL A1+).

VISAKHAPATNAM (SEZ)
Andhra Pradesh

Products: Ferro-manganese, Silico-manganese

Smelters: 4x18 MVA

Capacity: 72 MVA

KALYANESHWARI
West Bengal

Products: Ferro-manganese, Silico-manganese

Smelters: 2x5 MVA, 1x6.5 MVA, 1x8.25 MVA, 2x12 MVA

Capacity: 48.75 MVA

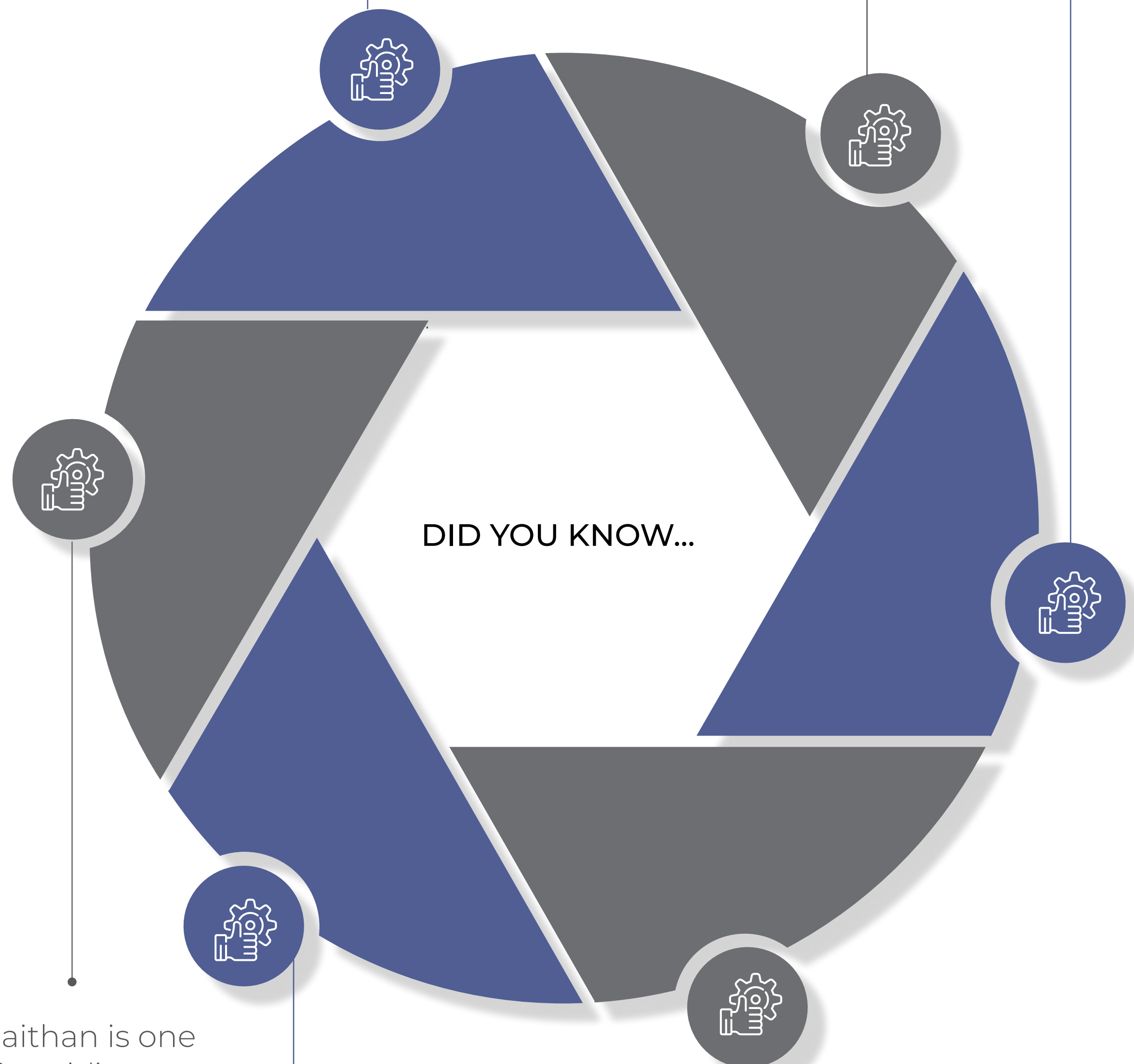
BYRNIHAT
Meghalaya

Products: Ferro-silicon

Smelters: 2x8.25 MVA

Capacity: 16.5 MVA

DID YOU KNOW...



Maithan is one of India's largest exporter of manganese alloys

Maithan accounts for ~1% of global manganese alloys supply

Maithan is respected in its industry for its strict quality conformance

Maithan is one of world's most competitive manganese alloys manufacturers

A majority of Maithan's domestic customers have been engaged with the Company for a number of years

Maithan exports products to more than 35 countries

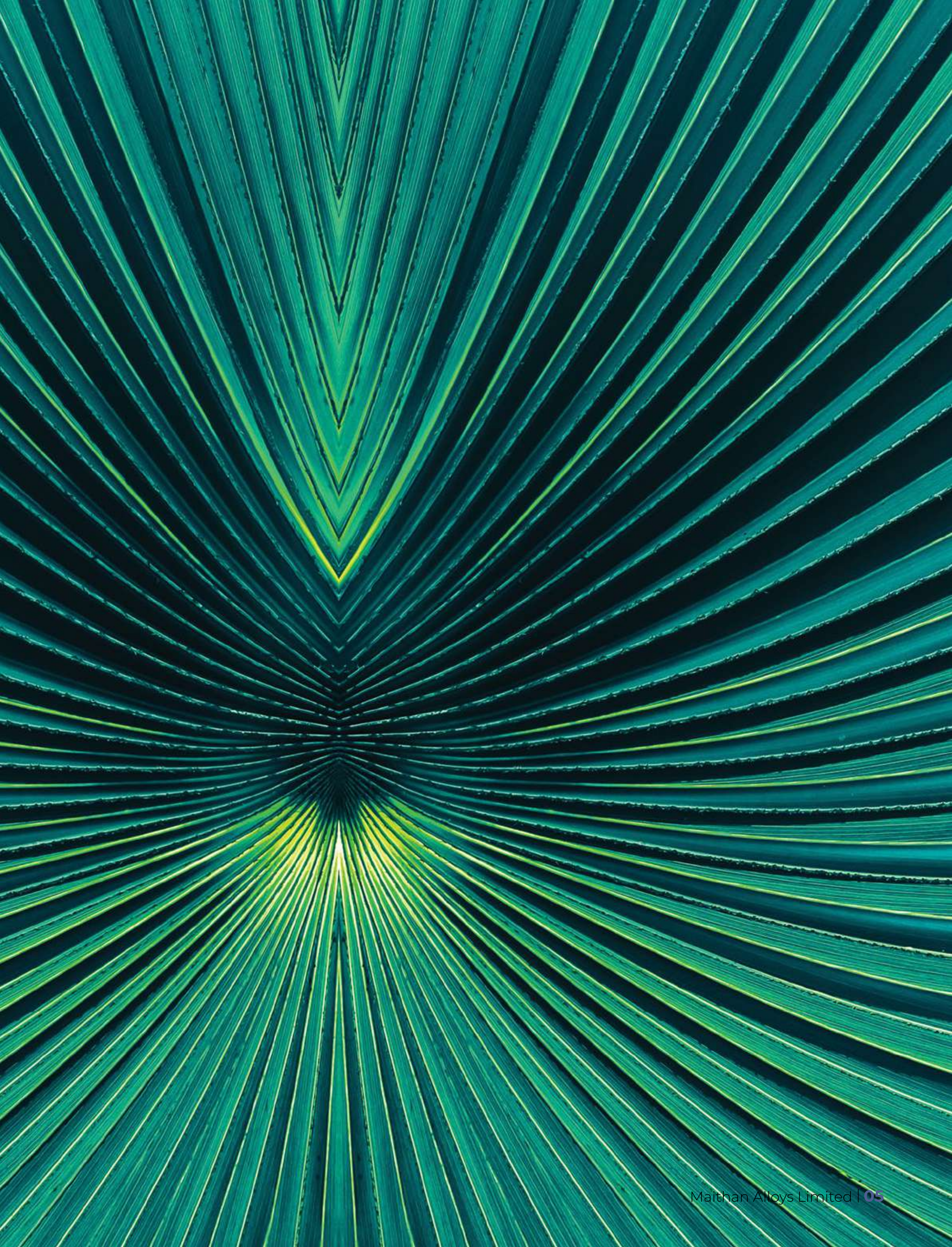
Governance.
The roots of Maithan's sustainability .

CREDIBILITY
At Maithan, we resolved to build our business around credibility and trust. We believed that credibility would help us attract a stable eco-system of longstanding customers, enduring employees and steady investors, translating into enhanced respect.

PROPRIETY
At Maithan, we resolved to conduct ourselves with propriety - the right things done in the right way. Over the years, this commitment has become a standard within our Company reflected in a simple but telling understanding: 'Would it be right? Would it be fair?'

LONG-TERM
At Maithan, our initiatives are not inspired by short-term arbitrage but by the long-term value we can generate in a sustainable way. This has, over time, reflected in the quality of equipment we have invested in and our decision to invest in research as the principal driver of our presence.

FOCUS
At Maithan, we have selected to focus on one line of business – ferro alloys – and resisted temptations to extend the business upstream (resource ownership) or downstream (steel).



CONTROLLED GROWTH

At Maithan, we believe that business sustainability is best derived from controlled growth as opposed to one-off profitability spikes, empowering us to invest our accruals into business growth without stretching the Balance Sheet.

PROCESS-DRIVEN

At Maithan, we have deepened our investment in processes and systems. This represents a scalable foundation that will enable the Company to grow predictably and profitably coupled with effective de-risking.

STAKEHOLDER VALUE

At Maithan, we believe that enduring success is derived from stakeholder value-creation: the customer must experience enhanced competitiveness, the employee must derive engagement stability, the investor must generate a superior return, the community must benefit from our presence and our vendors must benefit through stable outsourcing of products and services.

OUR VALUES FRAMEWORK

Vision

To be India's premiere Alloy Company that is built on the solid 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 always!

Mission

To be India's premier alloys company by:

- Promising excellent shareholder value: Guarantee a high RoCE 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: is passion for us. We are extremely committed to serving our shareholders and customers to the best of our abilities. Our promise to our stakeholders is a hard-ironed commitment and we aim to exhibit this value in everything that we do.

Loyalty: is the very fabric that runs beneath our organisation. We strive to absorb and exhibit loyalty not only to our stakeholders but also internally as individuals.

Integrity: We not only believe but also assimilate 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, meticulous attention to detail along with a positive attitude is how we would describe every work process at our organisation. Rigour with a 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.

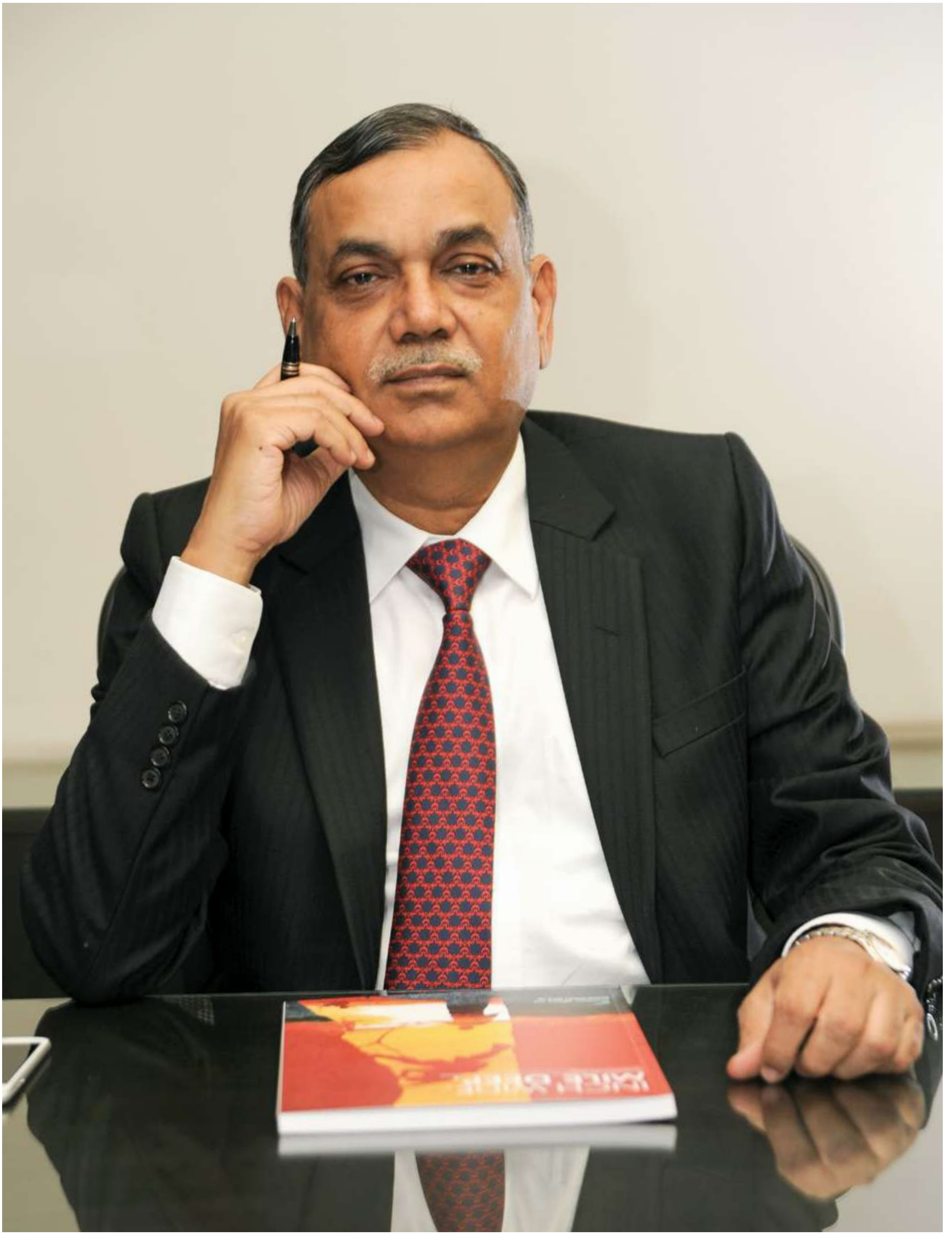
Maithan's culture has been nurtured by a distinctive spirit

"Embrace challenges"

"Get any demanding standard to match and we will deliver"

"Punch above your weight!"

"Just tell someone at Maithan that it cannot be done – and then see the difference"



The Chairman's statement

Dear shareholders,

I am pleased to present the results of the Company for FY2019-20. The performance must be seen in context of a slowdown in the global economy by 70 bps to 2.9%. Maithan reported revenues of ₹1,897 crore and profit after tax of ₹222 crore.

OPERATING CONTEXT

Global crude steel output reported moderate growth of 3.4% in 2019. This growth was largely on account of the demand coming out of Asia and the Middle East; all the other geographies reported de-growth. This was clearly visible in the numbers: China's crude steel production in 2019 reached 996.3 Mt, up 8.3%; European Union produced 159.4 Mt of crude steel in 2019, a decline of 4.9%.

Crude steel output in India grew 1.8% in 2019, considerably lower than its retrospective growth average, on account of a slowing economy where the construction and automobile sectors, two large steel consumers, reported extensive demand erosion. Besides, the slowdown was aggravated by the onset of the COVID-19 pandemic starting December 2019, which induced lockdowns and social distancing across the world, disrupting the demand cycle.

Maithan Alloys continued to outperform the manufacturing, steel and ferro alloys sectors through a continued leverage of its roots, influencing its strategic responsiveness, competitiveness and outperformance.

CULTURE MAKES THE DIFFERENCE

The steel industry is cyclical, marked by a downward cycle every few years. For a company engaged in a business *classified as commodity* (and hence volatile), the operating feature behind our business sustainability comprises discipline. At our Company, discipline is the ability to decide what will be best for us and keeping to it through various business environments.

At Maithan, much of this strategic clarity has come from what we perceive our role to be. We do not see ourselves as a manganese alloys company exposed to the prospect of arbitrage opportunities within our business; we see our role as disciplined convertors of resource at one end into quality end products at the other. The efficiency required to succeed through challenging market phases warrants a complement of process discipline, organisational leanness, broad-based geographic presence and the ability to customise products and grades as per market needs.

STRATEGIC DISCIPLINE

In a business where costs and realisations are determined by the market, there is only one way one can remain successful in the long-term: clarity of what not to do.

At Maithan, we have selected not to speculate and inventorise resources to generate arbitrage profits.

At Maithan, we did not select to focus on becoming the biggest; we would rather be the best with all the growth that comes out of this focus being a by-product.

At Maithan, we do not believe in creating capacities aggressively in the hope of finding markets; we would rather be in a position where we are virtually 'sold' for additional volumes before we select to expand capacity.

At Maithan, we did not concentrate on enhancing capacities in one location but broad basing our geographic presence in response to logistical and resource advantages.

At Maithan, we did not select to manufacture commodity grades that would have sold faster as it would have destroyed our brand for being a niche and value-added player.

At Maithan, we did not seek our identity from the largeness of our manufacturing capacity (as would have been usual in a commodity business); we sought it from the research-led quality of what we manufactured.

At Maithan, we did not seek our viability from the prevailing realities of the short-term; we invested with the perspective of staying in business across the long-term.

At Maithan, we did not acquire assets with abandon using the cash on our books; we selected to build greenfield capacities as it would have taken longer to integrate the operating culture of the acquired units.

OPERATIONAL LEANNESS

At Maithan, we reinforced our business model through an operational leanness that strengthened our cost leadership across market cycles.

In a business that works with large resource volumes, we selected to locate ourselves in geographies with a large access to resources on the one hand and market access on the other. We commissioned a manufacturing plant in Andhra Pradesh, which provides access to the international markets through port.

At Maithan, we design and fabricate furnaces as well, minimising our dependence on external vendors, accelerating construction speed, customising equipment and infrastructure as per our needs and moderating costs.

We invest continuously in product and process research and development that make it possible to manufacture a range of grades, optimise processes, alter the resource mix and achieve desired quality at among the most competitive costs in the world.

We created a strong protocol of operating procedures translating into a high asset utilisation, making it possible for us to amortise our fixed costs more effectively over a larger output.

The result of this operational leanness has translated into a fixed cost equivalent to 5% of revenues, which is ideally balanced with resource costs accounting for around 80% of revenues. The result is that our EBIDTA margins are

THE MAITHAN ADVANTAGE

consistently among the highest in India's ferro alloys industry.

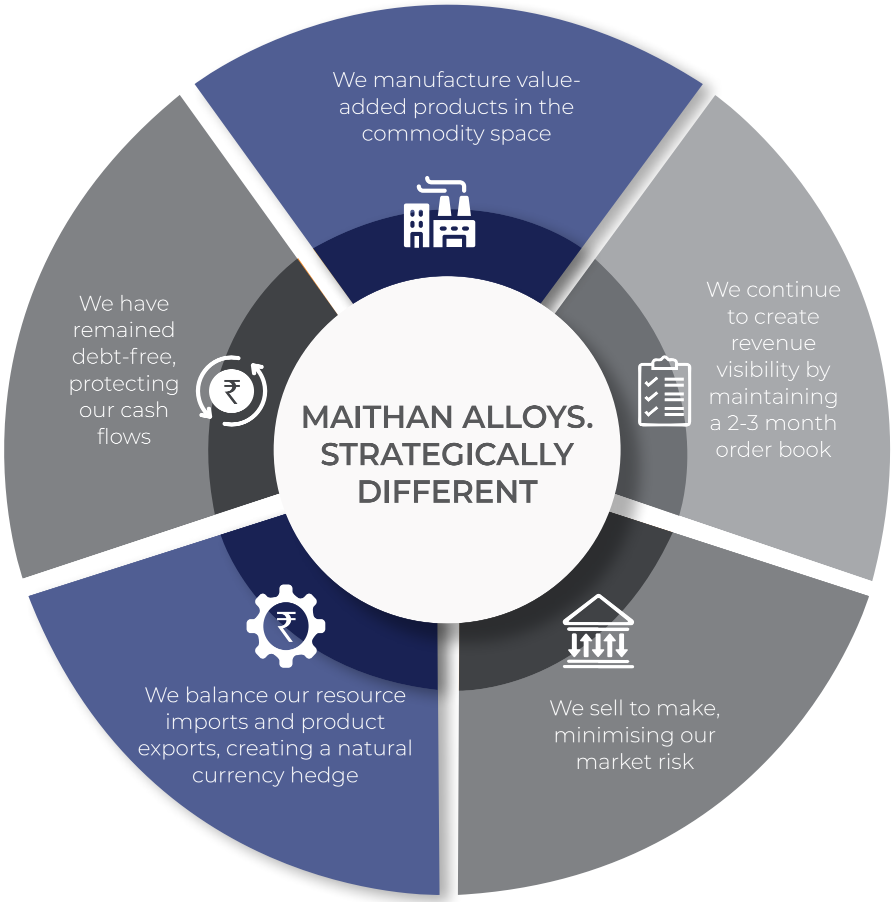
OUTLOOK

The COVID-19 pandemic and the corresponding lockdown disrupted operations during the first quarter of FY2020-21. The steel industry plays an important role in driving economies. In a post-Covid world, governments across the world are expected to deepen their infrastructure investments to stimulate economic growth, which could catalyse steel demand. An Oxford Economics study found that for every US$1 of value added by the steel industry, US$2.50 of value-added activity was supported across other sectors. On the employment side the study confirmed that for every 2 jobs in the steel sector, 13 jobs are supported throughout the supply chain.

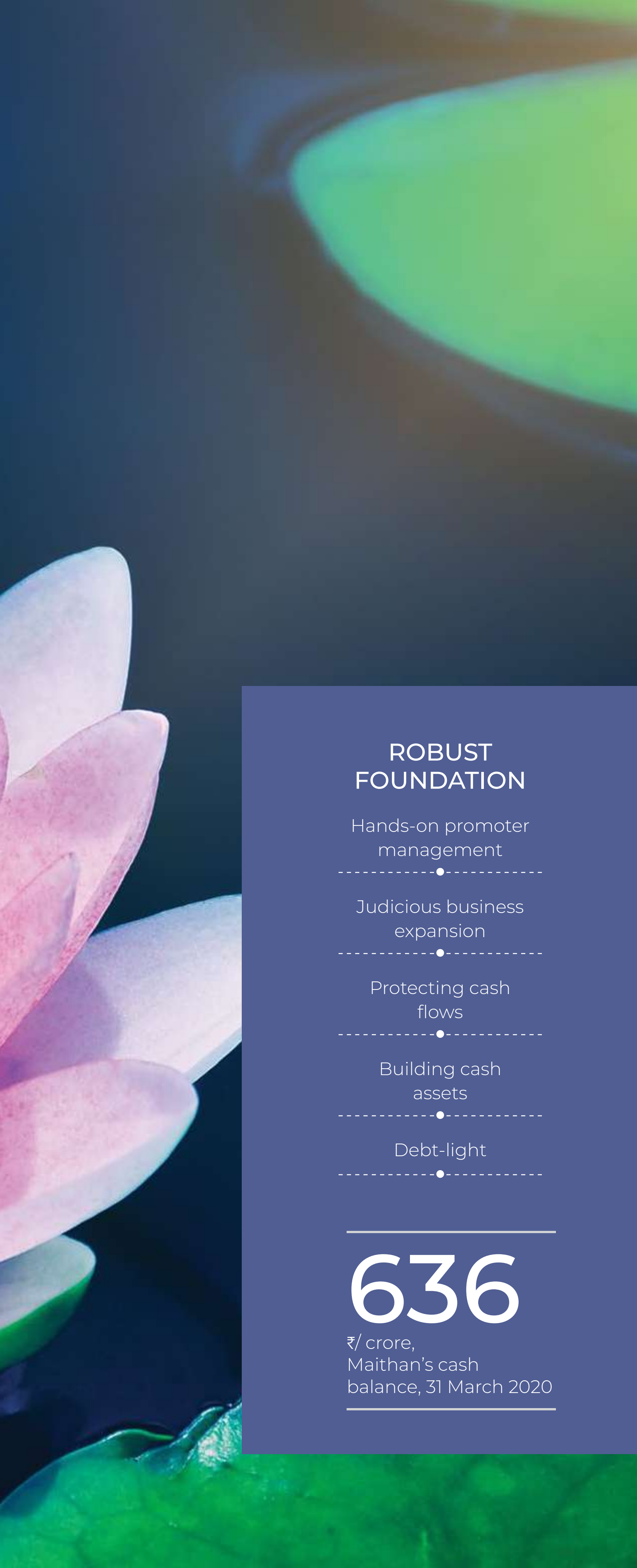
At Maithan, we believe that the short-term may be challenging in view of the demand erosion, the medium-term outlook is likely to be cautiously better. The Company possesses cash on its books and virtually no debt to be able to see these challenging times through.

We expect to capitalise with speed on the sectoral rebound when it transpires and enhance value for all our stakeholders.

S.C Agarwalla
Chairman



Over the decade, Maithan Alloys has emerged as an outlier within India's ferro alloys sector. The Company has reinforced its low 'beta' to sectorial realities through a number of differentiators



ROBUST FOUNDATION

- Hands-on promoter management
- Judicious business expansion
- Protecting cash flows
- Building cash assets
- Debt-light

636

₹/ crore,
Maithan's cash balance, 31 March 2020

At Maithan, we focus on growing through the most challenging business environments utilising a balance of caution and aggression

Culture of judicious caution

- Maithan believes that growth can be best derived when the promoter charts out a strategic direction and monitors periodic progress, backed by experienced professionals.
- Maithan has selected to judiciously invest in business expansion, resisting the temptation of hurried acquisitions or diversion into non-core businesses. All expansions are considered only after the previous capacity expansions have achieved a high utilisation
- Maithan does not take open market positions on the resource side, focusing completely on efficient conversion
- Maithan believes that sustained outperformance is derived from a coming together of simple living and high thinking, reflected in modest overheads
- Maithan is extensively under-borrowed: long-term debt of ₹ Nil crore as on 31 March 2020 corresponded by a net worth of ₹1299 crore.

'Conservatively aggressive'

"What has not changed is Maithan's business approach of balancing caution with aggression. The Company seeks our counsel before large investments, reflecting its commitment towards stakeholders. The two words that describe Maithan best: Conservatively aggressive."

- A banker

At Maithan,
we believe that long-term success is driven by a backbone of discipline

Culture of discipline

- Maithan focuses singularly on ferro alloys manufacture
- Maithan is not volume-driven; it is a margins-driven company.
- Maithan is financially stable, highlighted by a high interest cover ratio.
- Maithan attracted AA Stable rating from CRISIL.
- Maithan manages its currency risk exposure through continuous monitoring and suitable hedging when needed

'Grounded'

"Despite being awash with cash liquidity, the Company is cautious before investments and expansions. It extensively analyses risks before decisions. We were surprised to see the Director coming to the Kalyaneshwari plant when we went for a joint bankers' visit. That's what humility means."

- A banker

DEEPENING DISCIPLINE

Focus on its core business

Maintaining financial integrity

Continuous monitoring

Inclusive growth

0.01

Maithan's debt-equity ratio, 31 March 2020

COST LEADERSHIP

Competitive logistic costs

High process efficiencies

Economies of scale

Lean organisational structure

39

% RoCE, 31 March 2020

At Maithan,
we have professed a culture of austerity across market cycles, strengthening our business sustainability

Cost leadership

- Maithan is amongst the lowest cost manganese alloy manufacturers in the world
- Maithan is one of the largest producers of manganese alloys, extending beyond commodity grades to specialised grades.
- Maithan is supported by an eco-system stability that makes it possible to moderate costs.
- Maithan has deepened its expertise in its existing business without diversifying into unrelated ferro alloy grades, strengthening economies of scale
- Maithan has defined protocols that have enhanced resource stability (access and cost)
- Maithan puts a premium on compliance, protecting business continuity

‘Operational efficiency’

“The Company has protected profitability through operational efficiency, superior terms of trade and better productivity per employee. What we like as bankers is that the Company invested in a strong Board, timely stakeholder communication and reporting transparency.”

- A banker

At Maithan, we believe that continuity comes from a network of inter-connectedness

Sustainability

- Maithan provides customised solutions to customers, graduating beyond commodity engagement.
- Maithan positioned itself as a research-led company - manufacturing demanding grades that take the business of customers ahead
- Maithan addresses a large market, providing ample headroom for growth
- Maithan's cash pool of ₹636 crore as on 31 March 2020 empowered it to resist sectorial downturns
- Maithan focused on the production of manganese alloys, a critical input in steel manufacture
- Maithan has broad-based its customer presence, protecting it from challenges arising in any specific geography
- A number of Maithan's customers are state-owned steel companies, moderating counter-party risk.

'No moratorium'

"When we called clients across about their requirements during the lockdown period, we were pleasantly surprised to find that Maithan did not seek a moratorium and said their capacities were booked for three months. They did not seek to utilise their working capital limits either."

-A banker

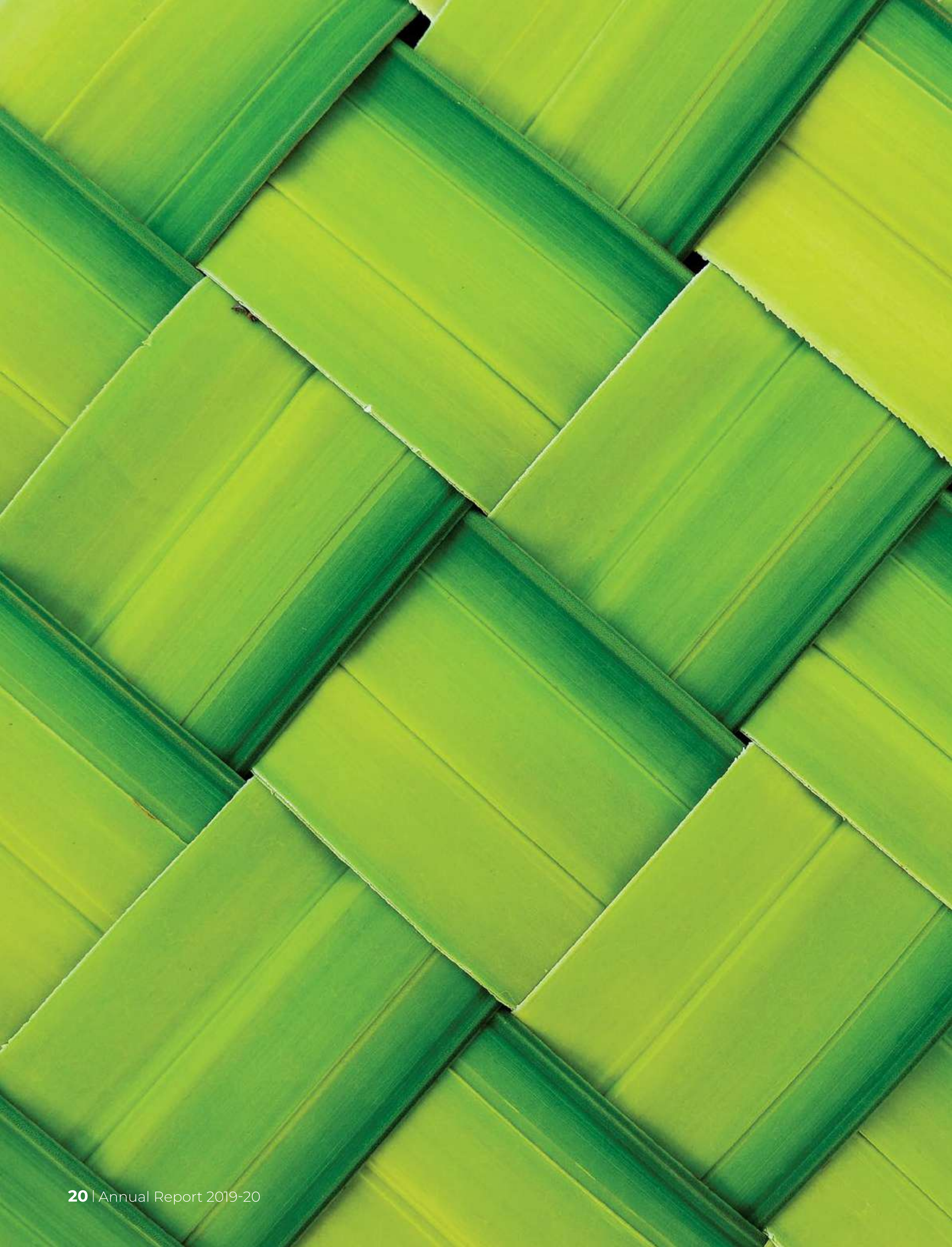
CULTURE OF INTEGRITY

Strong Board of Directors

Timely disclosures

Stringent governance practices

Culture of compliances



GROWING BIGGER AND BETTER

Under-promise and over-delivery

First time right

Innovate and excel

Matching contracted commitments

At Maithan, success is derived from weaving oneself into the customer's fabric

Culture of customer service

- Maithan provides customers the assurance of anytime product delivery
- Maithan responds to customers with urgency
- Maithan's customer stickiness is a reflection of its service commitment
- Maithan procures raw material as per its order book, protecting deliveries
- Maithan maintained customer delivery schedules even after the Covid-19 outbreak

'Delivered before deadline'

"We buy ferro silicon and high carbon ferro manganese from Maithan; 20% of our raw material requirement comes from Maithan. The Company's marketing team is responsive; it has delivered before deadlines."

- A customer

At Maithan, continuous improvement is derived from various arms, contributing to our excellence

Culture of continuous improvement

- Maithan understands consumer needs and responds with speed
- Maithan's marketing team stays in continuous engagement with customers
- Maithan specialises in niche customised products, making it a preferred vendor
- Maithan's continuous improvement has resulted in its capacity being booked through the year.

'Ability to learn'

"Manganese alloys play an important role in stainless steel and it requires consistent supply from vendors to maintain production schedules as well as product quality. Maithan Alloys ticks across all boxes. The Company always honours its commitment, delivers as per the specifications and provides a fair deal. What makes Maithan different is its ability in continuous learning and improvement. Usually we find no gaps in their product but if ever found one; it is immediately corrected from the next lot."

-A customer

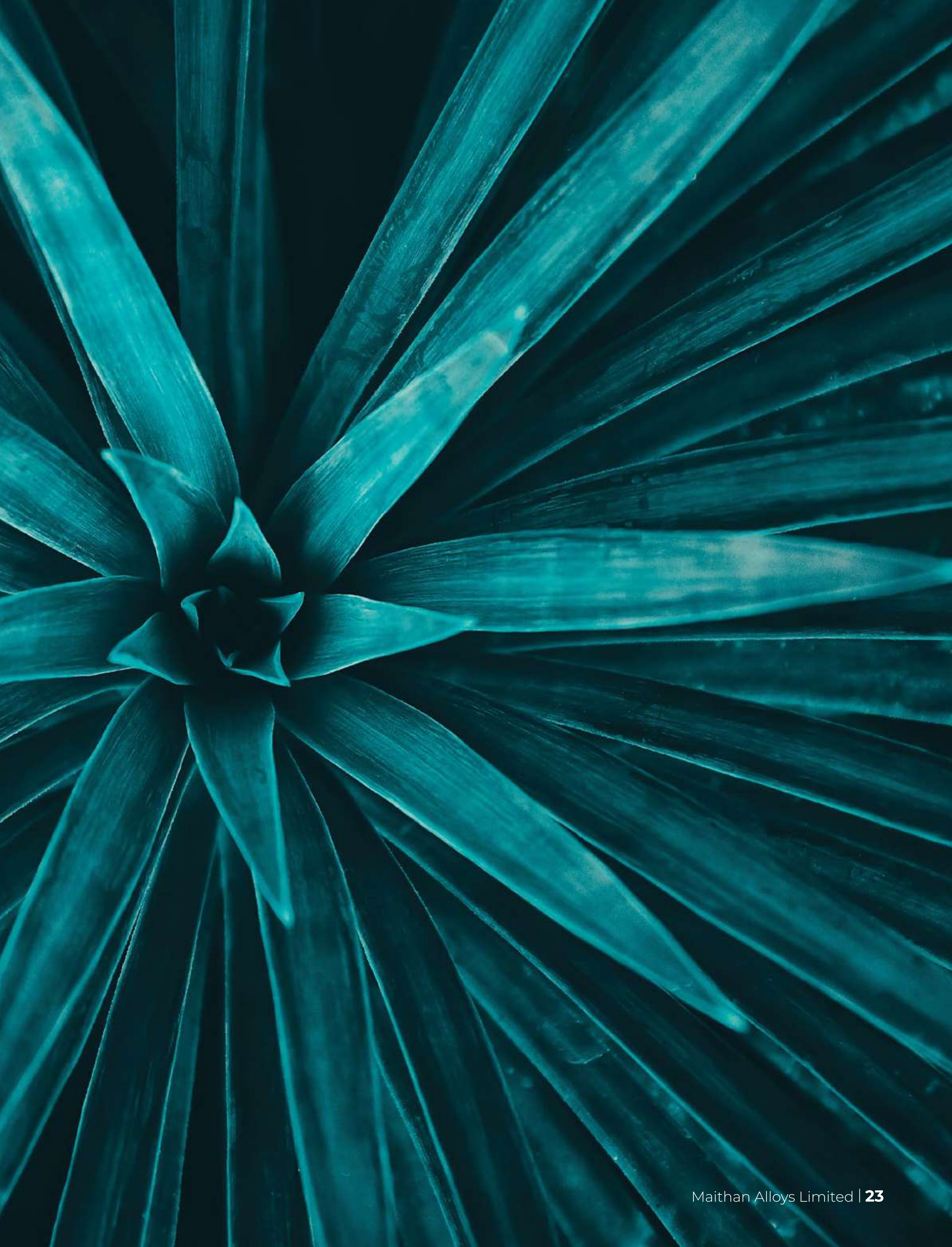
A CULTURE OF CUSTOMER STICKINESS

Customised offerings

Patient ears for feedback

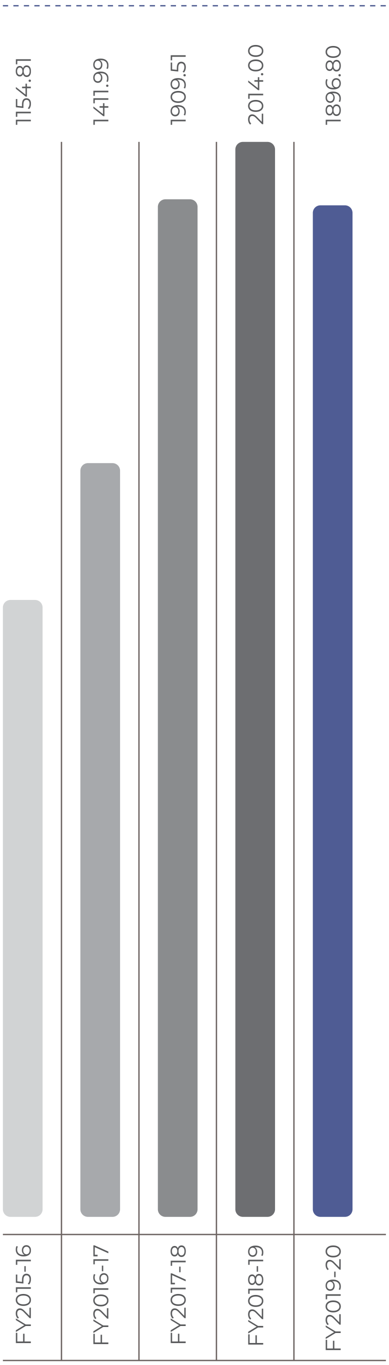
Immediate course correction

Timely service

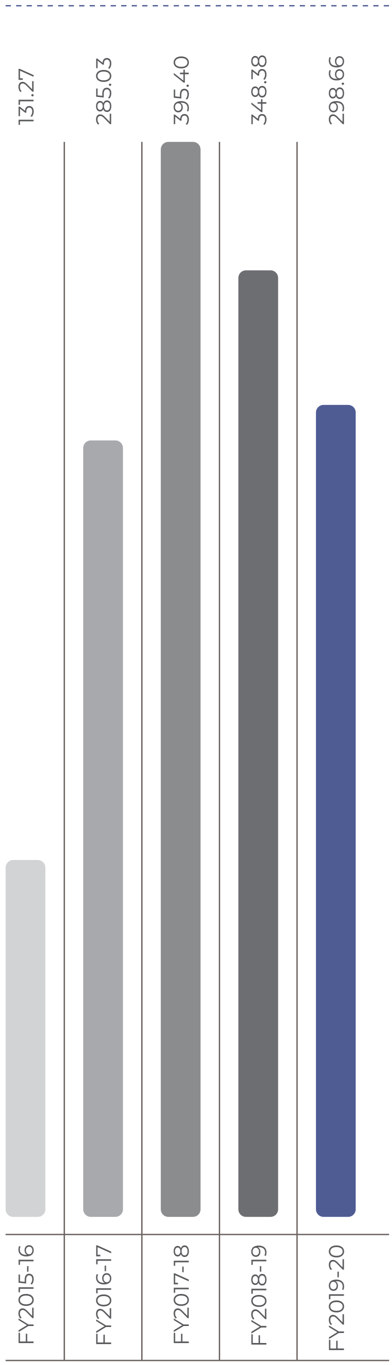


How we have grown across the years

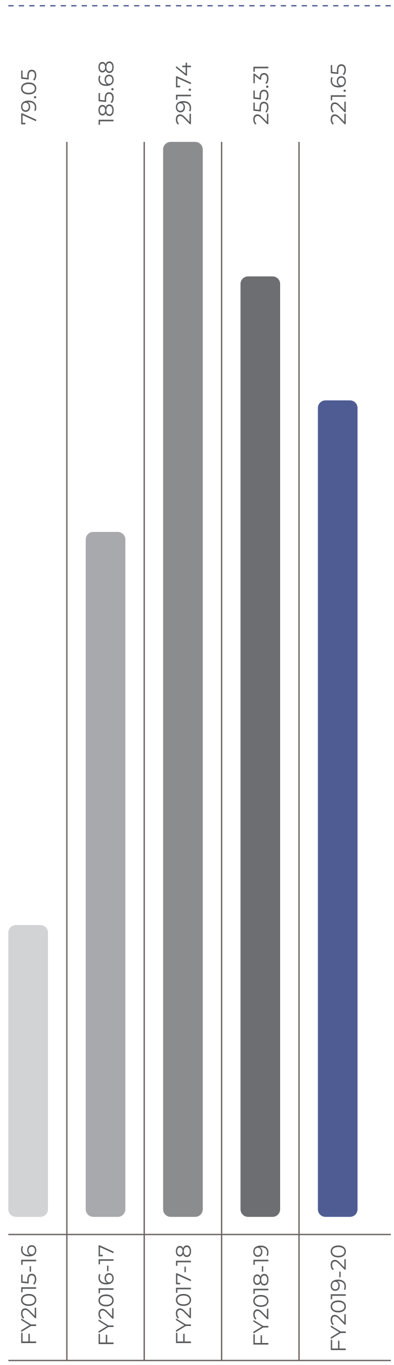
REVENUES
(₹ crore)



EBITDA
(₹ crore)

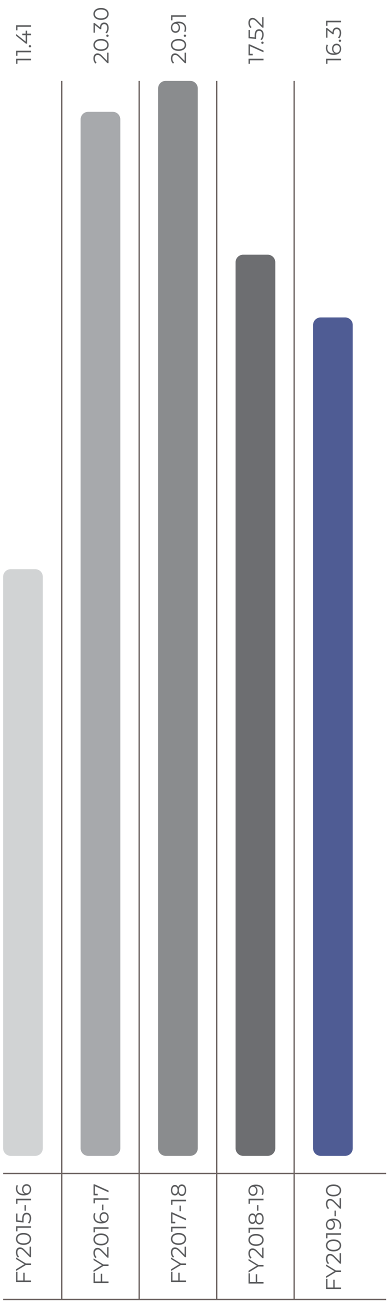


NET PROFIT
(₹ crore)



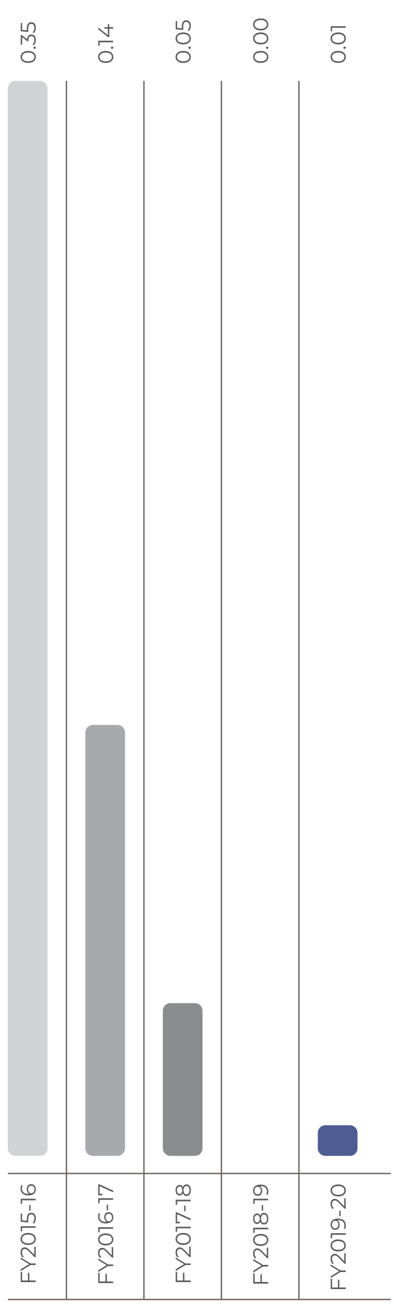
EBIDTA MARGIN

(%)



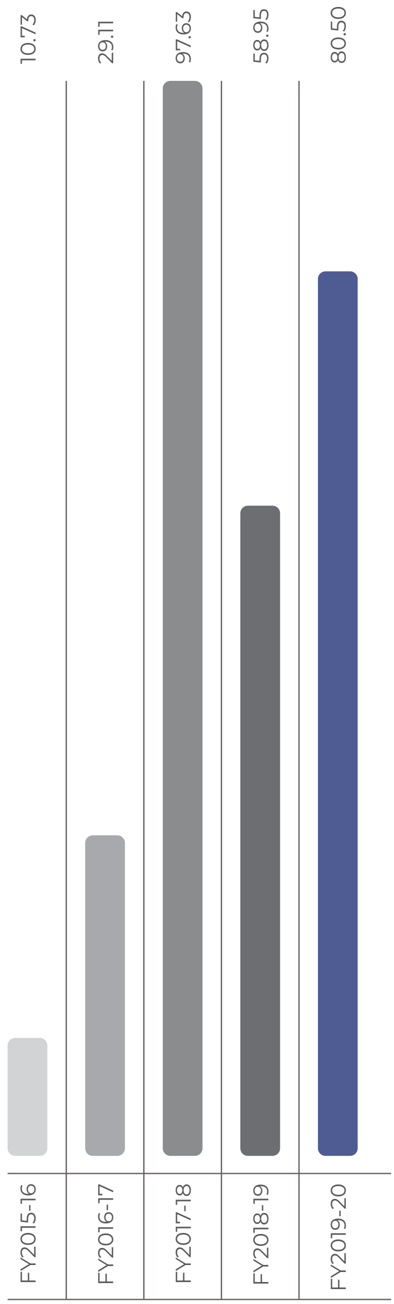
GEARING

(X)



INTEREST COVER

(X)



Our Integrated Report on value-creation

Overview

Our Integrated Report provides quantitative and qualitative disclosures on our relationships with the stakeholders and how our leadership, culture and strategy are aligned to deliver value while managing risks.

Our accountability to our stakeholders begins by acknowledging that our success comes from understanding their requirements. It is our constant endeavour to find common, collaborative solutions for progress. We consider our key stakeholders to be those who can create considerable business impact and be significantly impacted by it. Our ongoing discussions with our stakeholders are essential to our business operations and our corporate responsibility.

Our culture plays an important role in our activities. As such, we strive to hold ourselves to the values of quality and integrity. Quality requires the highest standards of safety in everything we do; integrity means being open, honest and respectful in the way we serve society, particularly local communities, partners and employees.

Maithan Alloys Limited's business model is focused on creating long-term value for the Company and its stakeholders through the achievement of goals relating to profitability, growth, efficiency, operational excellence and prevention of business risks. Reflecting our purpose, our ongoing responsibility is to not only deliver financial performance but also to make a positive contribution to society and create lasting benefits for stakeholders in a manner that is responsible, transparent and respectful to the rights of all.

As a leading manufacturer and exporters of niche value-added manganese alloys, we are diversified by geography, products and activities. Our knowledge of the industry sets us apart from our competitors, helping us enhance value.

OUR ENCOURAGING MARKET REALITY

Per capita incomes: The nominal per capita net national income in FY2019-20 was estimated at ₹135,050, a rise of 6.8% compared to ₹126,406 in FY2018-19, increasing the purchasing power of our customers and their consumers.

Rising population: The world's population is expected to increase by 2 billion persons in the next 30 years - from 7.7 billion currently to 9.7 billion in 2050, which could catalyse automobile demand, enhancing offtake of the Company's products.

Emergence of electric vehicles: The Indian government aims for a transition to electric vehicles over the next decade to strengthen the automobile industry by approving the FAME-II scheme with ₹10,000 crore funding. This could drive steel and manganese alloys demand.

Automobile penetration: India is possibly the most under-penetrated major economy when it comes to automobile penetration – 22 cars per 1000 of the population compared with 980 in USA and 164 in China – indicating a large headroom.

Rapid urbanisation: India's is the second largest urban community and the fastest urbanising country; by 2030, approximately 40% of the population could reside in urban India from 34% today, potentially increasing steel demand.

Pradhan Mantri Awas Yojana: The Government of India (GoI) launched the Housing for All under the Pradhan Mantri Awas Yojana (PMAY) in June 2015. During the period

2014-20, 30 lakh houses were built under PMAY (U) and 1.41 crore houses under PMAY (Gramin). The government approved over 6.5 lakh houses under PMAY (urban) in FY20, increasing houses sanctioned under the scheme to over 1 crore.

Improved borrower affordability: Home buyers receive tax incentives on home loans for principal and interest payment of home loans. Tax incentives on home loans for principal and interest repayment and the subsidy under CLSS for economically weaker sections, low income groups and middle income groups improved affordability for borrowers.

Booming real estate: The real estate market is expected to grow from US$ 120 billion in 2017 to US$ 1 trillion by 2030 and could contribute 13% to India's GDP. Real estate attracted around ₹43,780 crore (US$ 6.26 billion) of investments in 2019. India is expected to become the third largest construction market by 2022. Private equity investment in India's real estate sector rose 3% to ₹43,704 crore in 2019 on increased interest of foreign investors in commercial properties.

India advantage: India's crude steel production was pegged at 111.2 million tonnes in 2019, a 1.8% increase over 2018. India is the second largest steel producer and the largest producer of sponge iron or DRI in the world. India's per capita consumption of steel grew from 46 kgs in FY08 to 74.1 kgs (rural India 10-15kgs) in FY20, which is still low compared to the world average of 224.5 kgs, indicating headroom.

Infrastructural development: Increased infrastructure spending could boost domestic steel consumption. India aims to spend US$1.4 trillion on infrastructure to become a US$5 trillion economy by 2025; steel is expected to account for 60% of infrastructure spending. The government launched ₹103 trillion worth of infra projects besides providing about ₹1.70 trillion for transport infrastructure and accelerating highways construction.

Government push: In a post COVID-19 world, an increased investment in infrastructure by way of economic stimulus is expected. This in turn is expected to drive demand for steel.

(Source: Economic Times, PIB, Business Standard, MoSPI, Live Mint, the UN)

OUR VALUE-ENHANCING RESOURCES

Financial capital	Our financial resources are derived from investors, promoters, banks and financial institutions in the form of debt, net worth or accruals.
Manufactured capital	Our assets, technologies and equipment for producing quality products constitute our 'manufactured capital'.
Human capital	Our management, employees and contract workers form a part of our workforce, their experience and competence enhancing the value we create.
Intellectual capital	Our focus on cost optimisation and operational excellence, as well as our repository of proprietary knowledge, account for our intellectual resource.
Social and relationship capital	Our relationships with communities and partners (vendors, suppliers and customers) influence our role as a responsible corporate citizen.

Our broad strategies to strengthen sustainability

STRATEGIC FOCUS	Innovate and excel	Cost leadership
KEY ENABLERS	The Company's continuous innovation has strengthened cost management, improved product quality and created a strong clientele.	Increasing cost management was achieved through timely investments in superior manufacturing technologies, capacity expansion and beneficial terms of trade.
MATERIAL ISSUES /ADDRESSED	Invested in capacity expansion	Raw material cost volatility
CAPITALS IMPACTED	Manufactured Human Financial	Financial Manufactured Intellectual Natural Human Social

Supplier of choice	Robust people practices	Responsible corporate citizenship	Focus on value creation
The Company is a preferred supplier owing to its specialisation, focus on product quality and customer-centricity, resulting in a superior price-value proposition	The Company has emerged as a people-centric organisation on the back of fair practices, competitive remuneration and enriched personal cum professional growth.	The Company is a responsible corporate citizen marked by community-strengthening initiatives near its manufacturing facilities.	The Company increased its focus on value-added products.
Improving vendor connect	Employee attrition	Benefits for the community around the workplace	Addressing customer needs
Financial Manufactured Intellectual Social	Intellectual Human Financial	Social and relationship Natural Financial	Financial Manufactured Intellectual Social

How Maithan has built its business

EXPERIENCE

The Company's deep knowledge across three decades enabled it to emerge as one of the important players in India's ferro alloys sector. The Company enjoys a significant market share in its niche in India.

BRAND RECALL

The Company enjoys a strong brand recall around trust and quality. The Company is also known as a reliable supplier of ferro alloys across the world.

KNOWLEDGE CAPITAL

The Company provides a fair, engaging and exciting workplace that has helped retain knowledge-driven professionals.

QUALITY

The Company manufactured products of a highly consistent quality standard (across narrow tolerances), resisting the use of a lower price/quality of raw material to enhance profitability. The Company's manufacturing facilities have been accredited with ISO9001, ISO14001 and OHSAS 18001 certifications in recognition of its emphasis on process consistency.

GOVERNANCE COMMITMENT

The Company is an ethical player, responding with a sense of governance. Over the years, the governance has reflected in complete alignment with the certification and compliance needs of its business, workplace safety, eco-friendly, commitment to customer interests and addressing statutory obligations.

PROCESS-DRIVEN

The Company believes that growth can be best derived when the promoter and the professional management team chart out a strategic direction and monitor periodic progress while delegating day-to-day management to department heads. The Company invested in processes and systems that enhanced decision-making predictability within enunciated guidelines. This predictability has been reinforced through a progressive investment in information technology tools and support.

TECHNOLOGY EDGE

The Company proactively invested in cutting-edge technologies, which have resulted in a competitive cost of manufacture and high product purity, the basis of its long-term profitability. The result is that the Company is now a preferred supplier for a number of quality-respecting multi-national customers.

LOCATIONAL ADVANTAGE

The Company's manufacturing units are located in Kalyaneshwari (West Bengal), Visakhapatnam (Andhra Pradesh) and Byrnihat (Meghalaya), leveraging its respective geographic advantages, comprising an access to natural resources, power, customers, tax benefit and ports.

EFFICIENCY

The Company reported capacity utilisation in excess of 85% across five years; the input output ratio by the Company is considered among the best in the world.

Management discussion and analysis

GLOBAL ECONOMIC REVIEW

The global economy grew 2.9% in 2019 compared to 3.6% in 2018, as the result of an increase in trade disputes globally and slowdown of the manufacturing sector, coupled with a global financial crisis and Brexit. Global trade also grew a mere 0.9% in 2019 due to trade tensions and slower economic growth. The average price of oil was pegged at US$ 61.39 per barrel in 2019.

United States: Gross Domestic Product grew by 2.3% in 2019 compared to 2.9% in FY2018-19 as a result of a decline in business investments and the ongoing trade war with China. The Gross Domestic Product (GDP) in the United States was pegged at US$21,200 billion in 2019, accounting for ~17.5% of the world economy. The GDP per capita of United States was pegged at US$65,456 in 2019 compared to US$62,869 in 2018.

China: Gross Domestic Product grew by 6.1% in 2019 compared to 6.7% in 2018 as a result of the unsettled trade war with the United States and domestic obstructions such as overcapacity in certain industries, the indebtedness of the corporate sector and the shrinking room of monetary and fiscal policies. The gross domestic product (GDP) of China was pegged at US$99,086.5 billion Yuan in 2019. China's GDP per capita stood at US$ 10,276 in 2019.

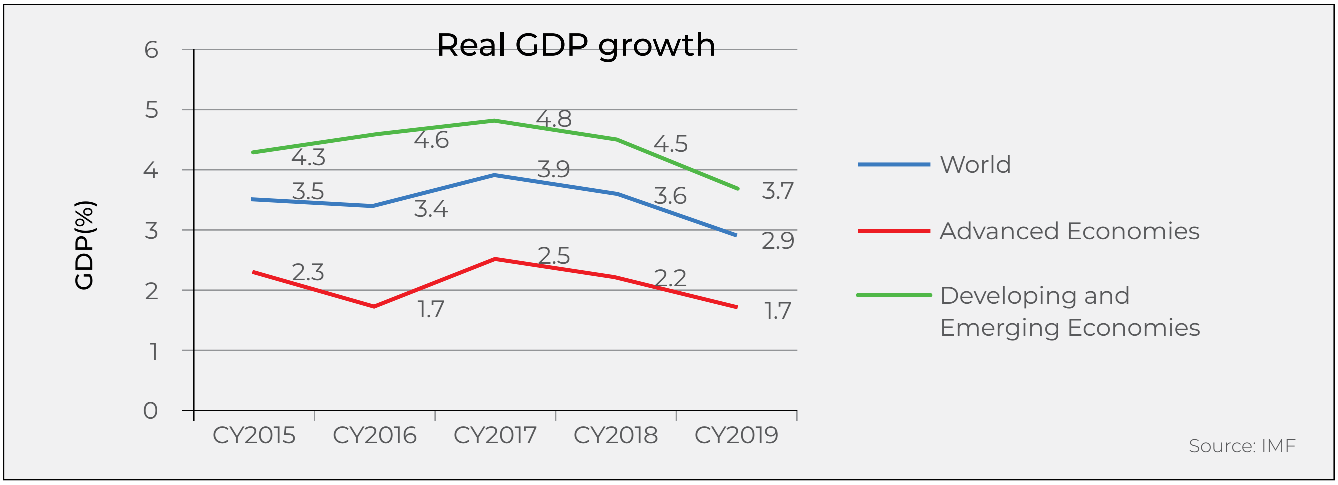
United Kingdom: Gross Domestic Product grew by 1.4% in 2019 compared to 1.3% in 2018. The Gross Domestic Product (GDP) in the United Kingdom was pegged at US$2910 billion in 2019 and the GDP per capita of United Kingdom was US$41,030 in 2019.

Japan: Gross Domestic Product grew by 2.0% in 2019 compared to 2.4% in 2018. The Gross Domestic Product (GDP) in Japan was pegged at US$5110 billion in 2019, accounting for ~4.22% of the world economy. Japan's GDP per capita was pegged at US$40,847 in 2019.

The 'Great Lockdown' owing to the onset of COVID-19 is projected to shrink global growth significantly in the foreseeable future.

(Source: World Economic Outlook, April 2020, CNN, Economic Times, trading economics, Statista, CNBC)

GLOBAL ECONOMIC GROWTH



Source: IMF

INDIAN ECONOMIC REVIEW

There was a decline in consumer spending that affected India's GDP growth through the major part of FY2019-20. India's growth during the year under review was estimated at 4.2% compared with 6.1% in the previous year. Manufacturing growth was seen at 2%, a 15-year low as against 6.9% growth in FY19.

This sharp slowdown in economic growth was coupled with a surge in inflation that weighed on the country's currency rate; the Indian rupee emerged as one of the worst performers among Asian peers, marked by a depreciation of nearly 2% since January 2019. Retail inflation climbed to a six-year high of 7.35% in December 2019.

Despite these economic challenges, India emerged as the fifth-largest world economy in 2019 with a gross domestic product (GDP) of US$2.94 trillion. India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking.

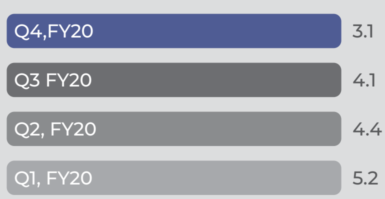
During the last week of the financial year under review, a national lockdown was imposed to fight the spread of Covid 19. This cast a shadow on the anticipated recovery of the Indian economy in 2020-21, affecting demand, supply chain, discretionary spend and capital expenditure. (Source: Economic Times, CSO, Economic Survey, IMF)

Outlook

A tentative forecast put the Indian economic growth in 2020-21 in the negative while nearly all major G20 economies are forecast to shrink following the COVID-19 impact.

Growth of India's GDP in FY2019-20

Real GDP growth (%)



(Source: Economic Times, CSO, Economic Survey, IMF, RBI, Franklin Templeton)

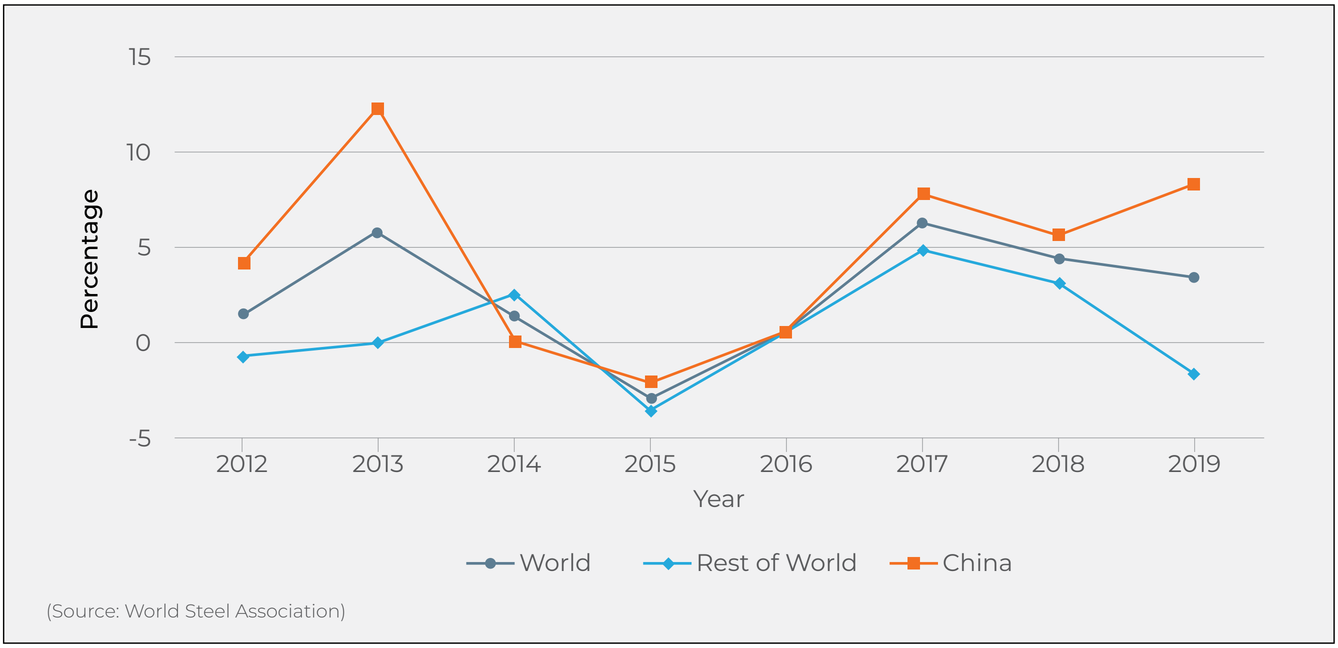
GLOBAL STEEL INDUSTRY OVERVIEW

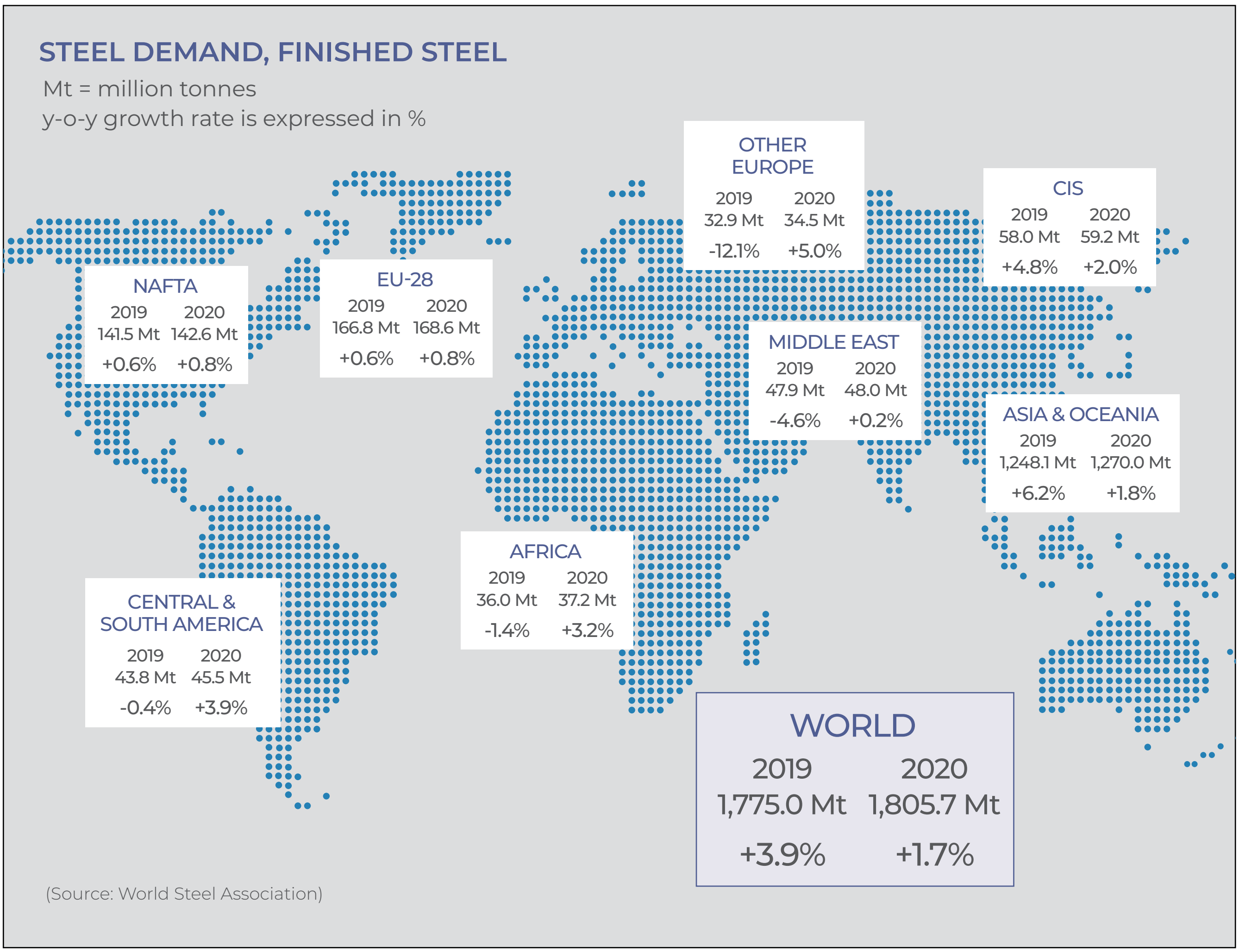
Global crude steel production reached 1,869.9 million tonnes (Mt) in 2019, up by 3.4% compared to 2018. However, crude steel production contracted in all regions in 2019 except in Asia and the Middle East. Global finished steel demand was expected to grow by 3.9% to 1,775 Mt in 2019.

Asia produced 1,341.6 Mt of crude steel in 2019, an increase of 5.7% compared to 2018. China's crude steel production in 2019 reached 996.3 Mt, up by 8.3% on 2018. China's share of global crude steel production increased from 50.9% in 2018 to 53.3% in 2019. India's crude steel production for 2019 was 111.2 Mt, up by 1.8% on 2018. Japan produced 99.3 Mt in 2019, a decrease of 4.8% compared to 2018. South Korea produced 71.4 Mt of crude steel in 2019, a decrease of 1.4% compared to 2018. The EU produced 159.4 Mt of crude steel in 2019, a decrease of 4.9% compared to 2018. Crude steel production in North America stood at 120 Mt in 2019, 0.8% lower than in 2018. The US produced 87.9 Mt of crude steel, up by 1.5% on 2018. Crude steel production in North America was 120.0 Mt in 2019, 0.8% lower than in 2018. The US produced 87.9 Mt of crude steel, up by 1.5% on 2018.

Going ahead, there is uncertainty on how long the pandemic will last, enhancing uncertainty in commodity markets. (Source: World Steel Association, Business Standard)

Crude steel production - Annual growth trend





INDIAN STEEL INDUSTRY OVERVIEW

India is the second largest producer of steel and the largest producer of sponge iron or DRI in the world. India is also the third largest finished steel consumer in the world after China and USA. In FY2019-20, India's finished steel production stood at 102.26 million tonnes compared to 101.29 million tonnes in FY2018-19.

The steel sector contributes over 2% to the GDP and employs 500,000 people directly and 2.5 million indirectly. India's steel production capacity has expanded rapidly over the past few years, growing at a CAGR of 8.71% from 59.84 million tonnes in FY08 to 142million tonnes in FY19. India's finished steel consumption was estimated at ~ 100.01 million tonnes in FY20. India's per capita consumption of steel grew from 46 kgs in FY08 to 74.6 kgs (rural India 10-15kgs) in FY20. India's low steel consumption partly reflects its limited urbanisation but also indicates the high potential that exists given that it has potential to grow by 8-9% per annum backed by the government's thrust on infrastructure.

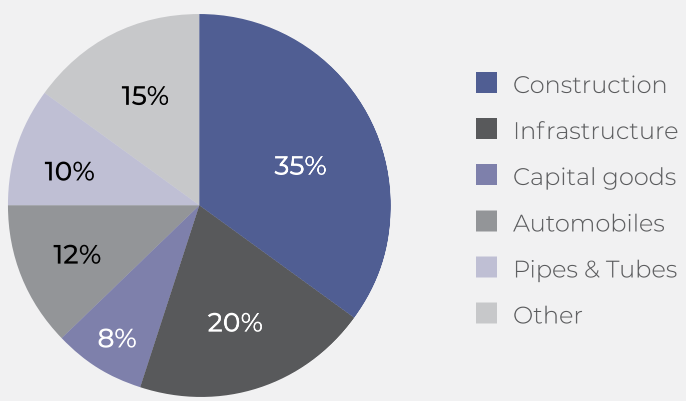
India enjoys a competitive advantage in steel production owing to the domestic availability of high grade iron ore, robust domestic demand and a young workforce. India's steel demand largely comes from construction, infrastructure, automobiles and capital goods, among other.

Eastern India is rich in mineral resources with over 80% of the country's iron ore reserves and significant resources of coal, chromite, nickel, and manganese, which gives an edge to lead the steel capacity addition in India, with availability of all the requisite resources needed by the industry to achieve the envisaged capacity. (Source: Business Standard, Economic Times, IBEF)

What makes India an attractive destination for steel sector...

National infrastructure pipeline (NIP)	The NIP indicates total project capital expenditure to the tune of ₹102 lakh crore between 2020 and 2025.
FDI	100 % FDI allowed in the mining sector & exploration of metal and non-metal ores under the automatic route
Housing for All	Driving housing demand which is turn expected to drive steel demand
Protections	Anti-dumping duty on steel products
Iron ore	India is the fourth-largest iron ore producer in the world
Per capita consumption	India's per capita steel consumption of 74.6 kg is a fraction of the global average
National Steel Policy	NSP envisages India's steel capacity at 300 million tonnes by 2030 (capacity at 142 million tonnes in FY2019)

Sector wise steel consumption in India



Steel will play a critical role in India’s rise to a US$5 Trillion economy

GDP by 2024

US$5 Trillion

Envisioned ₹100 lakh crore investment in infrastructure

Bharatmala project *25.1 MT*	Pradhan Mantri Awas Yojna (Urban + Gramin) *70-80 MT*
Jal Jeevan Mission *18.5 MT*	Dedicated freight corridors *6.2 MT*
UDAN - 100 additional functional airports *8 MT*	Sagarmala project *23.5 MT*
Expansion of gas pipeline network *12 MT*	National Solar Mission *4.5-5 MT*
Metro network in 50 additional cities	Smart cities mission

Projected steel demand for the initiative

Source: CRISIL Research (Assessment of End-USe Segment-wise Domestic Steel Demand in India)

GOVERNMENT-DRIVEN INITIATIVES

Pradhan Mantri Awas Yojana: Under this initiative the Government aims to build 1 crore houses by 2022, of which ~104 lakh houses have been sanctioned till date and >32 lakh houses have been completed. This is estimated to drive the real estate sector and in turn, the steel sector in the near future.

Policy for providing preference to domestically manufactured iron and steel products: The policy mandates to provide preference to domestically manufactured steel products both from public and private sector in Government procurement. Even in mix comprising imported and domestic steel, imported portion should separately meet the minimum prescribed value addition criteria of 15%. The policy provides preference to domestically manufactured iron and steel products valued at ₹50 crore or more in government procurement.

Scrap Recycling Policy: The Steel Scrap Recycling Policy aims to reduce imports, conserve resources and save energy and will ensure processing and recycling of products in an organised, safe and environment friendly manner, besides evolving a responsive ecosystem and producing high quality ferrous scrap for quality steel production minimising the dependency on imports. The efficient use of scrap for steel production becomes crucial for India as 35-40% share has been envisaged from scrap-based steel production in the journey to 300 million tonnes per annum by 2030. This shall increase requirement of steel scrap from around 30 million to more than 70 million tonnes by 2030.

Smart Cities: The Government of India launched Smart Cities Mission in 2015. Since the launch of the mission around 5,151 projects worth more than ₹2 lakh crore are being implemented in 100 cities. Out of which 4,154 SCM projects worth ₹1.49 lakh crore (72% of the total proposals) have been tendered, of which 3,359 projects worth ₹1.05 lakh crore (51% of total proposals) have been issued work orders and 1,290 projects worth ₹22,569 crore have been completed and are operational.

National Infrastructure Pipeline: The NIP was launched by the government on 31 December 2019. NIP would include 6,500 projects of total capital expenditure at over ₹10.2 trillion during 2020-2025. About ₹220 billion has been provided, as support to NIP; this initiative would boost investments in the infrastructure sector.

Steel Research and Technology Mission: The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of US$ 30 million.

Corporate tax relief: The government slashed the corporate tax rate to 22% from 30%; it announced a new tax rate of 15% for new domestic manufacturing companies, strengthening the Make-in-India initiative. The new effective CIT would be 25.17%, inclusive of a new lower surcharge of 10% and cess of 4%. India's CIT is now closer to the global average statutory CIT of 23.03%. (Source: Business Line, Economic Times, Equity master, Care Ratings)

GLOBAL MANGANESE INDUSTRY OVERVIEW

Manganese is essential for the production of iron and steel. Global manganese ore consumption stood at 19.1 million metric tonnes in 2019. However, manganese ore prices were highly volatile particularly in the second half of 2019.

South Africa is the world's largest producer of manganese, accounting for 33.5% of global production. Its annual manganese production amounts to 6.2 million tonnes. Australia is the world's second largest manganese producer, with annual production of about 3 million tonnes. With an annual production of 2.9 million tonnes, China is the third largest manganese producing countries in the world.

Global manganese prices are expected to remain flat at around 4.5 U.S. dollars per metric tonne unit CIF between 2020 and 2022. The manganese mining market is expected to grow by 5,385.13 thousand tonnes during 2020-2024. One significant factor driving the growth of manganese industry is increase in demand for manganese per tonne of steel in China, as a result of the strict rebar standards which were imposed by the Chinese government in 2018. The demand for manganese is driven by steel output, accounting for more than 90% of global manganese consumption. Though steel will continue to dominate manganese demand, consumption of manganese in batteries for use in electric vehicles and other renewable energy applications is expected to grow rapidly over the next decade. (Source: Statista, NS Energy, Bloomberg, Global Newswire

Top ten manganese ore producing countries in the world

South Africa	Ghana
Australia	India
China	Ukraine
Gabon	Malaysia
Brazil	Mexico

(Source: Investing News)

GLOBAL FERRO ALLOYS SECTOR OVERVIEW

Global steel production is the key driver for the demand of ferroalloys and metals. The worldwide market for ferro alloys is expected to grow at a CAGR of 5.2%, to reach US$ 74.84 billion by 2024, from US$ 58.17 billion in 2019. The rapidly growing automotive sector especially electric vehicles segment is expected to act as a major catalyst for the expansion of ferroalloy market. Iron alloys are extensively used to manufacture various grades of steel such as stainless steel, carbon steel, alloy steel, and tool steel. The rising demand for steel in various end-use sectors such as construction, shipbuilding, automotive, chemicals and several other sectors and the high abundance of iron ore are anticipated to be major drivers of the ferro alloy industry.

The Asia-Pacific is expected to account for 79.5% of market share in the global ferro alloys industry by 2025. The Asia-Pacific has established itself as a hub of various end-user industries, such as oil and gas, steel, electronics, automotive, and consumer electronics. Ferroalloy is used in the production of automotive radiators, switches, wires, water heaters, metal casting, refrigerators, and various other chemical processing machines. Emerging technologies for the production of ferro-alloys along with increased ferroalloy consumption and exports from China, Japan and India are expected to drive the region's ferro-alloy market.

The European ferro alloys market is expected to grow moderately. Europe accounts for a large share of the global steel market, owing to the presence of several steel producing countries like Germany, France, the UK, and Spain. The North American ferroalloy market is expected to grow moderately, owing to the well-established regional automobile industry. Ferro alloys are used in the production of automotive radiators, an essential part of automobiles. Moreover, the increasing regional construction of commercial spaces is also expected to boost ferro alloy usage.

The Middle East and Africa are expected to show attractive growth in the global ferro alloy market. (Source: Market Watch, entrepreneurindia.com, Global Newswire)

INDIAN MANGANESE SECTOR OVERVIEW

The volume of manganese ore production in India amounted to ~ 2.7 million metric tonnes in 2019. India's mining industry contributes 1.53% to the GDP. With more government focus on infrastructure and domestic manufacturing, a steel production target of 300 million tonne of crude steel by 2030-31 means the industry needs to increase the present capacity by 2.11 times from 142 million tonne to 300 million tonne in the next 11 years. This translates into annual requirement of 11 million tonne of manganese ore and 5 million tonne of chrome ore, according to the National Steel Policy (NSP) 2017.

India is endowed with huge resources of 496 mt of manganese ore and 344 mt of chrome ore. However, India is importing these minerals despite having 2.7 mt of manganese ore and 3.5 mt of chrome ore production capacity.

The metals and mining sector in India is expected to grow in the next few years, owing to reforms such as Make in India Campaign, Smart Cities, Rural Electrification and a focus on building renewable energy projects under the National Electricity Policy as well as the rise in infrastructure development.

In a major reform move for the mining sector, the Government of India announced a seamless composite exploration-cum-production regime. About 500 blocks of minerals will be auctioned in a composite exploration-cum-mining-cum-production regime. Besides, the distinction between captive and non-captive mines will be removed to allow the transfer of mining leases and sale of surplus unused minerals, leading to better efficiency and production. Also, the Government rationalised the stamp duty payable at the time of award of mining leases.

(Source: Statista, Economic Times, Business Standard, the Hindu Business Line)

INDIAN FERRO ALLOYS INDUSTRY OVERVIEW

Ferro alloy production is an important part of the manufacturing chain between mining and steel and alloys; not a single steel grade is produced without ferro-alloys. India's total production capacity of ferro alloys was 5.15 million tonnes per annum; utilisation is low with production of ferro-chrome stagnant at 1 million tonnes, ferro-manganese at 0.52 million tonnes and ferro-silicon at 0.09 million tonnes.

Ferro silicon is an alloy used by the steel-makers to increase the performance of steel as an industrial material. It de-oxidises the steel, blocks the heat and prevents loss of carbon from the molten steel. Ferro silicon realisations ranged between ₹60,000 and ₹65,000 per tonne during December and March 2020, rising to ₹90,000 per tonne on the back of China's coronavirus impact. India imports around 300,000 tonnes of ferro silicon from Bhutan, Norway and China. Indian steel producers could face issues in the supply of ferro silicon, as the Ministry of Steel issued an order in February 2020 to include alloys under compulsory certification by April 2020. However, Ministry of Steel extended the deadline for the certification of steel products to three months from 23 April 2020 as the Bureau of Indian Standards (BIS) has shut operations and closed laboratories due to the ongoing lockdown and travel ban. (Source: Economic Times, Business Standard)

FINANCIAL ANALYSIS, FY2019-20

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").

Profit and loss account analysis

Total income

Total income decreased by 5.82% during FY20 i.e. from ₹2,014.00 crore in FY19 to ₹1,896.80 crore in FY20.

EBITDA

The Company's EBITDA decreased by 14.27% in FY20 i.e. from ₹348.38 crore in FY19 to ₹298.66 crore in FY20 owing to lower sales realisation.

Finance costs

Finance costs decreased by ₹2.20 crore from ₹5.91 crore in FY19 to ₹3.71 crore in FY20 due to a lower utilisation of fund-based bank limits.

Other incomes

Other incomes increased by 152.86% from ₹26.07 crore in FY19 to ₹65.92 crore in FY20 owing to an increase in financial income and gain on investments.

Tax expenses

Tax expenses decreased by 20.01% from ₹71.56 crore in FY19 to ₹57.24 crore in FY20 owing to lower profits.

Net profit

Net profit stood at ₹221.90 crore in FY20, compared to ₹255.28 crore in FY19, registering a drop of 13.08%.

Balance sheet analysis

Net worth

Net worth stood at ₹1,299.41 crore as on 31 March 2020 compared to ₹1,119.87 crore as on 31 March 2019, an increase of 16.03%. Net worth comprised paid-up equity capital worth ₹29.11 crore and other equity of ₹1,270.30 crore, as on 31 March 2020.

Loan profile

Total short-term borrowing stood at ₹6.77 crore while long-term borrowings was Nil as on 31 March 2020.

Total assets

Total assets decreased by 0.23% from ₹1,525.57 crore as on 31 March 2019 to ₹1,522.00 crore as on 31 March 2020.

Inventories

Inventories increased by 6.13% from ₹260.94 crore as on 31 March 2019 to ₹276.93 crore as on 31 March 2020. Inventories comprised raw material amounting to ₹228.41 crore, work-in-progress worth ₹1.34 crore, finished goods worth ₹38.67 crore and stores and packing materials worth ₹8.51 crore.

Sundry debtors

Sundry debtors stood at ₹280.59 crore as on 31 March 2020 compared to ₹256.66 crore as on 31 March 2019, an increase of 9.32%.

Cash, cash equivalents and current investments

Cash, cash equivalents and current investments as on 31 March 2020 stood at ₹625.06 crore compared to ₹637.11 crore as on 31 March 2019.

Working capital management

- Current assets as on 31 March 2020 stood at ₹1,247.93 crore compared to ₹1,237.30 crore as on 31 March 2019
- Current ratio as on 31 March 2020 stood at 6.72 compared to 3.34 as on 31st March 2019
- Current liabilities stood at ₹185.77 crore as on 31 March 2020 compared to ₹370.70 crore as on 31 March 2019
- Cash and bank balances stood at ₹636.16 crore as on 31 March 2020 compared to ₹42.97 crore as on 31 March 2019

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 in the Interest Coverage Ratio and Current Ratio compared to the previous financial year.

Interest Coverage Ratio increased from 58.95 to 80.50 due to decrease in finance costs from ₹5.91 crore to ₹3.71 crore during FY2019-20.

Current Ratio jumped from 3.34 to 6.72 due to decrease in Current Liabilities from to ₹370.70 to ₹185.77 crore during FY2019-20.

Debt Equity Ratio increased from 0.00 to 0.01 due to increase in overall borrowing from ₹3.43 crore to ₹6.77 crore during FY2019-20.

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 17.08% during the FY 2019-20 as compared to 22.79% during the FY2018-19. The decrease in sales realisation mainly squeezed the profit margin by 13.08% during the FY2019-20 as compared to FY2018-19. Consequently, the Return on Net worth was lower by 5.71%.

KEY NUMBERS

Particulars	FY2019-20	FY2018-19
EBIDTA/Turnover	15.75	17.30
EBIDTA/Net interest	80.50	58.95
Debt-equity ratio	0.01	0.00
Book value per share (₹)	446.36	384.68
Earnings per share (₹)	76.23	87.69

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The internal control and risk management system is structured and applied in accordance with the principles and criteria established in the corporate governance code of the organisation. It is an integral part of the general organisational structure of the Company and Group and involves a range of personnel who act in a coordinated manner while executing their respective responsibilities. The Board of Directors offers its guidance and strategic supervision to the Executive Directors and management, monitoring and support committees. The control and risk committee and the head of the audit department maintain constant dialogue with the Auditors.

RISK MANAGEMENT

Risk management is applied across all management levels and functional and project areas. Risk management initiatives are overseen by the Risk Management Committee comprising Board members.

The committee helps in the following activities:

- Provide overall coordination of risk management processes
- Develop guidelines to govern risk management processes
- Arrange training in risk management and internal control
- Review the risk portfolio and develop proposals on response strategy and reallocation of resources to manage respective risks
- Perform day-to-day monitoring of the risk management process across business units and controlled entities
- Prepare information and inform the Board of Directors and executive bodies on the effectiveness of the risk management process.

Our risk management structure

Risk identification	Risk assessment	Development, assessment and follow-up	Monitoring
Definition and descriptions of risk elements including sources, events, causes and impacts	Analysing risk, its implications, and forms of impact on the achievement of Maithan	Developing, implementing, and following up on risk management activities to achieve organisational goal	Supervising the identification, assessment, implementation, and follow-up of risk management

Principal risks and their mitigation measures

Business risks

Industry risk Risk of reduced offtake owing to downstream industries	**Mitigation measures** The steel industry is directly related to the growth of the construction sector. Beyond the COVID 19 crisis, the construction sector could get a boost from government stimulus plans as the focus of government efforts moves from emergency liquidity provision to economic recovery and support for infrastructure, production and industry. This in turn is expected to help the steel and allied sector.
Pandemic risk Risks of losses that have beyond the control of the Company and causes due to epidemics, or man-made or natural disasters	**Mitigation measures** Necessary response measures, including factory shutdowns, disinfecting the factory and office premises, increased safety measures in the shop floors, encouraging employees in maintaining adequate distances were undertaken.
Strategy risks Risk of losses incurred owing to erroneous strategic business decisions	**Mitigation measures** The Company has been conservative regarding business expansions. It only considers brownfield assets if the valuations fit the Company's comfort level.
Environment risk Risk of losses occurring owing to operational disruption due to lack of environment management initiatives	**Mitigation measures** The Company has taken all the necessary environment management measures as prescribed by the state and central pollution control boards respectively.
Reputation risk Risk of losses incurred due to reduced brand value driven by lack of consistent product quality and delivery	**Mitigation measures** The Company has a strong reputation of maintaining stringent product quality and maintained on-time delivery record. Case in point: majority of the Company's revenues were derived from repeat customers.
Geographic concentration risk Risk of losses arising owing to dependence on a handful of geographies and a slowdown in those markets delivery	**Mitigation measures** The Company's Kalyaneshwari unit is located in the steel belt of India while the Visakhapatnam unit of the Company is close to two deep draft ports. Besides servicing Indian customers, the Company is servicing customers across countries.

Operational risks

Risk	Mitigation measures
Cost risk Risk of losses incurred owing to increased cost of operations	**Mitigation measures** The Company is among the lowest cost manufacturer of ferro alloys in the world. Superior process control, enhanced automation helps the Company in rationalising operational cost.
Raw material risk Risk of losses incurred due to the Company's inability to secure adequate raw materials at the right cost	**Mitigation measures** The Company maintains strong relationships with miners to ensure timely supply. It sources raw material after sales contracts are received resulting in inventory minimisation.
Logistical risk Losses incurred owing to disruptions related storage and logistical issues	**Mitigation measures** The Company's manufacturing units are proximate to key downstream users as well as ports, facilitating ease of raw material imports and finished products exports.
Human capital risk Risk incurring owing to the Company's inability to attract and retain talents	**Mitigation measures** The Company has emerged as one of the sought-after destination for prospective employees.
Occupational safety risk Risk of incurring losses related to the Company's operational activities which may cause workplace injuries	**Mitigation measures** Local occupational health regulations have been developed; compliance with, and conformity to, applicable laws are monitored.

Financial risks

Risk	Mitigation measures
Funding risks Risks of losses incurred owing to delay in projects due to the Company's inability to secure funds at competitive rates	**Mitigation measures** The Company's long-term debt-equity ratio of 0.01 (as on 31 March 2020) provides it with enough room for raising debt. Besides, it enjoys a credit rating of AA Stable, enabling it to secure funds at lower rates.
Liquidity risk Risk of losses owing to operational disruption caused by inadequate liquidity to fund daily operations	**Mitigation measures** The Company enjoyed a current ratio of 6.72 as on 31 March 2020. It had a working capital consortium of 5 banks. Besides, it had a cash balance of around ₹ 636 crore.

Currency fluctuation risk Risk of losses owing to constant currency fluctuation	**Mitigation measures** The Company's exports are more than imports providing a natural hedge

Compliance risk

Tax risks Risks of incurring losses from possible misinterpretation of laws with respect to financial and business activities	**Mitigation measures** To prevent non-compliance, the tax team regularly monitors changes in tax laws and adequate measures are taken to ensure compliance.
Legal and regulatory risk Risks of incurring losses from failure to comply with laws, changes in laws that may adversely affect financial and business activities of the Company	**Mitigation measures** The Company has track record of maintaining the laws of the land stringently and abide by all the regulatory requirements.
Corruption risk Potential corruption by executives as well as the management	**Mitigation measures** Maithan Alloys does not tolerate any form of corruption. It is committed to the principles of transparency, openness and fairness in its business and procurement functions.

HUMAN RESOURCES

The Company believes that its intrinsic strength lies in its dedicated and motivated employees. As such, the Company provides competitive compensations, an amiable work environment and acknowledges employee performance through a planned reward and recognition programme. The Company aims to create a workplace where every person can achieve his or her true potential. The Company encourages individuals to go beyond the scope of their work, undertake voluntary projects that enable them to learn and devise innovative ideas.

The total number of employees on the payroll of the Company as on 31 March 2020 was 585.

CAUTIONARY STATEMENT

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward–looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.

Statutory Section

Directors' Report

Dear Members,

Your Directors have the pleasure in presenting the 35th Annual Report on the business and operations of the Company along with the Financial Statement for the financial year ended 31 March 2020.

FINANCIAL HIGHLIGHTS

The financial performance of the Company for the financial year ended 31 March 2020 is summarised below:

(₹ in crore)

Financial Results	2019-2020	2018-2019
Revenue from operations	1,830.88	1,987.93
Other income	65.92	26.07
Total Income	**1,896.80**	**2,014.00**
Expenses		
Operating expenditure	1,598.14	1,665.62
Depreciation and amortisation expense	15.81	15.63
Total Expenses	**1613.95**	**1,681.25**
Profit before finance cost and tax	282.85	332.75
Finance costs	3.71	5.91
Profit Before Taxes	**279.14**	**326.84**
Less: Provision for taxation:		
- Current tax	55.45	68.15
- Deferred tax	1.79	3.41
Profit After Taxes	**221.90**	**255.28**

STATE OF COMPANY'S AFFAIRS AND OPERATIONS

Financial Year 2019-2020 has been another challenging year with multiple issues across the domestic and global steel industry. However, we have consistently outperformed the industry. There were a lot of uncertainties in both the global and domestic steel industry at the beginning of the financial year 2019-2020. Global businesses were impacted on the back of lower confidence, amidst broader economic weakness and the uncertainty around the US-China trade conflict during the financial year 2019-2020. Domestic steel industry was facing significant headwinds in terms of lower economic growth and trade flow uncertainty that was impacting steel consumption. Steel prices declined across geographies and adversely impacted the spreads globally, putting pressure on margins.

In the last quarter of financial year 2019-2020, COVID-19 pandemic caused disruption in logistics and supply chain of raw materials and finished goods. In India, the Government had implemented the most stringent nationwide lockdown which led to standstill of all industrial operations. Construction activity was halted and recovery is expected to remain subdued. On growth in demand, the World

Steel Association mentioned that global steel demand is expected to recover by 3.8% to 1,717 MT in 2021. However, in India, steel demand will be driven by recovery in construction activities supported by government stimulus.

Despite the adversities, the sales volumes of the Company remained intact and capacities were optimally utilised until the lockdown commenced. Although, manufacturing margins were impacted mainly on account of market slowdown, current volatile market and outburst of COVID-19 pandemic in the month of March-2020, but the Company managed to maintain its margins in the range of long-term sustainable EBITDA.

During the financial year 2019-2020, the total revenue decreased to ₹1,896.80 crore from ₹2,014.00 crore in the financial year 2019-2020, registering a decline of about 5.82%. Profit Before Tax stood at ₹279.14 crore and Profit After Tax stood at ₹221.90 crore in the financial year 2019-2020 as compared to ₹326.84 crore and ₹255.28 crore, respectively in the financial year 2018-2019, resulting in a decline of about 14.59% and 13.08%, respectively mainly on account of lower realisation of goods sold.

The Wind Mill division of the Company has achieved sales of ₹1.59 crore during the financial year 2019-2020 and is operating satisfactorily.

There was no change in the nature of business of the Company during the financial year 2019-2020.

OUTLOOK

The information on the Business Overview and Outlook of the Company is discussed in the Management Discussion and Analysis on Page No. 31 to 42 of this Annual Report.

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

IMPACT OF THE COVID-19 PANDEMIC

The COVID-19 pandemic has intensified into a global crisis, driving the nation to enforce lock-down of all economic activity for the last few months. We remain committed to the health and safety of our employees and their families, as well as, business continuity to safeguard the interests of our employees, partners, customers and other stakeholders. The impact of the pandemic on our business performance has been outlined in Note No. 49 to the Standalone Financial Statement.

SHARE CAPITAL

The Authorised Share Capital and Paid-up Share Capital of the Company as on 31 March 2020 were ₹80.00 crore and ₹29.11 crore, 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 2019-2020. As at 31 March 2020, none of the Directors of the Company hold any convertible instrument of the Company.

DIVIDEND

The Board, at its meeting held on 27 February 2020 declared an interim dividend of ₹6/- per equity share of ₹10/- (i.e. @ 60%). Consequently, the Company had paid a sum of ₹17.47 crore towards interim dividend and ₹3.59 crore towards dividend tax, resulting to an aggregate outflow of ₹21.06 crore. Further, the Board at its meeting held on 20 June 2020 considered the interim dividend to be the final dividend for the financial year 2019-2020 and recommended for approval of payment of said interim dividend to the Members.

AMOUNT TRANSFERRED TO RESERVES

Nil

CAPEX

The Company has incorporated a wholly owned subsidiary namely Maithan Ferrous Private Limited to take up its expansion project for setting up a new Greenfield Ferro Alloys manufacturing unit in the State of West Bengal. The entire capex is proposed to be funded by the Company from its internal accruals. The Subsidiary Company shall enjoy the tax benefits announced by the Government of India, during the financial year 2019-2020.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Non-Executive Directors & Independent Directors

The Members at their 34th Annual General Meeting, approved the re-appointment of Mr. Nand Kishore Agarwal (DIN: 00378444) as an Independent Director of the Company for a second term of five consecutive years w.e.f. 22 September 2019.

The Board of Directors at its Meeting held on 20 August 2019 appointed Mr. Vivek Kaul (DIN: 00345022) as an Additional Director (Category: Professional-Non-Executive) on the Board of Directors of the Company with immediate effect. He holds office upto the date of ensuing Annual General Meeting. Subsequently, the Board at its meeting held on 20 June 2020 appointed him, as an Independent Director for a period of 3 years w.e.f. 20 June 2020 upto 19 June 2023. His appointment as an Independent Director as recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company is subject to approval of Members at the ensuing Annual General Meeting.

The Company has received Notice pursuant to Section 160 of the Companies Act, 2013 from a Member signifying his intention to propose the appointment of Mr. Vivek Kaul as a Director of the Company.

Further, Mrs. Kalpana Biswas Kundu (DIN: 07006341) was appointed as an Independent Director by the Board of Directors of the Company, w.e.f. 3 February 2016, for a period of 5 consecutive years. Accordingly, her tenure as an Independent Director will conclude on 2 February 2021. The Board at its meeting held on 20 June 2020, on the recommendation of the Nomination and Remuneration Committee, re-appointed her as an Independent Director for a second term of 3 consecutive years w.e.f. 3 February 2021, subject to approval of the Members of the Company.

Mr. Vikash Kumar Jewrajka (DIN: 01495403), an Independent Director of the Company, tendered his resignation from Directorship of the Company w.e.f. 22 September 2019 consequent upon conclusion of his tenure as an Independent Director of the Company. The Board placed on record its appreciation for the valuable contribution and guidance given by him, during his association with the Company as an Independent Director, as a Member of Audit Committee and Corporate Social Responsibility Committee as well as the Chairman of the Stakeholders Relationship Committee of the Company.

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.

All Independent Directors of the Company have submitted the requisite declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with Regulation 16 and 25(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have also confirmed that they have complied with Schedule IV of the Companies Act, 2013 and the Company's Code of Conduct. Independent Directors have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Further, the Independent Directors have also submitted their declaration in compliance with the provision of Rule 6(3) of Companies (Appointment and Qualification of Directors) Rules, 2014, which mandated the inclusion of an Independent Director's name in the data bank of Indian Institute of Corporate Affairs ("IICA") for a period of one year or five years or life time till they continue to hold the office of independent director.

In the opinion of the Board, all the independent directors are persons of integrity, possess relevant expertise and experience.

None of the Directors of your Company are disqualified as per the provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures, as required under various provisions 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 Members at their 34th Annual General Meeting, approved the re-appointment 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)' for a period of 3 (three) and 5 (five) years w.e.f. 1 April 2019.

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 2019-2020.

Retirement by rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Parasanta Chattopadyay (DIN: 06968122) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The Board recommends for the approval of appointment/re-appointment of the aforesaid Directors at the ensuing Annual General Meeting. The brief details of the Directors to be appointed/re-appointed are given 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, 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 2019-2020, 6 (six) 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 2019-2020 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 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. 39 of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

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

During the financial year 2019-2020, the Company has spent more than 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 health care, education, women empowerment, animal welfare, environment sustainability, social and economic welfare 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 2019-2020, 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 2019-2020 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

The Company's credit rating from CARE continues to be 'CARE AA; Stable' (i.e. Double A; Outlook: Stable) for long-term bank facilities and 'CARE A1+' (i.e. A One Plus) for short-term bank facilities indicating that the Company has strong capacity for timely payment of debt obligations and carries low credit risk.

Further, CRISIL has upgraded the Company's credit rating to 'CRISIL AA/Stable' (i.e. CRISIL Double A; Outlook: Stable) from 'CRISIL AA-/Stable' (i.e. CRISIL Double A Minus; Outlook: Stable) rating for long-term bank facilities and reaffirmed 'CRISIL A1+' (i.e. CRISIL A One Plus) rating for short-term bank facilities, vide their letter dated 1 July 2019 and said ratings were valid upto 31 March 2020. Such revision in ratings reflects the Company's strong business risk profile driven by its established position in the manganese alloy industry and its robust operating efficiency.

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. 38 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 2019-2020, forming part of this Annual Report.

HOLDING COMPANY

During the year under review, Bhagwati Syndicate Pvt. Ltd. ('BSPL'), a member of the Promoter Group of the Company, through a Scheme of Amalgamation duly approved by National Company Law Tribunal, Kolkata Bench, became owner of additional 1,57,56,576 shares representing 54.12% of the paid-up share capital of the Company which were hitherto cumulatively held by other Corporate Members of Promoter Group of the Company namely Aaklavya (India) Pvt. Ltd., Anupam Vanijya Private Limited, Dipajyoti Resources Pvt. Ltd., H. S. Consultancy Pvt. Ltd., Jibralter Traders Ltd., Jyobina Investment Ltd., Maithan Smelters Private Limited, Shakti Auto Finance Pvt. Ltd., Sumee Trading Pvt. Ltd., Summit Packaging Pvt. Ltd. and Unmukt Tracom Pvt. Ltd., as they stand amalgamated into BSPL with an effective date of 14 January 2020. Accordingly, holding of BSPL in the Company became 1,61,86,576 shares representing 55.60% of the paid-up share capital of the Company.

Consequently, BSPL became holding company of Maithan Alloys Limited.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

The Company had 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. During the year under review, pursuant to the authority granted by the Board of Directors at their meeting held on 31 October 2019, a new company named 'Maithan Ferrous Private Limited' was incorporated on 5 December 2019 as a wholly-owned subsidiary of Maithan Alloys Limited.

Consequently, as on 31 March 2020, the Company has four subsidiaries namely, AXL-Exploration Private Limited, Anjaney Minerals Limited, Salanpur Sinters Private Limited and Maithan Ferrous Private Limited.

Except the above, none of the Companies have become/ ceased to be the Company's Subsidiaries, Joint Ventures or Associate Companies during the financial year 2019-2020.

Further, the Company had no material subsidiary(ies) or Joint Venture(s) or Associate Company(ies) during the financial year 2019-2020.

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.

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 2019-2020 the Company has suffered a loss of ₹0.04 crore.

The net worth of the Company as on 31 March 2020 is ₹2.13 crore.

Anjaney Minerals Limited

The Company continues to explore various opportunities for acquiring mines. During the financial year 2019-2020 the Company has earned ₹0.12 crore as Other Income and reported a profit of ₹0.09 crore.

The net worth of the Company as on 31 March 2020 is ₹7.29 crore.

Salanpur Sinters Private Limited

During the financial year 2019-2020, the Company has earned ₹0.11 crore as Other Income and reported a profit of ₹0.07 crore.

The net worth of the Company as on 31 March 2020 is ₹6.06 crore.

Maithan Ferrous Private Limited

Since its incorporation i.e. from 5 December 2019, the Company has suffered a loss of ₹21,283/-.

The net worth of the Company as on 31 March 2020 is ₹9,78,717/-.

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

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, AXL-Exploration Private Limited, Anjaney Minerals Limited, Salanpur Sinters Private Limited and Maithan Ferrous Private Limited have also been prepared and reported in compliance with Ind AS.

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 2020 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.

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 2020-2021. 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 2019-2020 and the Secretarial Audit Report as submitted by them for the financial year 2019-2020 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 2020 in prescribed Form MGT-9 is annexed herewith as **Annexure-'C'** and forms part of this Annual Report and shall also be 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	577.03	Note 1
2	Mr. Subodh Agarwalla	Whole-time Director & Chief Executive Officer	461.63	Note 1
3	Mr. Sudhanshu Agarwalla	President & Chief Financial Officer	N.A.	Note 1
4	Mr. Rajesh K. Shah	Company Secretary	N.A.	8.85 %

N.A.= Not Applicable

Note 1: There is no change in the remuneration structure; however the overall remuneration paid in the financial year 2019-2020 is lower than the remuneration paid in the financial year 2018-2019.

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 2019-2020 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 2019-2020 on gross monthly basis was increased by 5.99%.

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

There were 585 employees as on 31 March 2020 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 2019-2020 on the basis of entitlement was 7.59%. There was no increase in the managerial remuneration during the financial year 2019-2020 (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 2019-2020 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 the holding or any subsidiary of the Company during the financial year 2019-2020.

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 OF THE COMPANIES ACT, 2013

(i) **Details of Loans:** The Company has granted advances to its subsidiaries. Please refer to Note Nos. 14 and 47(c) to the Standalone Financial Statement.

(ii) **Details of Investments:** Please refer to Note Nos. 5 and 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 2019-2020.

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 AND 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 2019-2020 nor was any complaint pending at the beginning or end of the financial year 2019-2020.

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 Statutory Auditors of the Company confirming compliance of conditions of Corporate Governance, is annexed herewith as **Annexure-'F'** and **Annexure-'G',** respectively.

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. 31 to 42 and forms part of this Directors' Report.

BUSINESS RESPONSIBILITY STATEMENT

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Business Responsibility Report describing the initiatives taken by the Company, from an environmental, social and governance perspective, in the prescribed format is annexed herewith as **Annexure-'H'.**

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.

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 ₹40,816.00 for the financial year 2011-2012 to the IEPF during the year under review.

Further, a statement containing the details of dividend for period from financial year 2012-2013 to 2018-2019 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 are required to be transferred to IEPF. Accordingly, 24 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 2,203 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
Chairman & Managing Director
DIN: 00088384

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Place: Kolkata
Date: 20 June 2020

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
Mrs. Kalpana Biswas Kundu^	Member	Independent Non-Executive Director

** Retired as independent director and ceased to be a member of Corporate Social Responsibility Committee w.e.f. 22 September 2019.*

^Inducted as a Member of Corporate Social Responsibility Committee w.e.f. 31 July 2019.

3. **Average net profit of the Company for last three financial years:** ₹320.99 crore

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** ₹6.42 crore

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

(a)	Total amount to be spent for the financial year;	₹6.42 crore
	Amount spent during the financial year;	₹6.66 crore
(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: 20 June 2020

Annexure 1

(₹ in crore)

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	(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 and making available safe drinking water.	Local Area in the State of West Bengal	1.13	0.02	Nil	1.13	Direct
			Others, Visakhapatnam, Andhra Pradesh		0.03	Nil		
			Local Area in the State of West Bengal		0.10	Nil		through implementing agency*
			Others, Visakhapatnam, Andhra Pradesh		0.25	Nil		
			Others, Delhi, Delhi		0.05	Nil		
			Others, Vellore, Tamil Nadu		0.12	Nil		
			Others, Hyderabad, Telangana		0.50	Nil		
			Others, Vrindavan, Uttar Pradesh		0.06	Nil		
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	0.25	0.20	Nil	0.25	through implementing agency*
			Others, Vrindavan, Uttar Pradesh		0.05	Nil		
3	Education	Clause (ii) promoting education	Local Area in the State of West Bengal	4.56	4.56	Nil	4.56	through implementing agency*
4	Women Empowerment	Clause (iii) empowering woman	Local Area in the State of West Bengal	0.05	0.05	Nil	0.05	through implementing agency*
5	Social and Economic Welfare	Clause (iii) measures for reducing inequalities faced by socially and economically backward group.	Local Area in the State of West Bengal	0.02	0.02	Nil	0.02	Direct
6	Animal Welfare	Clause (iv) animal welfare	Local Area in the State of West Bengal	0.65	0.65	Nil	0.65	through implementing agency*
			Others, Mirzapur, Uttar Pradesh		$ 0.00	Nil		

(₹ in crore)

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:		Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency*
					(1) Direct expenditure on projects or programs	(2) Overheads		
7.	Environment Sustainability	Clause (iv) environment sustainability	Local Area in the State of West Bengal	$$ 0.00	$$ 0.00	Nil	$$ 0.00	Direct

$ Amount is ₹30,000/- . $$ Amount is ₹25,000/-.

** 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: 20 June 2020

ANNEXURE TO THE DIRECTORS' REPORT "B"

Form No. MR-3
Secretarial Audit Report

for the financial year ended 31 March 2020

[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 2020 ("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 herein after.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2020 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 and Overseas Direct Investment;

(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, 2018 (Not applicable to the Company during the audit period);

d] The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the audit period)

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

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 audit period); and

h] The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (Not applicable to the Company during the audit period).

(vi) The other laws, as informed and certified by the Management of the Company, which are specifically applicable to the Company namely:

a] The Mines Act, 1952 and the rules, regulations made thereunder;

b] Mines and Minerals (Developments Regulation) Act, 1957 and the Rules made thereunder;

c] Minerals Conservation and Development Rules, 1988;

d] The Electricity Act, 2003;

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

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

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

h] The Factories Act, 1948 and allied state laws.

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;

We report that 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

FCS No.: 5699

Place: Kolkata — C.P. No.:7117
Date: 20 June 2020 — UDIN: F005699B000359437

[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 Compliance by the company of applicable financial laws such as direct and indirect tax laws. Since the same have been subject to review by the Statutory Financial Auditor, Tax Auditors and other designated professionals.

(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

Place: Kolkata
FCS No.: 5699

Date: 20 June 2020
C.P. No.:7117
UDIN: F005699B000359437

ANNEXURE TO THE DIRECTORS' REPORT - "C"

Form No. MGT - 9
Extract of Annual Return

as on financial year ended on 31 March 2020

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and 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 A.J.C. 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

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

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	86.26%

*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	Bhagwati Syndicate Private Limited [#] 4th Floor, 9 A.J.C. Bose Road, Kolkata - 700017, West Bengal	U27101WB1985PTC039654	Holding Company	55.60%	2(46)
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)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
3	Anjaney Minerals Limited 4th Floor, 9 A.J.C. Bose Road, Kolkata - 700017, West Bengal	U13100WB2008PLC130114	Subsidiary Company	100.00%	2(87)(ii)
4	Salanpur Sinters Private Limited 4th Floor, 9 A.J.C. Bose Road, Kolkata - 700017, West Bengal	U27310WB2012PTC188035	Subsidiary Company	100.00%	2(87)(ii)
5	Maithan Ferrous Private Limited* 4th Floor, 9,A.J.C. Bose Road, Kolkata-700017, West Bengal	U27300WB2019PTC235113	Subsidiary Company	100.00%	2(87)(ii)

 # Became holding company w.e.f. 14 January 2020.

**Incorporated as a wholly-owned subsidiary on 5 December 2019.*

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 2019]				No. of Shares held at the end of the year [As on 31 March 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	5,642,790	-	5,642,790	19.38%	5,642,790	-	5,642,790	19.38%	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s).	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	16,186,576	-	16,186,576	55.61%	16,186,576	-	16,186,576	55.61%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	**21,829,366**	**-**	**21,829,366**	**74.99%**	**21,829,366**	**-**	**21,829,366**	**74.99%**	**-**
(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)	**21,829,366**	**-**	**21,829,366**	**74.99%**	**21,829,366**	**-**	**21,829,366**	**74.99%**	**-**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 April 2019]				No. of Shares held at the end of the year [As on 31 March 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	44,845	-	44,845	0.15%	0.15%
b) Banks / FI	18,149	-	18,149	0.06%	6,852	-	6,852	0.02%	-0.04%
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s).	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	22,158	-	22,158	0.08%	0.08%
g) FIIs/FPIs	791,338	-	791,338	2.72%	585,153	-	585,153	2.01%	-0.71%
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)									
Alternate Investment Funds	68,950	-	68,950	0.24%	139,829	-	139,829	0.48%	0.24%
Sub-total (B)(1):-	**878,437**	**-**	**878,437**	**3.02%**	**798,837**	**-**	**798,837**	**2.74%**	**-0.28%**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	901,104	-	901,104	3.10%	869,422	-	869,422	2.99%	-0.11%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	3,429,712	97,615	3,527,327	12.11%	3,489,897	71,065	3,560,962	12.23%	0.12%
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	1,469,698	-	1,469,698	5.05%	1,668,588	-	1,668,588	5.73%	0.68%
c) Others (specify)									
Non Resident Indians	319,886	-	319,886	1.09%	325,738	-	325,738	1.12%	0.03%
Clearing Members	182,886	-	182,886	0.63%	24,653	-	24,653	0.08%	-0.55%
NBFC Registered with RBI	267	-	267	0.00%	-	-	-	-	0.00%
Trust	400	-	400	0.00%	31,781	-	31,781	0.11%	0.11%
Investor Education and Protection Fund	2,179	-	2,179	0.01%	2,203	-	2,203	0.01%	0.00%
Sub-total (B)(2):-	**6,306,132**	**97,615**	**6,403,747**	**21.99%**	**6,412,282**	**71,065**	**6,483,347**	**22.27%**	**0.28%**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**7,184,569**	**97,615**	**7,282,184**	**25.01%**	**7,211,119**	**71,065**	**7,282,184**	**25.01%**	-
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	-
Grand Total (A+B+C)	**29,013,935**	**97,615**	**29,111,550**	**100.00%**	**29,040,485**	**71,065**	**29,111,550**	**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 2019]			Shareholding at the end of the year [As on 31 March 2020]			% change in shareholding 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	Subhas Chandra Agarwalla	1,391,250	4.78%	-	1,391,250	4.78%	-	-
2	Prahlad Rai Agarwalla	25,000	0.09%	-	825,000	2.83%	-	2.74%
3	Shankar Lal Agarwalla	759,500	2.60%	-	759,500	2.60%	-	-
4	Sheela Devi Agarwalla	669,250	2.30%	-	1,219,250	4.19%	-	1.89%
5	Sarita Devi Agarwalla	25,000	0.09%	-	25,000	0.09%	-	-
6	Rita Devi Agarwalla	694,365	2.39%	-	694,365	2.39%	-	-
7	Avinash Agarwalla	819,525	2.81%	-	19,525	0.07%	-	-2.74%
8	Subodh Agarwalla	409,250	1.41%	-	409,250	1.41%	-	-
9	Sudhanshu Agarwalla	559,650	1.92%	-	9,650	0.03%	-	-1.89%
10	Siddhartha Shankar Agarwalla	180,000	0.62%	-	180,000	0.62%	-	-
11	Sonam Agarwalla	110,000	0.38%	-	110,000	0.38%	-	-
12	Bhagwati Syndicate Private Limited	430,000	1.48%	-	16,186,576	55.60%	-	54.12%
13	Maithan Smelters Private Limited	5,397,357	18.54%	-	-	-	-	-18.54%
14	H. S. Consultancy Private Limited	3,259,200	11.20%	-	-	-	-	-11.20%
15	Sumee Trading Private Limited	1,391,100	4.78%	-	-	-	-	-4.78%
16	Aaklavya (India) Private Limited	1,274,500	4.38%	-	-	-	-	-4.38%
17	Jyobina Investment Limited	1,120,573	3.85%	-	-	-	-	-3.85%
18	Shakti Auto Finance Private Limited	1,067,800	3.67%	-	-	-	-	-3.67%
19	Jibralter Traders Limited	993,750	3.41%	-	-	-	-	-3.41%
20	Summit Packaging Private Limited	466,500	1.60%	-	-	-	-	-1.60%
21	Anupam Vanijya Private Limited	350,796	1.20%	-	-	-	-	-1.20%
22	Unmukt Tracom Private Limited	270,000	0.93%	-	-	-	-	-0.93%
23	Dipajyoti Resources Pvt Ltd	165,000	0.56%	-	-	-	-	-0.56%
Total		**21,829,366**	**74.99%**	**-**	**21,829,366**	**74.99%**	**-**	**-**

Notes:

1. Mr. Subhas Chandra Agarwalla is the Promoter of the Company.

2. Shareholders listed under Sl. No.1 to 12 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 2020.
3. During the financial year 2019-2020, shareholders listed under Sl. No. 13 to 23 were amalgmated into Bhagwati Syndicate Private Limited through a Scheme of Amalgamation duly approved by National Company Law Tribunal, Kolkata Bench. Consequently, their respective holdings in the Company were transmitted to Bhagwati Syndicate Private Limited.
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	**Subhas Chandra Agarwalla**						
	At the beginning of the year	01 April 2019		1,391,250	4.78%	1,391,250	4.78%
	Increase / Decrease in Shareholding during the year			-	-	1,391,250	4.78%
	At the end of the year	31 March 2020				1,391,250	4.78%
2	**Prahlad Rai Agarwalla**						
	At the beginning of the year	01 April 2019		25,000	0.09%	25,000	0.09%
	Increase / Decrease in Shareholding during the year	12 July 2019	Transfer	800,000	2.74%	825,000	2.83%
	At the end of the year	31 March 2020				825,000	2.83%
3	**Shankar Lal Agarwalla**						
	At the beginning of the year	01 April 2019		759,500	2.60%	759,500	2.60%
	Increase / Decrease in Shareholding during the year			-	-	759,500	2.60%
	At the end of the year	31 March 2020				759,500	2.60%
4	**Sheela Devi Agarwalla**						
	At the beginning of the year	01 April 2019		669,250	2.30%	669,250	2.30%
	Increase / Decrease in Shareholding during the year	02 August 2019	Transfer	550,000	1.89%	1,219,250	4.19%
	At the end of the year	31 March 2020				1,219,250	4.19%
5	**Sarita Devi Agarwalla**						
	At the beginning of the year	01 April 2019		25,000	0.09%	25,000	0.09%
	Increase / Decrease in Shareholding during the year			-	-	25,000	0.09%
	At the end of the year	31 March 2020				25,000	0.09%
6	**Rita Devi Agarwalla**						
	At the beginning of the year	01 April 2019		694,365	2.39%	694,365	2.39%
	Increase / Decrease in Shareholding during the year			-	-	694,365	2.39%
	At the end of the year	31 March 2020				694,365	2.39%
7	**Avinash Agarwalla**						
	At the beginning of the year	01 April 2019		819,525	2.81%	819,525	2.81%
	Increase / Decrease in Shareholding during the year	12 July 2019	Transfer	-800,000	-2.74%	19,525	0.07%
	At the end of the year	31 March 2020				19,525	0.07%
8	**Subodh Agarwalla**						
	At the beginning of the year	01 April 2019		409,250	1.41%	409,250	1.41%

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
	Increase / Decrease in Shareholding during the year			-	-	409,250	1.41%
	At the end of the year	31 March 2020				409,250	1.41%
9	**Sudhanshu Agarwalla**						
	At the beginning of the year	01 April 2019		559,650	1.92%	559,650	1.92%
	Increase / Decrease in Shareholding during the year	02 August 2019	Transfer	-550,000	-1.89%	9,650	0.03%
	At the end of the year	31 March 2020				9,650	0.03%
10	**Siddhartha Shankar Agarwalla**						
	At the beginning of the year	01 April 2019		180,000	0.62%	180,000	0.62%
	Increase / Decrease in Shareholding during the year			-	-	180,000	0.62%
	At the end of the year	31 March 2020				180,000	0.62%
11	**Sonam Agarwalla**						
	At the beginning of the year	01 April 2019		110,000	0.38%	110,000	0.38%
	Increase / Decrease in Shareholding during the year			-	-	110,000	0.38%
	At the end of the year	31 March 2020				110,000	0.38%
12	**Bhagwati Syndicate Private Limited**						
	At the beginning of the year	01 April 2019		430,000	1.48%	430,000	1.48%
	Increase / Decrease in Shareholding during the year	Refer Note 1		15,756,576	54.12%	16,186,576	55.60%
	At the end of the year	31 March 2020				16,186,576	55.60%
13	**Maithan Smelters Private Limited**						
	At the beginning of the year	01 April 2019		5,397,357	18.54%	5,397,357	18.54%
	Increase / Decrease in Shareholding during the year	Refer Note 1		-5,397,357	-18.54%	-	-
	At the end of the year	31 March 2020				-	-
14	**H. S. Consultancy Private Limited**						
	At the beginning of the year	01 April 2019		3,259,200	11.20%	3,259,200	11.20%
	Increase / Decrease in Shareholding during the year	Refer Note 1		-3,259,200	-11.20%	-	-
	At the end of the year	31 March 2020				-	-
15	**Sumee Trading Private Limited**						
	At the beginning of the year	01 April 2019		1,391,100	4.78%	1,391,100	4.78%
	Increase / Decrease in Shareholding during the year	Refer Note 1		-1,391,100	-4.78%	-	-
	At the end of the year	31 March 2020				-	-
16	**Aaklavya (India) Private Limited**						
	At the beginning of the year	01 April 2019		1,274,500	4.38%	1,274,500	4.38%
	Increase / Decrease in Shareholding during the year	Refer Note 1		-1,274,500	-4.38%	-	-

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
	At the end of the year	31 March 2020				-	-
17	**Jyobina Investment Limited**						
	At the beginning of the year	01 April 2019		1,120,573	3.85%	1,120,573	3.85%
	Increase / Decrease in Shareholding during the year	Refer Note 1		-1,120,573	-3.85%	-	-
18	**Shakti Auto Finance Private Limited**						
	At the beginning of the year	01 April 2019		1,067,800	3.67%	1,067,800	3.67%
	Increase / Decrease in Shareholding during the year	Refer Note 1		-1,067,800	-3.67%	-	-
	At the end of the year	31 March 2020				-	-
19	**Jibralter Traders Limited**						
	At the beginning of the year	01 April 2019		993,750	3.41%	993,750	3.41%
	Increase / Decrease in Shareholding during the year	Refer Note 1		-993,750	-3.41%	-	-
	At the end of the year	31 March 2020				-	-
20	**Summit Packaging Private Limited**						
	At the beginning of the year	01 April 2019		466,500	1.60%	466,500	1.60%
	Increase / Decrease in Shareholding during the year	Refer Note 1		-466,500	-1.60%	-	-
	At the end of the year	31 March 2020				-	-
21	**Anupam Vanijya Private Limited**						
	At the beginning of the year	01 April 2019		350,796	1.20%	350,796	1.20%
	Increase / Decrease in Shareholding during the year	Refer Note 1		-350,796	-1.20%	-	-
	At the end of the year	31 March 2020				-	-
22	**Unmukt Tracom Private Limited**						
	At the beginning of the year	01 April 2019		270,000	0.93%	270,000	0.93%
	Increase / Decrease in Shareholding during the year	Refer Note 1		-270,000	-0.93%	-	-
	At the end of the year	31 March 2020				-	-
23	**Dipajyoti Resources Pvt Ltd**						
	At the beginning of the year	01 April 2019		165,000	0.56%	165,000	0.56%
	Increase / Decrease in Shareholding during the year	Refer Note 1		-165,000	-0.58%	-	-
	At the end of the year	31 March 2020				-	-

Notes:

1. During the financial year 2019-2020, shareholders listed under Sl. No. 13 to 23 were amalgamated into Bhagwati Syndicate Private Limited through a Scheme of Amalgamation duly approved by National Company Law Tribunal, Kolkata Bench. Consequently, their respective holdings in the Company were transmitted to Bhagwati Syndicate Private Limited.
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 2019		160,156	0.55%	160,156	0.55%
	Increase / Decrease in Shareholding during the year	30 August 2019	Transfer	-2,500	-0.01%	157,656	0.54%
		06 September 2019	Transfer	-22,503	-0.08%	135,153	0.46%
		13 September 2019	Transfer	-5,242		129,911	0.45%
		20 September 2019	Transfer	-14,602		115,309	0.40%
		27 September 2019	Transfer	-790	-0.07%	114,519	0.39%
		22 November 2019	Transfer	21,469	0.08%	135,988	0.47%
		29 November 2019	Transfer	9,898	0.03%	145,886	0.50%
		06 December 2019	Transfer	14,891	0.05%	160,777	0.55%
	At the end of the year(or on the date of separation, if separated during the year)	31 March 2020				160,777	0.55%
2	**Aequitas Equity Scheme I**						
	At the beginning of the year	01 April 2019		50,235	0.17%	50,235	0.17%
	Increase / Decrease in Shareholding during the year	05 April 2019	Transfer	28,065	0.10%	78,300	0.27%
		12 April 2019	Transfer	2,599	0.01%	80,899	0.28%
		19 April 2019	Transfer	25,133		106,032	0.36%
		23 August 2019	Transfer	2,630		108,662	0.37%
		06 September 2019	Transfer	700	0.10%	109,362	0.38%
	At the end of the year(or on the date of separation, if separated during the year)	31 March 2020				109,362	0.38%
3	**Pergo Company Limited**						
	At the beginning of the year	01 April 2019		73,643	0.25%	73,643	0.25%
	Increase / Decrease in Shareholding during the year	22 November 2019	Transfer	16,993	0.06%	90,636	0.31%
		29 November 2019	Transfer	12,200	0.04%	102,836	0.35%
		06 December 2019	Transfer	3,405	0.01%	106,241	0.36%

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
	At the end of the year(or on the date of separation, if separated during the year)	31 March 2020				106,241	0.36%
4	**Ashok Kumar Singhania**						
	At the beginning of the year	01 April 2019		-	-	-	-
	Increase / Decrease in Shareholding during the year	26 April 2019	Transfer	25,000	0.09%	25,000	0.09%
		03 May 2019	Transfer	10,000	0.03%	35,000	0.12%
		10 May 2019	Transfer	40,000	0.14%	75,000	0.26%
		31 May 2019	Transfer	4,080	0.01%	79,080	0.27%
		09 August 2019	Transfer	3,000	0.01%	82,080	0.28%
		16 August 2019	Transfer	2,108	0.01%	84,188	0.29%
		15 November 2019	Transfer	-5,000	-0.02%	79,188	0.27%
		20 December 2019	Transfer	7,948	0.03%	87,136	0.30%
		31 January 2020	Transfer	-288		86,848	0.30%
		07 February 2020	Transfer	-4,000	-0.02%	82,848	0.28%
		20 March 2020	Transfer	11,094	0.04%	93,942	0.32%
	At the end of the year(or on the date of separation, if separated during the year)	31 March 2020				93,942	0.32%
5	**Acadian Emerging Markets Small Cap Equity Fund LLC**						
	At the beginning of the year	01 April 2019		76,177		76,177	0.26%
	Increase / Decrease in Shareholding during the year	12 April 2019	Transfer	1,056	0.27%	77,233	0.27%
	At the end of the year(or on the date of separation, if separated during the year)	31 March 2020				77,233	0.27%
6	**Sudhaben Prafulchandra Vaidya**						
	At the beginning of the year	01 April 2019		40,737	0.14%	40,737	0.14%
	Increase / Decrease in Shareholding during the year	12 July 2019	Transfer	4,450		45,187	0.16%
		19 July 2019	Transfer	4,500		49,687	0.17%
		26 July 2019	Transfer	1,500	0.04%	51,187	0.18%
		02 August 2019	Transfer	4,000	0.01%	55,187	0.19%
		04 October 2019	Transfer	500		55,687	0.19%
		25 October 2019	Transfer	-1,000		54,687	0.19%

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
		01 November 2019	Transfer	-4,650	-0.02%	50,037	0.17%
		22 November 2019	Transfer	2,000	0.01%	52,037	0.18%
		29 November 2019	Transfer	2,900	0.01%	54,937	0.19%
		03 January 2020	Transfer	1,000		55,937	0.19%
		10 January 2020	Transfer	5,500	0.02%	61,437	0.21%
		17 January 2020	Transfer	2,500	0.01%	63,937	0.22%
		24 January 2020	Transfer	1,000		64,937	0.22%
		07 February 2020	Transfer	-1,500		63,437	0.22%
		14 February 2020	Transfer	-500		62,937	0.22%
		28 February 2020	Transfer	1,000		63,937	0.22%
		06 March 2020	Transfer	100		64,037	0.22%
		13 March 2020	Transfer	2,000		66,037	0.23%
		20 March 2020	Transfer	5,450		71,487	0.25%
		27 March 2020	Transfer	2,000	0.03%	73,487	0.25%
	At the end of the year(or on the date of separation, if separated during the year)	31 March 2020				73,487	0.25%
7	**Smriti Agarwalla**						
	At the beginning of the year	01 April 2019		55,186	0.19%	55,186	0.19%
	Increase / Decrease in Shareholding during the year	05 April 2019	Transfer	-459	0.00%	54,727	0.19%
		20 September 2019	Transfer	-2,000	-0.01%	52,727	0.18%
		20 March 2020	Transfer	10,000	0.03%	62,727	0.21%
	At the end of the year(or on the date of separation, if separated during the year)	31 March 2020	Transfer	5,000	0.02%	67,727	0.23%
8	**Rita Chhawchharia**						
	At the beginning of the year	01 April 2019		65000	0.22%	65,000	0.22%
	Increase / Decrease in Shareholding during the year			-	-	65,000	0.22%
	At the end of the year(or on the date of separation, if separated during the year)	31 March 2020				65,000	0.22%

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
9	**Aequitas Investment Consultancy Private Limited**						
	At the beginning of the year	01 April 2019		63208	0.22%	63,208	0.22%
	Increase / Decrease in Shareholding during the year			-	-	63,208	0.22%
	At the end of the year(or on the date of separation, if separated during the year)	31 March 2020				63,208	0.22%
10	**The Board Of Regents Of The University Of Texas System-Acadian Asset Management**						
	At the beginning of the year	01 April 2019		54,102	0.19%	54,102	0.19%
	Increase / Decrease in Shareholding during the year	07 February 2020	Transfer	3,020	0.01%	57,122	0.20%
		14 February 2020	Transfer	1,068	0.00%	58,190	0.20%
	At the end of the year(or on the date of separation, if separated during the year)	31 March 2020				58,190	0.20%

Notes:

1. For the purpose of above disclosures, names of top ten shareholders as on 31 March 2020 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 2019 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 2019		1,391,250	4.78%	1,391,250	4.78%
	Increase / Decrease in Shareholding during the year			-	-	1,391,250	4.78%
	At the end of the year	31 March 2020				1,391,250	4.78%
2	**Subodh Agarwalla (Whole-time Director and Chief Executive Officer)**						
	At the beginning of the year	01 April 2019		409,250	1.41%	409,250	1.41%
	Increase / Decrease in Shareholding during the year			-	-	409,250	1.41%

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
	At the end of the year	31 March 2020				409,250	1.41%
3	**Nand Kishore Agarwal (Independent Director)**						
	At the beginning of the year	01 April 2019		750	0.00%	750	0.00%
	Increase / Decrease in Shareholding during the year			-	-	750	0.00%
	At the end of the year	31 March 2020				750	0.00%
4	**Vikash Kumar Jewrajka[%] (Independent Director)**						
	At the beginning of the year	01 April 2019		-	-	-	-
	Increase / Decrease in Shareholding during the year			-	-	-	-
	At the end of the year	31 March 2020				N.A.	N.A.
5	**Ashok Bhandari (Independent Director)**						
	At the beginning of the year	01 April 2019		-	-	-	-
	Increase / Decrease in Shareholding during the year			-	-	-	-
	At the end of the year	31 March 2020				-	-
6	**Vivek Kaul[^] (Additional Director)**						
	At the beginning of the year	01 April 2019		-	-	-	-
	Increase / Decrease in Shareholding during the year	23 August 2019		400	0.00%	400	0.00%
	At the end of the year	31 March 2020				400	0.00%
7	**Palghat Krishnan Venkatramani (Independent Director)**						
	At the beginning of the year	01 April 2019		30	0.00%	30	0.00%
	Increase / Decrease in Shareholding during the year			-	-	30	0.00%
	At the end of the year	31 March 2020				30	0.00%
8	**Kalpana Biswas Kundu (Independent Director)**						
	At the beginning of the year	01 April 2019		-	-	-	-
	Increase / Decrease in Shareholding during the year			-	-	-	-
	At the end of the year	31 March 2020				-	-
9	**Parasanta Chattopadyay (Non-executive Director)**						
	At the beginning of the year	01 April 2019		-	-	-	-
	Increase / Decrease in Shareholding during the year			-	-	-	-
	At the end of the year	31 March 2020				-	-

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
10	Sudhanshu Agarwalla (President & Chief Financial Officer)						
	At the beginning of the year	01 April 2019		559,650	1.92%	559,650	1.92%
	Increase / Decrease in Shareholding during the year	02 August 2019	Transfer	-550,000	-1.89%	9,650	0.03%
	At the end of the year	31 March 2020				9,650	0.03%
11	Rajesh K. Shah (Company Secretary)						
	At the beginning of the year	01 April 2019		-	-	-	-
	Increase / Decrease in Shareholding during the year			-	-	-	-
	At the end of the year	31 March 2020				-	-

^*Appointed as an Additional Director w.e.f. 20 August 2019.*

% *ceased to be a Director w.e.f. 22 September 2019.(N.A. = Not Applicable)*

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 crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3.43	-	-	3.43
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**3.43**	**-**	**-**	**3.43**
Change in Indebtedness during the financial year				
* Addition	3.34	-	-	3.34
* Reduction	-	-	-	-
Net Change	**3.34**	**-**	**-**	**3.34**
Indebtedness at the end of the financial year				
i) Principal Amount	6.77	-	-	6.77
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**6.77**	**-**	**-**	**6.77**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in crore)

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	8.49	6.79	15.28
	(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)	**8.49**	**6.79**	**15.28**
	Ceiling as per the Act #			**29.45**

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

B. Remuneration to other Directors:

(Amt. in ₹)

Sl No.	Particulars of Remuneration	Name of Directors					
1.	**Independent Directors**	Nand Kishore Agarwal	Ashok Bhandari	Vikash Kumar Jewrajka*	P. K. Venkatramani	Kalpana Biswas Kundu	Total Amount
	Fee for attending board/ committee meetings	110,000.00	65,000.00	55,000.00	77,500.00	105,000.00	412,500.00
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (B)(1)						**412,500.00**
2.	**Other Non-Executive Directors**				Parasanta Chattopadyay	Vivek Kaul^	Total Amount
	Fee for attending board/ committee meetings				60,000.00	30,000.00	90,000.00
	Commission				-	-	-
	Others, please specify				-	-	-
	Total (B)(2)				**-**		**90,000.00**
	Total (B)=(B)(1)+(B)(2)						**502,500.00**

(₹ in crore)

Total Managerial Remuneration (A+B)	15.33
Overall Ceiling as per the Act #	32.39

* *Ceased to be a Director w.e.f. 22 September 2019.*

^ *Appointed as an Additional Director w.e.f. 20 August 2019.*

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

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

(₹ in crore)

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	0.71	0.17	0.88
	(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	4.78	-	4.78
5.	Others, (Medical Reimbursement)*	-	0.00	0.00
	Total (C)	**5.49**	**0.17**	**5.66**

*Medical Reimbursement of ₹15,000/- paid to Mr. Rajesh K. Shah, Company Secretary, during the financial year 2019-2020.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of the offences for breach of any Section of the Companies Act, 2013 against the Company or its Directors or other officers in default during the financial year 2019-2020.

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: 20 June 2020

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 2019-2020 or monthly remuneration of rupees eight lakh and fifty thousand or more per month during the financial year 2019-2020 are as under:

Sl. No.	Name	Age (years)	Qualification and experience	Date of commencement of employment	Designation	Remuneration received (₹ in crore)	Last employment held
1	Mr. Subhas Chandra Agarwalla	68	B. Com., 50 years	1 April 2019	Chairman and Managing Director	8.49	None
2	Mr. Shankar Lal Agarwalla	64	B. Com., 45 years	1 November 2016	E.D.	2.82	Anjaney Ferro Alloys Ltd.
3	Mr. Subodh Agarwalla	41	MBA, B. Tech., 19 years	1 April 2019	Whole-time Director and Chief Executive Officer	6.79	None
4	Mr. Sudhanshu Agarwalla	38	MBA (Finance), 14 years	1 April 2014	President and Chief Financial Officer	5.49	None
5	Mr. Siddhartha Shankar Agarwalla	39	B. Com., 14 years	1 October 2016	Vice President	1.30	Anjaney Ferro Alloys Ltd.
6	Mr. Prasanna Kumar Mishra	62	M. Sc. (Chemistry), 34 years	11 May 2009	Director (Operation)	0.42	Maithan Smelters Ltd.
7	Mr. Sanat Kumar Das	54	MBA (Finance), 33 years	28 April 2009	Vice President (Operation)	0.28	Balasore Alloys Ltd.
8	Mr. Sandeep Kumar Bairoliya	54	F. C. A., B. Com., (Hons.), 28 years	1 April 2015	Sr. General Manager (Commercial)	0.22	Anjaney Alloys Ltd.
9	Mr. Siba Sankar Padhi	49	B. Tech (Production Engineering), 24 years	1 April 2015	Dy. General Manager (Mechanical)	0.21	Anjaney Alloys Ltd.
10	Mr. Pramod Kumar Chaudhary	53	F. C. A., B. Com., 28 Years	12 October 2007	GM – Finance	0.21	D.K. Chhajer & Co.

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: 20 June 2020

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 utilizing 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 2019-2020, the foreign exchange earned is ₹956.41 crore and foreign exchange outgo is ₹665.83 crore.

For and on behalf of the Board of Directors

	S. C. Agarwalla	**Subodh Agarwalla**
Place: Kolkata	*Chairman & Managing Director*	*Whole-time Director & CEO*
Date: 20 June 2020	DIN: 00088384	DIN: 00339855

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, four Non-Executive Independent Directors (including one Woman Director) and two Non–Executive Directors, as on 31 March 2020.

Six (6) meetings of the Board were held during the financial year 2019-2020, on the following dates:

30 April 2019	31 July 2019	20 August 2019
31 October 2019	29 January 2020	27 February 2020

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, no resolution was passed by circulation.

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 2019-2020, etc. as required are given below:

Sl. No.	Name of the Director	Category	No. of Board meetings during the financial year 2019-2020		Attendance at the last AGM held on 20 August 2019@	No. of directorship$ held in other public limited companies as on 31 March 2020	No. of committee# positions in other public companies as on 31 March 2020	
			Held	Attended			As chairman	As member
1	Mr. Subhas Chandra Agarwalla[$$]	Executive Director (Chairman and Managing Director) [Promoter]	6	6	P	1	None	None
2	Mr. Subodh Agarwalla[%]	Executive Director (Whole-time Director and Chief Executive Officer) [Promoter Group]	6	6	P	3	None	None
3	Mr. Nand Kishore Agarwal~	Independent Non-Executive Director	6	6	P	None	None	None
4	Mr. Vikash Kumar Jewrajka*	Independent Non-Executive Director	6	3	P	N.A.	N.A.	N.A.
5	Mr. Ashok Bhandari	Independent Non-Executive Director	6	6	P	8	None	8
6	Mr. Vivek Kaul ^	Non-Executive Director	6	3	N.A.	None	None	None
7	Mr. P. K. Venkatramani	Independent Non-Executive Director	6	4	A	1	1	None
8	Mrs. Kalpana Biswas Kundu	Independent Non-Executive Director	6	6	A	1	None	1
9	Mr. Parasanta Chattopadyay	Non-Executive Director	6	6	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.

$$ Re-appointed as Chairman and Managing Director for a period of 3 years w.e.f. 1 April 2019.

% Re-appointed as Whole-time Director and Chief Executive Officer for a period of 5 years w.e.f. 1 April 2019.

~ Re-appointed as an Independent Director for the second term w.e.f. 22 September 2019.

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

** Resigned as a Director consequent upon conclusion of his tenure as Independent Director w.e.f. 22 September 2019.*

^Appointed as an Additional Director w.e.f. 20 August 2019.

Names of other listed entities where the Directors hold directorship as on 31 March 2020 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. Ashok Bhandari	Intrasoft Technologies Limited	Non-Executive - Independent Director
		Skipper Limited	Non-Executive - Independent Director
		IFB Industries Ltd.	Non-Executive - Independent Director
		Rupa & Company Ltd.	Non-Executive - Independent Director
		Maharashtra Seamless Limited	Non-Executive - Independent Director
5	Mr. Vivek Kaul^	None	N.A.
6	Mr. P. K. Venkatramani	None	N.A.
7	Mrs. Kalpana Biswas Kundu	None	N.A.
8	Mr. Parasanta Chattopadyay	None	N.A.

^ Appointed as an Additional Director w.e.f. 20 August 2019.

Note: *Details of Mr. Vikash Kumar Jewrajka has not been provided as he ceased to be a Director w.e.f. 22 September 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.

During the financial year 2019-2020, none of the Directors of the Company have served as director in more than eight listed entities nor served as an Independent Director in more than seven listed entities, in aggregate. The Whole-time Director/ Managing Director of the Company has not served 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 fulfil the conditions specified in the Listing Regulations and are independent of the management of the Company.

During the financial year 2019-2020, the Board of Directors at its Meeting held on 20 August 2019 appointed Mr. Vivek Kaul (DIN: 00345022) as an Additional Director on the Board of Directors of the Company with immediate effect. Further, Mr. Vikash Kumar Jewrajka (DIN: 01495403) retired as Independent Director w.e.f. 22 September 2019, upon conclusion of his tenure as an Independent Director. He also tendered his resignation upon his retirement and has confirmed that other then 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 required to be placed before the Board as prescribed under Regulation 17(7) read with Part A of Schedule II, of the Listing Regulations.

The numbers of shares held by the Non-Executive Directors (including Independent Directors) as on 31 March 2020 are given below:

Sl. No.	Name of the Non-Executive Director	No. of shares held
1.	Mr. Nand Kishore Agarwal	750
2.	Mr. Ashok Bhandari	NIL
3.	Mr. Vivek Kaul^	400
4.	Mr. P. K. Venkatramani	30
5.	Mrs. Kalpana Biswas Kundu	NIL
6.	Mr. Parasanta Chattopadyay	NIL

^ Appointed as an Additional Director w.e.f. 20 August 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 2019-2020 are available at the website of the Company and the web link thereof is 'http://maithanalloys.com/wp-content/uploads/2020/07/Familiarization-Programme-for-Independent-Directors.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 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. Vivek Kaul	✓	-	✓	-	✓	✓	-
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 the 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.

Four (4) meetings of the Audit Committee were held during the financial year 2019-2020, on the following dates:

30 April 2019	31 July 2019	31 October 2019	29 January 2020

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 2019-2020 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	2
Mr. P. K. Venkatramani	Independent Non-Executive Director	4
Mr. Subodh Agarwalla^	Executive Director	2

* *Retired as independent director and ceased to be a member of the Committee w.e.f. 22 September 2019.*

^ *Inducted as a Member of Audit Committee w.e.f. 31 July 2019.*

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 2019-2020.

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 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.

Three (3) meetings of the Nomination and Remuneration Committee were held during the financial year 2019-2020 on 30 April 2019, 20 August 2019 and 29 January 2020.

The composition of the Committee and the attendance of each member of the Committee at the meetings held during the financial year 2019-2020 are given below:

Name of the Member	Category	No. of Committee meetings attended
Mr. Nand Kishore Agarwal (Chairman)	Independent Non-Executive Director	3
Mr. P. K. Venkatramani	Independent Non-Executive Director	2
Mrs. Kalpana Biswas Kundu	Independent Non-Executive Director	3

All recommendations made by the Nomination and Remuneration Committee were accepted by the Board during the financial year 2019-2020.

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 2019-2020 are as follows:

(₹ in crore)

Sl. No.	Name of the Executive Director	Fixed pay	Variable pay	Other benefits*	Total
1.	Mr. Subhas Chandra Agarwalla	0.88	7.61	Nil	8.49
2.	Mr. Subodh Agarwalla	0.70	6.09	Nil	6.79

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

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, w.e.f. 1 April 2019 by the Board of Directors at its meeting held on 28 January 2019. Subsequently, at the Annual General Meeting of the Company held on 20 August 2019, members also accorded their approval for their re-appointment.

All the contracts of appointment/re-appointment may be terminated by giving thirty days' notice by either side or by surrendering/paying one month's Fix Pay in-lieu thereof.

The Company has not issued any stock option during the financial year 2019-2020.

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, Independent Directors are eligible for a sitting fee (excluding tax thereon) of ₹5,000.00 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 or 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 and payment of sitting fees. The details of payment of remuneration to the Non-Executive Directors during the financial year 2019-2020 are given below:

(Amount in ₹)

Sl. No.	Name of the Director	Sitting fees	Other benefits*	Total
1.	Mr. Nand Kishore Agarwal	1,10,000	Nil	1,10,000
2.	Mr. Ashok Bhandari	65,000	Nil	65,000
3.	Mr. Vikash Kumar Jewrajka **	55,000	Nil	55,000
4.	Mr. Vivek Kaul ^	30,000	Nil	30,000
5.	Mr. P. K. Venkatramani	77,500	Nil	77,500
6.	Mrs. Kalpana Biswas Kundu	1,05,000	Nil	1,05,000
7.	Mr. Parasanta Chattopadyay	60,000	Nil	60,000

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

*** Retired as independent director and ceased to be a member of the Committee w..e.f. 22 September 2019.*

^ Appointed as an Additional Director w.e.f. 20 August 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 2019-2020, on the following dates:

30 April 2019	31 July 2019	31 October 2019	29 January 2020

The composition of the Committee and the attendance of each member of the Committee at the meetings held during the financial year 2019-2020 are given below:

Name of the Member	Category	No. of Committee meetings attended
Mr. Vikash Kumar Jewrajka* *(Chairman upto 22 September 2019)*	Independent Non-Executive Director	2
Mr. Nand Kishore Agarwal^ *(Chairman- w.e.f. 31 October 2019)*	Independent Non-Executive Director	2
Mr. Subhas Chandra Agarwalla	Executive Director	4
Mrs. Kalpana Biswas Kundu	Independent Non-Executive Director	4

* Retired as independent director and ceased to be Chairman as well as Member of the Stakeholders Relationship Committee w.e.f. 22 September 2019.

^ Inducted as a Member of Stakeholders Relationship Committee w.e.f. 31 July 2019 and as Chairman w.e.f. 31 October 2019.

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

During the financial year 2019-2020, the Company received twelve (12) complaints from shareholders out of which ten (10) were resolved and as on 31 March 2020, two (2) complaints were pending. There were no complaints which were not resolved to the satisfaction of the 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 29 January 2020, 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'.

Two (2) meetings of the Risk Management Committee were held during the financial year 2019-2020 on 30 April 2019 and 23 March 2020.

The composition of the Committee and the attendance of each member of the Committee at the meeting held during the financial year 2019-2020 are given below:

Name of the Member	Category	No. of Committee meetings attended
Mr. Subhas Chandra Agarwalla (Chairman)	Executive Director	2
Mr. P. K. Venkatramani	Independent Non-Executive Director	1
Mr. Pramod K. Chaudhary	Member	2

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 2019-2020, on the following dates:

30 April 2019	31 July 2019	31 October 2019	29 January 2020

The composition of the Committee and the attendance of each member of the Committee at the meetings held during the financial year 2019-2020 are given below:

Name of the Member	Category	No. of Committee meetings attended
Mr. Subhas Chandra Agarwalla (Chairman)	Executive Director	4
Mr. Subodh Agarwalla	Executive Director	4
Mr. Vikash Kumar Jewrajka*	Independent Non-Executive Director	2
Mrs Kalpana Biswas Kundu^	Independent Non-Executive Director	2

** Retired as independent director and ceased to be a member of Corporate Social Responsibility Committee w.e.f. 22 September 2019.*

^ Inducted as a Member of Corporate Social Responsibility Committee w.e.f. 31 July 2019.

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
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 JC Bose Road, Kolkata-700 017
34th	31 March 2019	20 August 2019	11:00 a.m.	The Conclave, 216, A JC 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
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. #
34th	31 March 2019	Re-appointment of Mr. Subhas Chandra Agarwalla as the Chairman and Managing Director of the Company.*
		Re-appointment of Mr. Subodh Agarwalla as the Whole-time Director and Chief Executive Officer of the Company.*
		Re-appointment of Mr. Nand Kishore Agarwal as an Independent Director of the Company.*

** 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 2019-2020. 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, Business Standard (English Language) and Arthik Lipi (Bengali Language) during the financial year 2019-2020.

(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 2019-2020, 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	Saturday, 26 September 2020 at 11:00 a.m.
- Venue	The Annual General Meeting will be held through Video Conferencing/Other Audio Visual Means
b) Financial year	1 April to 31 March
c) Dividend payment date	Not Applicable
d) Date of book closure	None
e) Listing of Equity Shares on Stock Exchanges	1] The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata - 700 001. 2] National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051. 3] The Equity shares of the Company are traded under 'Permitted Category' at BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, under 'Permitted Category' Mumbai – 400 001
f) Payment of Annual Listing Fees	The Annual Listing Fees have been paid by the Company for the financial year 2019-2020.
g) ISIN code	INE683C01011
h) Stock code	10023915 - The Calcutta Stock Exchange Ltd. 590078 - BSE Limited MAITHANALL - National Stock Exchange of India Ltd.
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 transfers. The Company's shares are traded on stock exchanges in compulsory demat mode. Any share 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 transposition/transmission form which is incomplete or in case where the Company notices any irregularity, the same is notified to the transferee.

	Regulation 40 of the Listing Regulations prohibits the transfer of securities unless the securities are held in the dematerialised form with a depository. The prohibition was enforced w.e.f. 1 April 2019 by Securities and Exchange Board of India. The Company had approached its shareholders holding shares in physical form to sensitise them about the impact of the prohibition 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 without any intervention of the Company or its Registrar & Share Transfer Agent.
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. 2,90,40,485 equity shares of the Company, forming 99.76% of the paid up share capital of the Company, stand dematerialised as on 31 March 2020.
l) Outstanding GDRs/ ADRs/ warrants or any convertible instruments, conversion date and likely impact on equity	As on 31 March 2020, 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, A.J.C. 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 2019-2020, 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 have been provided in Directors Report at Page No. 48 of this Annual Report.
o) Investor grievance e-mail id	investor@maithanalloys.com/rajesh@maithanalloys.com

p) Distribution of shareholding as on 31 March 2020

No. of Shares	Shareholders		Shareholding	
	Number	% of total	Number	% of total
Upto 500	17,121	91.04	1,295,063	4.45
501 - 1,000	741	3.94	560,021	1.92
1,001 - 2,000	429	2.28	631,905	2.17
2,001 - 3,000	132	0.70	336,473	1.16
3,001 - 4,000	83	0.44	292,947	1.01
4,001 - 5,000	60	0.32	273,368	0.94
5,001 - 10,000	124	0.66	881,053	3.02
10,001 and above	117	0.62	24,840,720	85.33
Total	**18,807**	**100.00**	**29,111,550**	**100.00**
No. of shares in physical mode	39	0.20	71,065	0.24
No. of shares in demat mode				
NSDL	9,157	48.01	26,979,121	92.68
CDSL	9,877	51.79	2,061,364	7.08
Total	**19,073**	**100.00**	**29,111,550**	**100.00**

q) Market Price Data- High, Low during each month in the last financial year.	**The Calcutta Stock Exchange Ltd.** There was no trading in shares of the Company during the financial year 2019-2020.

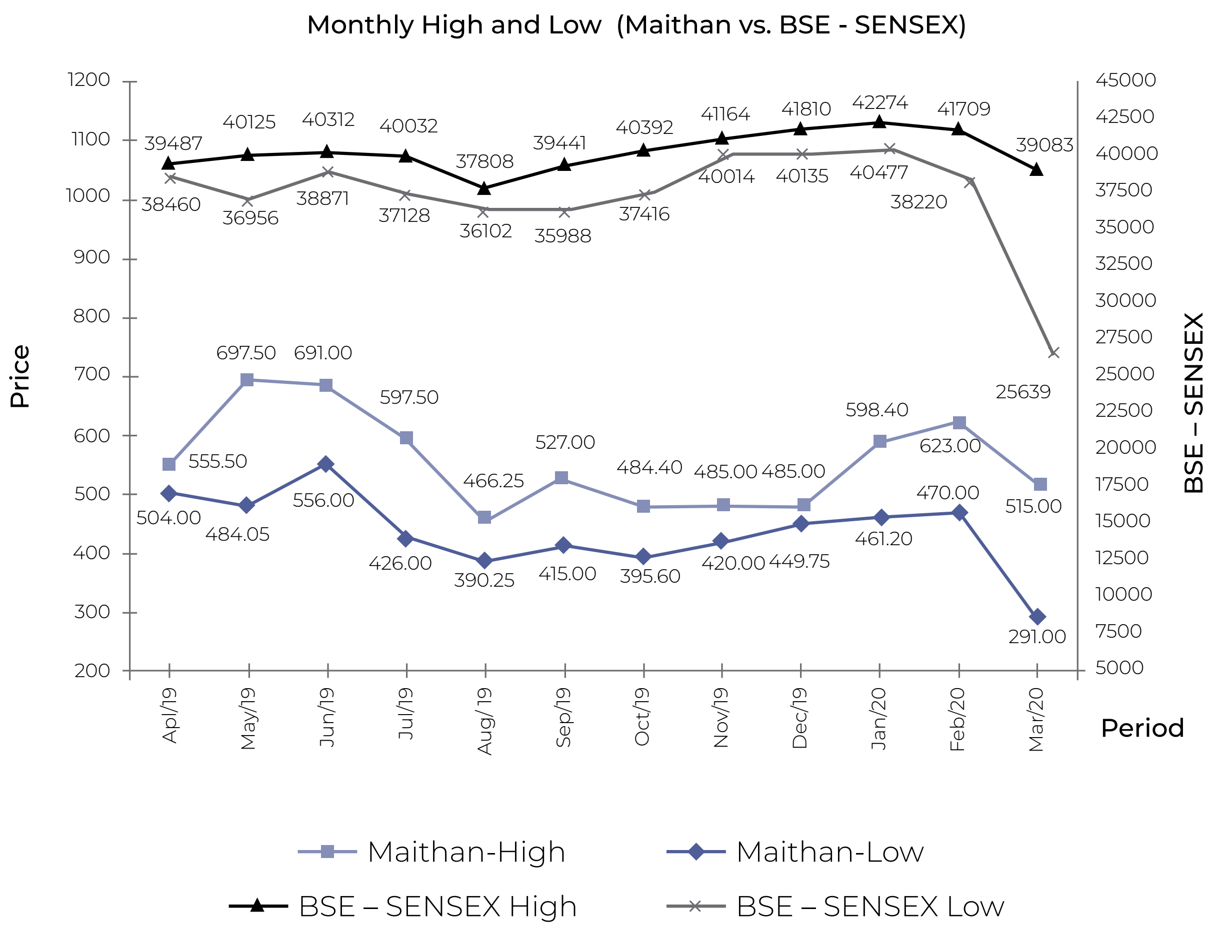
BSE Limited (BSE)

The Trading details at BSE are given below:

Month	High price (₹)	Low price (₹)	No. of shares
Apr-2019	555.50	504.00	42,547
May-2019	697.50	484.05	78,252
Jun-2019	691.00	556.00	80,594
Jul-2019	597.50	426.00	42,767
Aug-2019	466.25	390.25	44,177
Sep-2019	527.00	415.00	103,912
Oct-2019	484.40	395.60	98,141
Nov-2019	485.00	420.00	55,415
Dec-2019	485.00	449.75	13,002
Jan-2020	598.40	461.20	145,764
Feb-2020	623.00	470.00	104,616
Mar-2020	515.00	291.00	85,525

(source: www.bseindia.com)

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



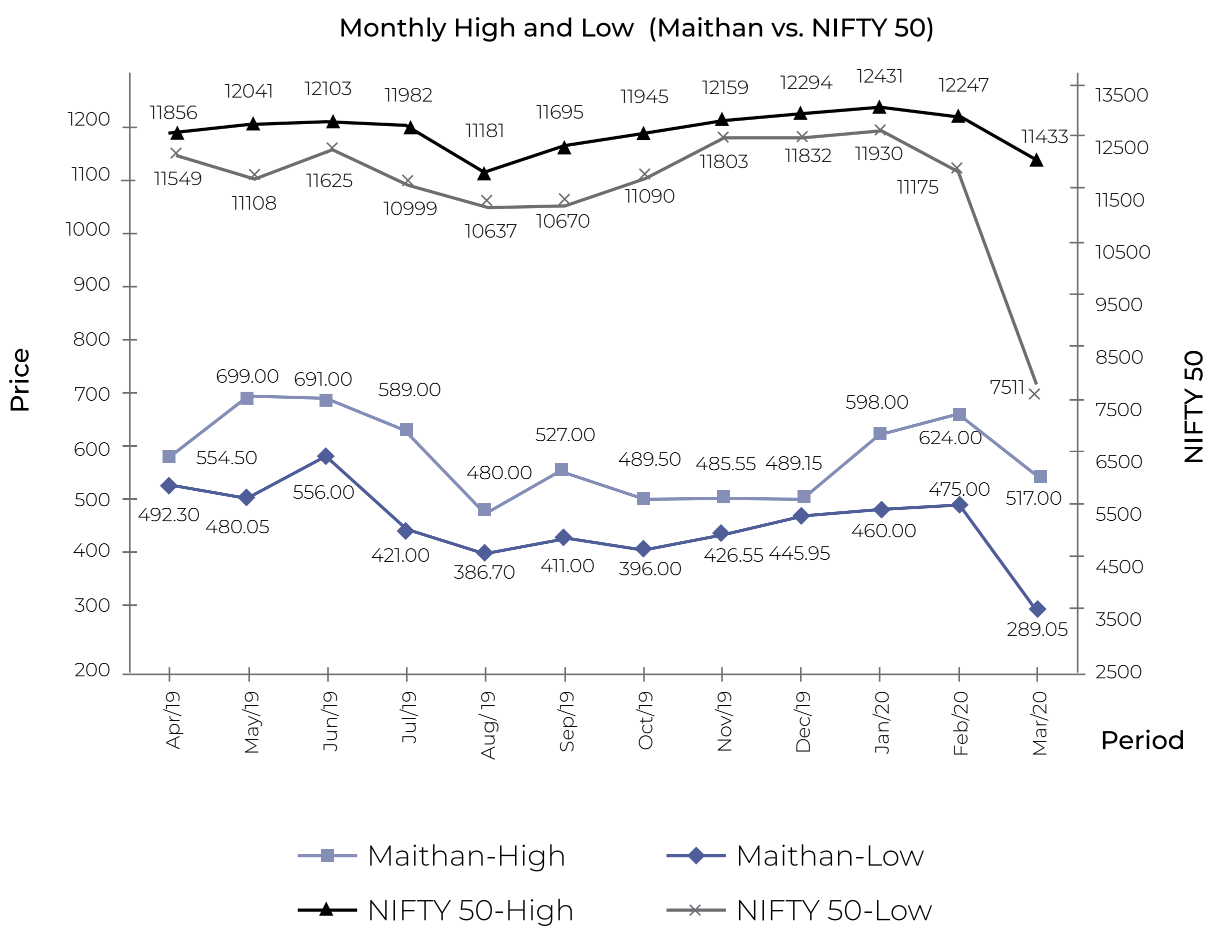
National Stock Exchange of India Limited (NSE)

The trading details at NSE are given below:

Month	High price (₹)	Low price (₹)	No. of shares
Apr-2019	554.00	492.30	484,878
May-2019	699.00	480.05	670,373
Jun-2019	691.00	556.00	448,383
Jul-2019	589.00	421.00	371,799
Aug-2019	480.00	386.70	302,157
Sep-2019	527.00	411.00	583,693
Oct-2019	489.50	396.00	483,674
Nov-2019	485.55	426.55	408,907
Dec-2019	489.15	445.95	280,544
Jan-2020	598.00	460.00	1,363,089
Feb-2020	624.00	475.00	810,128
Mar-2020	517.00	289.05	947,933

(source: www.nseindia.com)

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



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 in 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 2019-2020. 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 2019-2020, 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 2019-2020. 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 89% by value of its Manganese Ore through imports during the financial year 2019-2020. 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 2020, 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 2019-2020.

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 2019-2020.

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. 37 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 2019-2020:
  - (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 2020. 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 20 June 2020.

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 2019-2020. 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: 20 June 2020	DIN: 00088384	DIN: 00339855

Schedule I

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 longterm 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 reappointment 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 received from the Directors of M/s. Maithan Alloys Limited (CIN: L27101WB1985PLC039503) and having its Registered Office at 4th Floor, 9 AJC Bose Road, Kolkata – 700 017 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Part-C Sub clause 10(i) 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 none of the directors on the Board of the Company as stated below for the financial year ending on 31 March 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such 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	01 July 2006
3.	Mr. Nand Kishore Agarwal	00378444	17 August 2001
4.	Mr. Ashok Bhandari	00012210	30 March 2017
5.	Mr. Vivek Kaul	00345022	20 August 2019
6.	Mr. Palghat Krishnan Venkatramani	05303022	29 June 2012
7.	Mrs. Kalpana Biswas Kundu	07006341	08 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
UDIN: F005699B000359448

Place: Kolkata
Date: 20 June 2020

Schedule 3

DECLARATION BY THE WHOLE-TIME DIRECTOR & CHIEF EXECUTIVE OFFICER

To,
The Members of
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 2020.

Subodh Agarwalla
Whole-time Director & CEO
DIN: 00339855

Place: Kolkata
Date: 20 June 2020

Independent Auditors' Certificate on Corporate Governance

To,
The Members of
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 2020, 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 2020.

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
UDIN: 20052066AAAAAW9618

D Choudhury
Partner
Membership No.: 052066

Place: Kolkata
Date: 20 June 2020

ANNEXURE TO THE DIRECTORS' REPORT "H"

Business Responsibility Report

[Regulation 34(2)(f)]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company :** L27101WB1985PLC039503
2. **Name of the Company :** Maithan Alloys Limited
3. **Registered address :** 4th Floor, 9, AJC Bose Road, Kolkata-700017
4. **Website :** www.maithanalloys.com
5. **E-mail id:** office@maithanalloys.com
6. **Financial Year reported :** 2019-2020
7. **Sector(s) that the Company is engaged in (industrial activity code-wise) :**

Sector	Industrial Activity	Industrial Activity Code		
		Group	Class	Sub Class
Manufacturing	Manufacture of ferro-alloys	241	2410	24104
Power Generation	Electric power generation using other non- conventional sources	351	3510	35106

8. **List three key products/services that the Company manufactures/provides (as in balance sheet) :**
   1. Ferro Alloys
   2. Electricity (Generated through Wind Mills)
9. **Total number of locations where business activity is undertaken by the Company:**
   a. Number of International Locations (Provide details of major 5) : None
   b. Number of National Locations : 5 (Five)
10. **Markets served by the Company – Local/State/ National/International :**
    1. Ferro Alloys: Local, State, National and International
    2. Electricity (Generated through Wind Mill): Local and State.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (INR) :** 29.11 crore
2. **Total Turnover (INR) :** 1896.80 crore
3. **Total profit after taxes (INR) :** 221.90 crore
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):**

   During the year 2019-2020, the Company has spent 3.00% of profit after tax earned during the year 2019-2020, on Corporate Social Responsibility activities.
5. **List of activities in which expenditure in 4 above has been incurred:-**
   a) Education
   b) Health Care (including preventive health care)
   c) Animal Welfare
   d) Social Welfare

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**

   Yes
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, indicate number of such subsidiary company (s):**

   No

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

   No

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR:** Mr. Subodh Agarwalla

   a) Details of the Director/Director responsible for implementation of the BR policy/policies:

      1. DIN Number : 00339855
      2. Name : Mr. Subodh Agarwalla
      3. Designation : Whole-time Director and Chief Executive Officer

   b) Details of the BR head:

No.	Particulars	Details
1	**DIN Number (if applicable)**	00339855
2	**Name**	Mr. Subodh Agarwalla
3	**Designation**	Whole-time Director and Chief Executive Officer
4	**Telephone number**	033-4063-2393
5	**e-mail id**	office@maithanalloys.com

2. **Principle-wise (as per NVGs) BR Policy/policies:**

Principle 1-(P1): Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

Principle 2-(P2): Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

Principle 3-(P3): Businesses should promote the wellbeing of all employees.

Principle 4-(P4): Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Principle 5-(P5): Businesses should respect and promote human rights.

Principle 6-(P6): Business should respect, protect, and make efforts to restore the environment.

Principle 7-(P7): Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Principle 8-(P8): Businesses should support inclusive growth and equitable development.

Principle 9-(P9): Businesses should engage with and provide value to their customers and consumers in a responsible manner.

a) **Details of compliance (Reply in Y/N) :**

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	N	N	N	N	N	N	N	N	N
4.	Has the policy being approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
	If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	www.maithanalloys.com								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Communicated to internal stakeholders only and will be communicated to external stakeholders on requirement basis.								

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8.	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	Not Applicable								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. **Governance related to BR :**

a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

The BR performance of the Company to be assessed by Whole-time Director and CEO on regular basis.

b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

This is the first BR Report of the Company. The BR Report shall form part of Annual Report of the Company and Company's Annual Report can be viewed at the website of the Company at www.maithanalloys.com. Company is required to publish its Annual Report every year.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

Yes. The policy relating to ethics, bribery and corruption cover only the Company. It does not extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

No stakeholder complaints have been received in the financial year 2019-2020 on Business Conduct relating to Ethics, Transparency and Accountability.

Principle 2

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:**

The Company produces only two products. They are Ferro Alloys and Electricity.

The processes and systems for producing both Ferro Alloys and Electricity have been designed after considering both social and environmental concerns. The emission control and effluent treatment measures have been incorporated at various stages of manufacturing process of Ferro Alloys to keep them under control.

The electricity generated from Wind Mills are meant for reducing carbon footprints and providing clean energy to the Consumers.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**

    a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

    There is insignificant change in usage of resources (like energy, water, raw material etc.) per unit of product, as compared to previous year.

    b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

    We are not aware of any such reduction.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)?**

    a) **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

    The entire Power consumption, which is around 25% of total input cost, requirements in the process of manufacturing of Ferro Alloys are sourced sustainably through long term 'Power Purchase Agreements'.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

    1. **If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

    Yes, the Company nurtures its local and small suppliers/vendors including suppliers/ vendors in proximity to its plant locations, by regularly placing its orders and making timely payments. Non-monetary assistance and guidance, wherever required are provided to local and small suppliers to improve their capacity and capability.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

    Yes, the Company recycles its semi-finished products which are not usable by the end consumer. It also handles its by-products suitably. The quantum is >10%. The solid slag produced is 'waste' for the industry but is diverted either for land filling and/or for fly ash brick making.

    Whenever possible, water recycling in also carried out and recycled water are used in planation activities.

    There is no waste generated from generation of electricity from Wind Mills.

Principle 3

1. **Please indicate the Total number of employees:** 585 (permanent employees)

2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis:** 1161

3. **Please indicate the Number of permanent women employees:** 5

4. **Please indicate the Number of permanent employees with disabilities:** NIL

5. **Do you have an employee association that is recognized by management:** No

6. **What percentage of your permanent employees is members of this recognized employee association?:** N.A.

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:**

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

7. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

   On-job training is a continuous process for us. The company does not undertake any formal safety & skill up-gradation training of its employees.

   a) **Permanent Employees:** N.A.

   b) **Permanent Women Employees:** N.A.

   c) **Casual/Temporary/Contractual Employees:** N.A.

   d) **Employees with Disabilities:** N.A.

Principle 4

1. **Has the company mapped its internal and external stakeholders? Yes/No**

   Yes.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders:**

   Not known to the Company.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so:**

   No.

Principle 5

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

   The BR policy relating to human rights covers only the Company.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No stakeholder complaints relating to human rights violation have been received during the financial year 2019-2020.

Principle 6

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others:**

   The BR policy relating to Principle 6 i.e. respecting, protecting and restoring the environment, covers only the Company.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.:**

   No.

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   No.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.:**

   The 3 Wind Turbine generators of the Company produce non-conventional green energy.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year:**

   There are no unresolved show cause/ legal notices from CPCB/SPCB as on end of Financial Year.

Principle 7

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   a) Confederation of Indian Industry

   b) Federation of South Bengal Chambers of Commerce and Industry

   c) Indian Chamber of Commerce

   d) Damodar Valley Power Consumers' Association

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others):**

   No.

Principle 8

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof:**

   Yes, the Company has adopted CSR Policy for carrying out its CSR activities. The Company has set-up a trust namely, BMA Foundation and initiated a project in the area of Education.

2. **Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?**

   The Company prefers to carry out its CSR Project and programmes through diverse means. The Company has setup its own Trust namely BMA Foundation, to carry out CSR Project and programmes. The Company also supports Government/Non-Government structures/setups and encourage in-house team to initiate CSR programmes.

3. **Have you done any impact assessment of your initiative?**

   Yes, to see positive outcome and benefits to the people around the Company's plant location.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken:**

   During the Financial Year 2019-2020, the Company has spent a sum of ₹6.67 crore in the areas of Education, Health Care (including preventive health care), Animal Welfare, Social Welfare, etc. Please refer to Report on CSR at Page No. 54 of this Annual Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   Yes, the Company has taken steps to ensure that its community development initiative is successfully adopted by the community around its plant locations.

Principle 9

1. **What percentage of customer complaints/ consumer cases are pending as on the end of financial year.**

   None

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks (additional information)**

   Not Applicable. The Company is not required to label its products.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   No.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   No.

For and on behalf of the Board of Directors

	S. C. Agarwalla	Subodh Agarwalla
Place: Kolkata	*Chairman & Managing Director*	*Whole-time Director & CEO*
Date: 20 June 2020	DIN: 00088384	DIN: 00339855

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 Standalone Balance Sheet as at 31 March 2020, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Cash Flows Statement for the year then ended, and notes to the standalone financial statements, including 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 2020, 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.

Emphasis of Matter

We draw your attention to Note 49 to the standalone financial statement which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

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. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matters	Auditor's Response
1.	**Revenue Recognition** (Refer note 3(k) the significant accounting policies of Standalone Financial Statements). Revenue is recognised when the control of the underlying products has been transferred to customer along with the satisfaction of the Company's performance obligation under a contract with customer. The company focuses on revenue as a key performance measure which could create an incentive for revenue to be recognised before completion of the performance obligation. There is a significant risk of misstatement due to risk related to inappropriate recognition of the revenue and hence was determined to be a key audit matter.	Our audit procedures to assess the appropriateness of revenue recognised included the following: Our audit procedures, considering the significant risk of misstatement related to revenue recognition, included amongst other: · Obtaining an understanding of an assessing the design, implementation and operating effectiveness of the Company's key internal controls over the revenue recognition process. · Examination of significant contracts entered into close to year end to ensure revenue recognition is made in correct period. · Testing a sample of contracts from various revenue streams by agreeing information back to contracts and proof of delivery as appropriate and ensure revenue recognition policy is in accordance with principles of Ind AS 115. Our testing as described above showed that revenue has been recorded in accordance with the terms of underlying contracts and accounting policy in this area.
2.	**Inventories** The carrying value of inventory as at 31 March 2020 is ₹276.93 crore. The inventory is valued at the lower of cost and net realisable value. We considered the value of inventory as a key audit matter given the relative size of its balance in the financial statements and significant judgement involved in the consideration of factors in determination of selling prices such as fluctuation of raw materials prices in the market and in determination of net realisable value. Refer Note No. 9 to the standalone financial statements.	**Principal Audit Procedures** - We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realisable value of inventory. - Assessing the appropriateness of Company's accounting policy for valuation of stock-in-trade and compliance of the policy with the requirements of the prevailing Indian accounting standards - We considered various factors including the actual selling price prevailing around and subsequent to the year-end. - Compared the cost of the finished goods with the estimated net realisable value and checked if the finished goods were recorded at net realisable value where the cost was higher than the net realisable value. - Based on the above procedures performed, the management's determination of the net realisable value of the inventory as at the year end and comparison with cost for valuation of inventory is considered to be reasonable.

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

The Company's management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report, 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 management and Board of Directors are 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 Indian Accounting Standards (Ind AS) 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 and Board of Directors are 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 scepticism 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

1. 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.

(2) As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian 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 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 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 as at 31 March 2020 on its financial position in its standalone financial statements – Refer Note 44 to the 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 2020.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

D Choudhury
Partner
Membership No. 052066
UDIN: 20052066AAAAAX9150

Place: Kolkata
Date: 20 June 2020

Annexure A to the Independent Auditor's Report

of even date on the Standalone Financial Statements of Maithan Alloys Limited

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 2020 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 2020 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

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	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
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	Commissioner (Appeal), Siliguri
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
The Central Excise Act, 1944	Excise Duty & Service Tax	5,29,055	2019-20	Assistant Commissioner, Asansol

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
Firm Registration No. 302186E

D Choudhury
Partner
Membership No. 052066
UDIN: 20052066AAAAAX9150

Place: Kolkata
Date: 20 June 2020

Annexure B to the Independent Auditor's Report

of even date on the Standalone 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

We have audited the internal financial controls over financial reporting of Maithan Alloys Limited ("the Company") as at 31 March 2020 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 standalone 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 unauthorised 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, read with impact of Covid- 19 stated in Emphasis of Matter paragraph in Independent Auditor's Report, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, 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 ICAI.

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

D Choudhury
Partner
Membership No. 052066
UDIN: 20052066AAAAAX9150

Place: Kolkata
Date: 20 June 2020

STANDALONE BALANCE SHEET as at 31 March 2020

(₹ in crore)

Particulars	Notes	As At 31 March 2020	As At 31 March 2019
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	4(i)	185.17	219.37
(b) Capital Work in Progress		1.10	-
(c) Intangible Assets	4(ii)	0.54	0.10
(d) Right of Use Assets	4(iii)	21.42	-
(e) Financial Assets			
(i) Investments	5	26.35	28.28
(ii) Other Financial Assets	6	32.53	33.43
(f) Non Current Tax Assets (Net)	7	6.11	6.10
(g) Other Non-Current Assets	8	0.85	0.99
Total Non-Current Assets		**274.07**	**288.27**
(2) Current assets			
(a) Inventories	9	276.93	260.94
(b) Financial Assets			
(i) Investments	10	-	620.78
(ii) Trade Receivables	11	280.59	256.66
(iii) Cash and Cash Equivalents	12	625.06	16.33
(iv) Bank Balances (other than (iii) above)	13	11.10	26.64
(v) Loans	14	1.78	0.99
(vi) Other Financial Assets	15	2.38	4.21
(c) Other Current Assets	16	50.09	50.75
Total Current Assets		**1,247.93**	**1,237.30**
Total Assets		**1,522.00**	**1,525.57**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	17	29.11	29.11
(b) Other Equity		1,270.30	1,090.76
Total Equity		**1,299.41**	**1,119.87**
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	18	3.57	3.62
(b) Provisions	19	2.79	2.34
(c) Deferred Tax Liabilities (Net)	20	29.48	27.97
(d) Other Non-Current Liabilities	21	0.98	1.07
Total Non-Current Liabilities		**36.82**	**35.00**
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	6.77	3.43
(ii) Trade Payables	23		
- Trade Payables (outstanding to micro and small enterprises)		-	-
- Trade Payables (outstanding to other than micro and small enterprises)		75.00	246.24
(iii) Other Financial Liabilities	24	23.92	26.72
(b) Provisions	25	1.60	1.42
(c) Current Tax Liabilities (Net)	26	5.18	0.31
(d) Other Current Liabilities	27	73.30	92.58
Total Current Liabilities		**185.77**	**370.70**
Total Liabilities		**222.59**	**405.70**
Total Equity and Liabilities		**1,522.00**	**1,525.57**

The accompanying notes 1 to 50 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: 20 June 2020

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 2020

(₹ in crore)

Particulars	Notes	Year Ended 31st March 2020	Year Ended 31st March 2019
Income			
Revenue from Operations	28	1,830.88	1,987.93
Other Income	29	65.92	26.07
Total Income		**1,896.80**	**2,014.00**
Expenses			
Cost of Material Consumed	30	921.96	956.42
Purchases of Stock In Trade	31	135.98	165.79
Changes in Inventories	32	8.85	4.03
Employee Benefits Expenses	33	42.34	44.13
Power Cost	34	361.38	373.40
Finance Cost	35	3.71	5.91
Depreciation and Amortisation Expenses	36	15.81	15.63
Other Expenses	37	127.63	121.85
Total Expenses		**1,617.66**	**1,687.16**
Profit Before Tax		**279.14**	**326.84**
Tax Expenses			
(a) Current Tax	39	55.45	68.15
(b) Deferred Tax	39	1.79	3.41
Total Tax Expenses		**57.24**	**71.56**
Profit for the year (A)		**221.90**	**255.28**
Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss:			
- Re-measurements of the Net Defined Benefit Plans		(0.14)	0.02
- Equity Instruments through Other Comprehensive Income		(2.02)	(1.30)
(ii) Income tax relating to above items	39	0.28	0.15
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		1.63	1.16
Other Comprehensive Income/(Loss) for the year (B)		**(0.25)**	**0.03**
Total Comprehensive Income for the year (A+B)		**221.65**	**255.31**
Earnings Per Share (of ₹ 10/- each)			
(1) Basic (in ₹)	38	76.22	87.68
(2) Diluted (in ₹)	38	76.22	87.68

The accompanying notes 1 to 50 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: 20 June 2020

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 2020

a. Equity share capital:

(₹ in crore)

Particulars	Note	₹
Equity shares of ₹ 10 each issued, subscribed and fully paid		
As At 1 April 2018		29.11
Issue of share capital		-
As At 31 March 2019	17	**29.11**
Issue of share capital		-
As At 31 March 2020		**29.11**

b. Other equity:

(₹ in crore)

Particulars	Reserve 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 2018	1.70	31.87	811.21	1.55	(0.34)	845.99
Profit for the year	-	-	255.28	-	-	255.28
Other Comprehensive Income for the year	-	-	0.01	(1.15)	1.16	0.02
Dividends paid including DDT	-	-	(10.53)	-	-	(10.53)
As At 31 March 2019	**1.70**	**31.87**	**1,055.97**	**0.40**	**0.82**	**1,090.76**
Profit for the year	-	-	221.90	-	-	221.90
Other Comprehensive Income for the year	-	-	(0.09)	(1.79)	1.63	(0.25)
Dividends paid including DDT	-	-	(42.11)	-	-	(42.11)
As At 31 March 2020	**1.70**	**31.87**	**1,236.67**	**(1.39)**	**2.45**	**1,270.30**

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 1 to 50 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: 20 June 2020

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 CASH FLOW STATEMENT for the year ended 31 March 2020

(₹ in crore)

	Particulars	Year ended 31 March 2020	Year ended 31 March 2019
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit Before Tax	279.14	326.84
	Adjusted for :		
	Depreciation and Amortisation	15.81	15.63
	Interest Expense	3.71	5.91
	Interest Income	(4.97)	(4.47)
	Irrecoverable Balances Written Off/Back	0.01	(2.82)
	Gain on Investment	(46.09)	(3.97)
	Unrealised Forex (Gain) / Loss	9.13	(1.11)
	Deferred Revenue Grant	(0.09)	(0.09)
	Dividend Received	(13.95)	(13.19)
	Loss / (Profit) on Sale of Property, Plant and Equipment	(0.01)	0.10
		(36.45)	(4.01)
	Operating Profit Before Working Capital Changes	**242.69**	**322.83**
	Adjusted for :		
	Trade and Other Receivables	(23.07)	(20.80)
	Inventories	(15.99)	(12.75)
	Trade and Other Payables	(198.42)	102.69
		(237.48)	69.14
	Cash Generated from Operations	**5.21**	**391.97**
	Income Tax Paid	50.59	77.12
	NET CASH FROM OPERATING ACTIVITIES (A)	**(45.38)**	**314.85**
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of PPE / Intangible / CWIP	(4.56)	(2.05)
	Sale of PPE / Intangible / CWIP	0.02	0.25
	Purchase of Investments	(906.10)	(1,049.93)
	Sale of Investments	1,572.96	766.05
	Dividend Received	13.95	13.19
	Interest Income Received	4.92	4.01
	Investments in Fixed Deposits	15.54	(1.30)
	NET CASH USED IN INVESTING ACTIVITIES (B)	**696.73**	**(269.78)**
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Interest Paid	(3.71)	(5.92)
	Dividend Paid Including Tax on Dividend	(42.11)	(10.53)
	Acquisition of Shares in Subsidiary	(0.11)	-
	Proceeds/ (Repayment) from/ of Borrowings	3.31	(37.65)
	NET CASH FROM FINANCING ACTIVITIES (C)	**(42.62)**	**(54.10)**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	608.73	(9.03)
	Cash and Cash Equivalents at the beginning of the year	16.33	25.36
	Cash and Cash Equivalents at the end of the year	**625.06**	**16.33**
	Cash and Cash Equivalents includes:		
	Cash and Cash Equivalents	**625.06**	**16.33**
	Less: Deposits held as Margin Money	**-**	**-**
		625.06	**16.33**

The accompanying notes 1 to 50 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: 20 June 2020

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

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 bulks 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").

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 Visakhapatnam 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

As a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

As a Lessor:

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

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 amortisation 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 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.

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 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.

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 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.

➢ 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.

➢ 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 EIR (Effective Rate

Interest) method is recognised in the Statement of Profit and Loss as investment income.

- Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation 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 EIR (Effective Rate Interest) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR (Effective Rate Interest) 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.

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 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.

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 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.

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 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.

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 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.

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 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.

s. 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.

t. 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.

u. 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 optimisation 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".

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 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.

(4) (i) Property, Plant and Equipment

(₹ in crore)

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 2018	1.78	25.49	13.08	25.43	202.18	0.73	0.31	4.26	0.27	273.53
Additions	-	-	-	-	0.71	0.08	0.04	0.84	0.26	1.93
Sale/Deduction	-	-	-	-	-	-	-	0.46	-	0.46
As At 31 March 2019	**1.78**	**25.49**	**13.08**	**25.43**	**202.89**	**0.81**	**0.35**	**4.64**	**0.53**	**275.00**
Additions	-	-	-	-	2.12	-	0.03	0.75	0.06	2.96
Reclassified on account of adoption of Ind AS 116	-	25.49	-	-	-	-	-	-	-	25.49
Sale/Deduction	-	-	-	-	-	-	-	0.09	-	0.09
As At 31 March 2020	**1.78**	**-**	**13.08**	**25.43**	**205.01**	**0.81**	**0.38**	**5.30**	**0.59**	**252.38**
Accumulated Depreciation										
As At 1 April 2018	-	1.98	2.18	2.04	32.82	0.28	0.16	0.66	0.06	40.18
For the year	-	0.99	0.83	1.25	11.53	0.14	0.05	0.65	0.12	15.56
Adjustment	-	-	-	-	-	-	-	0.11	-	0.11
As At 31 March 2019	**-**	**2.97**	**3.01**	**3.29**	**44.35**	**0.42**	**0.21**	**1.20**	**0.18**	**55.63**
For the year	-	-	0.80	1.19	11.68	0.13	0.03	0.67	0.14	14.64
Reclassified on account of adoption of Ind AS 116	-	2.97	-	-	-	-	-	-	-	2.97
Adjustment	-	-	-	-	-	-	-	0.09	-	0.09
As At 31 March 2020	**-**	**-**	**3.81**	**4.48**	**56.03**	**0.55**	**0.24**	**1.78**	**0.32**	**67.21**
Net Book Value										
As At 31 March 2020	**1.78**	**-**	**9.27**	**20.95**	**148.98**	**0.26**	**0.14**	**3.52**	**0.27**	**185.17**
As At 31 March 2019	1.78	22.52	10.07	22.14	158.54	0.39	0.14	3.44	0.35	219.37

(4) (ii) Intangible Assets

(₹ in crore)

Particulars	Software	Mining Rights	Total
Gross Carrying Value			
As At 1 April 2018	0.26	-	0.26
Additions	0.11	-	0.11
As At 31 March 2019	**0.37**	**-**	**0.37**
Additions	0.07	0.42	0.49
As At 31 March 2020	**0.44**	**0.42**	**0.86**
Amortisation and Impairment			
As At 1 April 2018	0.19	-	0.19
Amortisation	0.07	-	0.07
As At 31 March 2019	**0.26**	**-**	**0.26**
Amortisation	0.06	-	0.06
As At 31 March 2020	**0.32**	**-**	**0.32**
Net Book Value			
As At 31 March 2020	**0.12**	**0.42**	**0.54**
As At 31 March 2019	**0.10**	**-**	**0.10**

Note: 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 (iii) Right of Use Asset

Effective 1 April 2019, the Company adopted Ind AS 116, Leases, and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method on the date of initial application. For leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of initial application shall be the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for the year ended 31 March 2019.

On transition, the adoption of the new standard resulted in recognition of ‘Right of Use’ asset of ₹ 22.41 crore and a lease liability of ₹ 3.62 crore. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. There is no change in cash flow from previous year Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognise ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The changes in the carrying value of ROU assets for the year ended 31 March 2020 are as follows: (₹ in crore)

Particulars	ROU_ Land
Balance as at 1 April 2019	-
Reclassified on account of adoption of Ind AS 116	22.41
Additions	-
Depreciation	0.99
Balance as at 31 March 2020	**21.42**

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

The movement in lease liabilities during the year ended 31 March 2020 is as follows: (₹ in crore)

Particulars	2019-2020
Balance at the beginning	3.62
Adjustments	0.01
Interest expense during the period	0.37
Payment of lease liabilities	0.43
Balance at the year end	**3.57**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

5. Non-Current Investments

(₹ in crore)

Particulars	Face Value (₹)	No. of Shares 31st March 2020	No. of Shares 31st March 2019	As at 31 March 2020	As at 31 March 2019
Investments in Subsidiaries measured at Cost					
Investment in Unquoted Equity Shares (fully paid up)					
AXL Exploration (P) Ltd.	100.00	2,42,625	2,42,625	5.49	5.49
Anjaney Minerals Ltd.	10.00	1,10,00,000	1,10,00,000	10.62	10.62
Salanpur Sinters (P) Ltd.	10.00	60,40,000	60,40,000	6.03	6.03
Maithan Ferrous (P) Ltd.	10.00	1,00,000	-	0.10	-
Investments measured through OCI (FVOCI)					
Investment in Unquoted Equity Shares (fully paid up)					
Ideal Centre Services (P) Ltd.	10.00	1,500	1,500	-	-
Investment in Quoted Equity Shares (fully paid up)					
Hindustan Petroleum Corporation Ltd.	10.00	2,16,000	2,16,000	4.11	6.14
Share in Partnership Firm LLP					
Belved Property LLP (Share 18.15%)				-	-
				26.35	**28.28**
5.1 Aggregate Cost of Quoted Investments				5.88	5.88
Market Value of Quoted Investments				4.11	6.14
Aggregate Amount of Unquoted Investments				22.24	22.14

6. Other Non-Current Financial Assets

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, Considered Good		
Security Deposits	32.53	33.43
	32.53	**33.43**

7. Non-Current Tax Asset (Net)

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Advance Tax (Net of Provisions)	6.11	6.10
	6.11	**6.10**

8. Other Non-Current Assets

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, Considered Good		
Capital Advances	0.85	0.99
	0.85	**0.99**

9. Inventories

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Raw Materials		
- Ferro Alloys	157.66	121.41
- Power Plant	0.05	1.84
Raw Materials in Transit	70.70	83.01
Work - In - Progress	1.34	1.76
Finished Goods	30.74	37.86
Finished Goods - Trading Goods	2.38	0.07
Slag and Waste	5.55	6.86
Stores and Spares Parts	8.51	8.13
	276.93	**260.94**

10. Current Investments

(₹ in crore)

Particulars	No. of Units 31st March 2020	No. of Units 31st March 2019	As at 31 March 2020	As at 31 March 2019
Investments in Units of Mutual Funds - FVTPL				
Kotak Equity Arbitrage Fund Fortnightly Dividend	-	9,800,643.46	-	23.07
Reliance Arbitrage Advantage Fund	-	6,381,620.93	-	7.02
SBI Liquid Fund Direct Growth	-	410,639.07	-	120.26
Investments in Market Linked Debentures - FVTPL				
Citi Corp Finance India Ltd.	-	16,841.00	-	169.99
Piramal Enterprises Ltd.	-	1,500.00	-	150.00
IIFL Wealth Finance Ltd.	-	15,000.00	-	150.44
			-	**620.78**

10.1		
Aggregate Cost of Quoted Investments	-	149.61
Market Value of Quoted Investments	-	150.35
Aggregate Amount of Unquoted Investments	-	470.43

11. Trade Receivables

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, Considered Good		
Trade Receivables	280.59	256.66
	280.59	**256.66**

11.1 Trade Receivables have been hypothecated as security against bank borrowings of the Company (Refer note 22).

12. Cash and Cash Equivalent

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Cash on Hand	0.14	0.14
Cheques in Hand	-	1.14
Balance with Banks		
- In Current Accounts	32.71	14.87
- Debit Balances in Cash Credit Accounts	7.21	0.18
- Deposits with original maturity of less than 3 months	585.00	-
	625.06	**16.33**

13. Other Bank Balances (other than note 12 above)

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Bank Deposits with original maturity of more than 3 months and up to 12 months	0.91	26.59
Bank Deposits with original maturity of more than 3 months (as margin money)	10.04	-
Earmarked Unpaid Dividend Accounts	0.15	0.05
	11.10	**26.64**

14. Loans - Current

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, Considered Good		
Advances to Subsidiary Company	1.78	0.99
	1.78	**0.99**

15. Other Current Financial Assets

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, Considered Good		
Financial Asset on Forward Contract	-	1.93
Interest Accrued on Bank Deposits	2.13	2.07
Staff Advance	0.25	0.21
	2.38	**4.21**

16. Other Current Assets

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, Considered Good		
Advance for Raw Materials & Stores	27.23	24.87
Balances with Statutory/Government Authorities	5.01	5.60
Export Incentives Receivable	10.60	12.91
Income Tax Refundable	0.09	0.09
Prepaid Expenses	1.05	0.44
Others	6.11	6.84
	50.09	**50.75**

(17) Share Capital

(₹ in crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Nos	Amount	Nos	Amount
Authorised Share Capital				
Equity Shares of ₹ 10/- each	8,00,00,000	**80.00**	8,00,00,000	**80.00**
Issued, Subscribed and Paid-up Share Capital				
Equity Shares of ₹ 10/- each	2,91,11,550	**29.11**	2,91,11,550	**29.11**

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) Shares held by Holding Company

Name of shareholders	As at 31 March 2020		As at 31 March 2019	
	Nos.	% of holding	Nos	% of holding
Equity Shares				
Bhagwati Syndicate (P) Ltd.	1,61,86,576	55.60%	4,30,600	1.48%

Note:- Pursuant to merger of 19 companies with Bhagwati Syndicate (P) Ltd merger order dated 3 December 2019, it has accumulated 55.60% shares of the Company. Consequently, Bhagwati Syndicate (P) Ltd. has become Holding Company.

C) Details of shareholders holding more than 5% shares in the Company

Name of shareholders	As at 31 March 2020		As at 31 March 2019	
	Nos.	% of holding	Nos	% of holding
Bhagwati Syndicate (P) Ltd.	1,61,86,576	55.60%	4,30,600	1.48%
Maithan Smelters (P) Ltd.	-	0.00%	53,97,357	18.54%
H. S. Consultancy (P) Ltd.	-	0.00%	32,59,200	11.20%

d) 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 2020	As at 31 March 2019
Issue of bonus shares in FY 2015-16	1,45,55,775	1,45,55,775

18. Lease Liabilities - Non-Current

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Lease Liabilities	3.57	3.62
	3.57	**3.62**

19. Non-Current Provisions

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Provisions for Employee Benefits	2.79	2.34
	2.79	**2.34**

19.1 Movement in Provisions

Balance As At 1 April 2018	1.89
Provision utilised	0.12
Provision created	0.57
Balance As At 31 March 2019	**2.34**
Provision utilised	0.19
Provision created	0.64
Balance As At 31 March 2020	**2.79**

20. Deferred Tax Liabilities (Net)

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred Tax Liabilities		
- Property, Plant and Equipment	30.97	28.74
Gross Deferred Tax Liabilities	**30.97**	**28.74**
Deferred Tax Assets		
- Employee Benefits	1.10	0.90
- Fair Value Gain/Loss on Investment	0.39	(0.13)
Gross Deferred Tax Asset	**1.49**	**0.77**
Deferred Tax Liabilities / (Assets) (Net)	**29.48**	**27.97**

21. Other Non-Current Liabilities

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred Government Grant	0.98	1.07
	0.98	**1.07**

22. Borrowings - Current

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Working Capital Loan from Banks (Secured)		
- Rupee Loan	6.77	3.43
	6.77	**3.43**

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 the Company.

23. Trade Payables

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Creditors	75.00	246.24
	75.00	**246.24**

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 2020. 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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Current Maturities of Lease Liabilities	0.07	0.04
Financial Liability on Forward Contract	5.57	-
Unclaimed Dividend*	0.15	0.05
Other Liabilities		
- Employee Dues	2.60	4.74
- Liability for Expenses	15.53	21.36
- Others	-	0.53
	23.92	**26.72**

* There are no amount due for transfer to the Investors Education and Protection Fund at the year end.

25. Provisions - Current

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Provisions for Employee Benefits	1.60	1.42
	1.60	**1.42**

25.1 Movement in Provisions:

Balance As At 1 April 2018	1.27
Provision utilised	1.10
Provision reversed	0.01
Provision created	1.26
Balance As At 31 March 2019	**1.42**
Provision utilised	1.31
Provision reversed	0.01
Provision created	1.50
Balance As At 31 March 2020	**1.60**

26. Current Tax Liabilities (Net)

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for Tax (Net of Advance Tax)	5.18	0.31
	5.18	**0.31**

27. Other Current Liabilities

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Current portion of Deferred Government Grant	0.09	0.09
Other Liabilities		
- Statutory Dues	11.57	11.82
- Advance from Customer	3.39	11.32
- Others	58.25	69.35
	73.30	**92.58**

28. Revenue from Operations

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Sale of Products		
- Manufactured Goods		
- Ferro Alloys	1,579.24	1,704.29
- Wind Power	1.59	1.84
- Traded Goods		
- Ferro Alloys	49.72	100.22
- Manganese Ore	76.75	52.92
- Others	21.25	23.33
Other Operating Revenue		
- Sale of Slag and Waste	42.62	43.24
- Forex Fluctuation Gain	33.45	33.47
- Tax Refund / Remission	3.82	7.80
- Export Incentives	22.44	20.82
	1,830.88	**1,987.93**

29. Other Income

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Interest Income	4.97	4.47
Deferred Revenue Grant	0.09	0.09
Profit on Sale of Property, Plant and Equipment	0.01	-
Gain on Investments	46.09	3.97
Dividend Received	13.95	13.19
Insurance Claim Received	0.79	1.39
Sundry Balances Written Off	-	2.82
Miscellaneous Receipts	0.02	0.14
	65.92	**26.07**

30. Cost of Material Consumed

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Opening Stock	121.41	143.13
Add: Purchases	958.21	934.70
	1,079.62	1,077.83
Less: Closing Stock	157.66	121.41
Raw Material Consumed	**921.96**	**956.42**

30.1 Raw material purchases are net of sale of unusable raw materials.

31. Purchases of Stock In Trade

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Ferro Alloys	40.92	92.65
Manganese Ore	73.20	50.49
Others	21.86	22.65
	135.98	**165.79**

32. Changes in Inventories

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Stock at the end of the year		
Finished Goods	30.74	37.86
Work-In-Progress	1.34	1.76
Slag and Waste	5.55	6.86
	37.63	**46.48**
Stock at the beginning of the year		
Finished Goods	37.86	40.14
Work-In-Progress	1.76	1.34
Slag and Waste	6.86	9.03
	46.48	**50.51**
Increase/ (Decrease) in stock of		
Finished Goods	7.12	2.28
Work-In-Progress	0.42	(0.42)
Slag and Waste	1.31	2.17
Total Increase/ (Decrease) in Inventories	**8.85**	**4.03**

33. Employee Benefits Expenses

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Salaries and Wages	25.45	25.52
Directors' Remuneration	15.28	17.03
Contribution to Provident and Other Funds	1.00	0.95
Staff Welfare Expenses	0.61	0.63
	42.34	**44.13**

34. Power Cost

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Raw Material Consumed in Power Plant	-	19.02
Electricity Charges	355.46	347.02
Electricity Duty	5.85	6.01
Operation & Maintenance of Power Plant	0.07	1.35
	361.38	**373.40**

35. Finance Cost

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Interest on Lease Liabilities	0.37	0.35
Interest on Borrowings	3.34	5.56
	3.71	**5.91**

36. Depreciation and Amortisation Expenses

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Depreciation on Property, Plant and Equipment	14.64	15.57
Depreciation on Right of Use Asset	1.11	-
Amortisation on Intangible Assets	0.06	0.06
	15.81	**15.63**

37. Other Expenses

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Export Expenses	33.94	34.50
Stores and Packing Materials	12.58	16.07
Packing and Forwarding Expenses	9.98	10.57
Carriage Outward	8.07	7.73
Rebate and Discounts	7.08	8.86
Other Manufacturing Expenses	5.85	5.35
Brokerage and Commission	4.47	4.84
Bank Commission and Charges	2.18	2.31
Pollution Control Expenses	3.81	3.94
Service Tax and GST Expenses	7.54	-
Repairs to Machinery	12.50	10.12
Repairs to Building	0.92	0.79
Repairs to Others	0.65	0.56
Rates and Taxes	0.82	0.49
Loss on Sale of Property Plant and Equipment	-	0.10

37. Other Expenses

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Professional Charges	1.33	1.81
CSR Expenses (Refer note 37.1)	6.67	4.89
Irrecoverable Balances and Debts Written Off	0.01	-
Insurance Premium	0.77	0.66
Directors' Sitting Fees	0.05	0.05
Rent *	0.23	0.23
Demurrage Charges	1.43	1.09
Auditors Remuneration		
- Statutory Audit Fee	0.12	0.12
- Tax Audit Fee	0.01	0.01
- Other Services (reimbursement of expenses)	0.03	0.03
Miscellaneous Expenses	6.59	6.73
	127.63	**121.85**

* Rental expense recorded for short-term leases and low value lease for the year ended 31 March 2020.

37.1 Expenditure on Corporate Social Responsibility (CSR) activities

(i) Details of CSR expenditure:

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
(a) Gross amount required to be spent by the Company during the year	6.42	4.89
(b) Amount spent during the year:		
(i) Construction/acquisition of any asset	0.21	-
(ii) On purposes - in cash	6.46	4.89

(ii) The various heads under which the CSR expenditure were incurred in cash is detailed as follows:

Relevant Clause of Schedule VII to the Act	Description of CSR activities	Year Ended 31 March 2020	Year Ended 31 March 2019
Clause (i) & (ii)	Promoting healthcare including preventive healthcare and promoting education	0.25	0.19
Clause (i)	Eradicating hunger, poverty and malnutrition, Promoting healthcare including preventive healthcare	1.13	0.51
Clause (ii)	Promoting education, including special education and employment enhancing vocational training and livelihood enhancement projects*	4.56	3.99
Clause (iii)	Empowering Woman	0.05	-
Clause (iv)	Ensuring animal welfare and Environment Sustain	0.66	0.20
Clause (iii)	Measures for Reducing Inequalities faced by Socially and Economically Backward Groups.	0.02	-
		6.67	**4.89**

* Contribution to related trust (BMA Foundation) amounting to ₹ 4.43 crore (31 March 2019 - ₹ 3.95 crore)

38. Earnings Per Share (EPS)

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
i) Profit after tax as per Statement of Profit and Loss	221.90	255.28
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 Share (₹)	76.22	87.68
vi) Diluted Earnings Per Share (₹)	76.22	87.68
vii) Face value Per Equity Share (₹)	10	10

39. Tax Expenses

39.1 Amount recognised in Profit or Loss

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Current Tax:		
Income Tax for the year	55.45	68.15
Total Current Tax	**55.45**	**68.15**
Deferred Tax:		
Origination and Reversal of Temporary Differences	**1.79**	**3.41**
Total Deferred Tax	1.79	3.41
Total Tax Expenses	**57.24**	**71.56**

39.2 Amount recognised in Other Comprehensive Income

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
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	0.05	(0.01)
Equity Instruments through OCI	0.24	0.15
Total	**0.29**	**0.14**

39.3 Movements in Deferred Tax (Liabilities) / Assets

The Company has accrued significant amounts of deferred tax. Significant components of Deferred tax assets & (liabilities) recognised in the Balance Sheet are as follows:

(₹ in crore)

Particulars	PPE	Fair Value of Financial Instrument	Employee Benefits and Others	Total
As At 1 April 2018	(25.42)	-	0.71	(24.71)
(Charged) / credited to :				
- Profit or Loss	(3.32)	(0.28)	0.19	(3.41)
- Other Comprehensive Income	-	0.15	(0.01)	0.14
As At 31 March 2019	**(28.74)**	**(0.13)**	**0.89**	**(27.98)**
(Charged) / credited to :				
- Profit or Loss	(2.23)	0.28	0.16	(1.79)
- Other Comprehensive Income	-	0.24	0.05	0.29
As At 31 March 2020	**(30.97)**	**0.39**	**1.10**	**(29.48)**

40. Employee Benefit Obligations

a) Defined Contributory Plans

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
The followings recognised in the Statement of Profit and Loss		
Contribution to Employees Provident Fund	0.77	0.67

b) Defined Benefit Plans

(₹ in crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Current	Non-Current	Current	Non-Current
Leave Encashment	0.10	0.36	0.08	0.33
Gratuity	0.27	2.43	0.15	2.00

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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Present Value of the Plan Liabilities	0.46	0.41
Fair Value of Plan Assets	-	-
Net Liabilities / (Assets)	0.46	0.41

B. Movements in Plan Assets and Plan Liabilities

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
As At 1 April	0.41	0.36
Current Service Cost	0.15	0.06
Net Interest	0.03	0.03
Net impact on Profit Before Tax	**0.18**	**0.09**
Actuarial (Gain)/Loss arising from changes in-		
- Financial Assumptions	0.05	-
- Experience Adjustments	(0.08)	0.01
Net Gain recognised in Other Comprehensive Income	**(0.03)**	**0.01**
Curtailment Cost	-	-
Benefits Paid	(0.10)	(0.05)
As At 31 March	**0.46**	**0.41**

C. Assumptions

Principal actuarial assumptions as at the Balance Sheet date:

Particulars	As at 31 March 2020	As at 31 March 2019
Discount Rate (%)	7.65%	7.65%
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 crore)

Particulars	Year Ended 31 March 2020			Year Ended 31 March 2019		
	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%	0.51	0.58	0.50%	0.34	0.39
Salary Escalation Rate	0.50%	0.58	0.51	0.50%	0.39	0.34

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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Year 1	0.10	0.08
Year 2	-	0.01
Year 3	0.01	0.01
Year 4	0.02	0.01
Year 5	0.04	0.01
Next 5 years	0.99	1.10

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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Present Value of the Plan Liabilities	2.70	2.15
Fair Value of Plan Assets	-	-
Net Liabilities / (Assets)	2.70	2.15

B. Movements in Plan Assets and Plan Liabilities

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
As At 1 April	2.15	1.70
Current Service Cost	0.44	0.37
Plan Amendments : Vested portion at the end of period(past services)	-	0.05
Interest Expense/ Income	0.14	0.13
Net impact on Profit Before Tax	**0.58**	**0.55**
Actuarial (Gain)/Loss arising from changes in-		
- Financial Assumptions	0.29	0.01
- Experience Adjustments	(0.11)	(0.03)
Net Gain recognised in Other Comprehensive Income	**0.18**	**(0.02)**
Benefits Paid	(0.21)	(0.08)
As At 31 March	**2.70**	**2.15**

40. Employee Benefit Obligations (Contd.)

C. Assumptions

Principal actuarial assumptions as at the Balance Sheet date:

Particulars	As at 31 March 2020	As at 31 March 2019
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 crore)

Particulars	Year Ended 31 March 2020			Year Ended 31 March 2019		
	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%	2.52	2.85	1.00%	2.03	2.27
Salary Escalation Rate	1.00%	2.86	2.55	1.00%	2.27	2.02

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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Year 1	0.28	0.16
Year 2	0.04	0.11
Year 3	0.07	0.03
Year 4	0.12	0.06
Year 5	0.21	0.11
Next 5 years	6.08	5.92

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 of 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 crore)

Particulars	Impact on profit before tax	
	31st March 2020	31st March 2019
Increase by 5% (2019: 5%)*	0.21	31.35
Decrease by 5% (2019: 5%)*	(0.21)	(31.35)

* 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.

41. Financial Risk Management (Contd.)

The exposure of the Company's Financial Liabilities to interest rate risk is as follows: (₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Floating Rate		
Rupee Borrowings	6.77	3.43
Total	**6.77**	**3.43**

Sensitivity

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates as below:

(₹ in crore)

Particulars	Impact on profit before tax	
	31st March 2020	31st March 2019
Interest expense rates – increase by 50 basis points (2019: 50 bps)*	(0.03)	(0.02)
Interest expense rates – decrease by 50 basis points (2019: 50 bps)*	0.03	0.02

* 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.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:-

(₹ in crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
	US$	Euro	US$	Euro
Trade Receivables	96.27	47.38	76.67	29.00
Trade Payables	33.50	-	220.28	-
Net Exposure	**62.77**	**47.38**	**(143.61)**	**29.00**

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 crore)

Particulars	Gross Currency	As at 31 March 2020		As at 31 March 2019	
		Buy	Sell	Buy	Sell
US Dollar	INR	-	205.97	-	40.05
Euro	INR	-	102.10	-	172.73

The aforesaid hedges have a maturity of less than 1 year from the year end.

41. Financial Risk Management (Contd.)

(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 2020, 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 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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Neither past due nor impaired	179.55	197.65
Past due but not impaired		
Due less than 6 months	91.67	53.35
Due between 6–12 months	8.36	3.06
Due greater than 12 months	1.01	2.60
Total	**280.59**	**256.66**

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.

41. Financial Risk Management (Contd.)

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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Expiring within one year (bank overdraft and other facilities)	83.23	86.57
	83.23	**86.57**

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.

(₹ in crore)

Particulars	Less than 1 year	Above 1 year and less than 5 years	> 5 years	Total
As at 31 March 2020				
Borrowings	6.77	-	-	6.77
Lease Liabilities	0.41	1.23	6.55	8.19
Derivative Financial Liabilities	5.57	-	-	5.57
Trade Payables	75.00	-	-	75.00
Other Financial Liabilities **	18.28	-	-	18.28
Total	**106.03**	**1.23**	**6.55**	**113.81**
As at 31 March 2019				
Borrowings	3.43	-	-	3.43
Lease Liabilities	0.41	1.23	6.96	8.60
Trade Payables	246.24	-	-	246.24
Other Financial Liabilities **	26.68	-	-	26.68
Total	**276.76**	**1.23**	**6.96**	**284.95**

** 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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Long-Term Borrowings including Lease Liabilities	3.57	3.62
Short-Term Borrowings and Current Maturities of Lease Liabilities	6.84	3.47
Total Borrowings (a)	10.41	7.09
Less:		
Cash and Cash Equivalents	625.06	16.33
Current Investments	-	620.78
Total Cash (b)	625.06	636.11
Net Debt (c = a-b)	**(614.65)**	**(630.02)**
Total Equity (as per Balance Sheet) (d)	1,299.41	1,119.87
Total Capital (e = c + d)	**684.76**	**489.85**
Gearing Ratio (c/e)	**(0.90)**	**(1.29)**

(b) Dividends Paid and Proposed (₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
(i) Final dividend (including DDT) paid for the year ended 31 March 2019 of ₹ 6.00 (31 March 2018 – ₹ 3.00) per fully paid share	21.06	10.53
(ii) Interim dividend (including DDT) paid for the year ended 31 March 2020 of ₹ 6.00 (31 March 2019 – ₹ Nil) per fully paid share	21.06	-
(iii) Dividends not recognised at the end of the reporting period		
The Board of directors have recommended dividend of ₹ Nil (31 March 2019: ₹ 6.00) 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.	-	17.47
Dividend distribution tax (DDT) on above	-	3.59

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 crore)

Particulars	Note	As at 31 March 2020	As at 31 March 2019
Financial Assets			
a) Measured at Amortised Cost*			
i) Cash and Cash Equivalents	12	625.06	16.33
ii) Other Bank Balances	13	11.10	26.64
(iii) Trade Receivables	11	280.59	256.66
(iv) Other Financial Assets	6 & 15	34.91	35.71
Sub-Total		**951.66**	**335.34**
b) Measured at Fair Value through OCI (FVOCI)			
i) Investment in Quoted Equity Shares	5	4.11	6.14
ii) Investment in Unquoted Equity Shares	5	-	-
Sub-Total		**4.11**	**6.14**

43. Disclosures on Financial Instruments (Contd.)

Categories of Financial Instruments

(₹ in crore)

Particulars	Note	As at 31 March 2020	As at 31 March 2019
c) Measured at Fair Value through Profit and Loss (FVTPL)			
i) Investment in Mutual Fund	10	-	620.78
ii) Investment in LLP Firm	5	-	-
Sub-Total		**-**	**620.78**
d) Derivatives Measured at Fair Value			
i) Derivative Instruments designated as Hedging Instruments	15	-	1.93
Sub-Total		**-**	**1.93**
Total Financial Assets		**955.77**	**964.19**
Financial Liabilities			
a) Measured at Amortised Cost			
i) Borrowings	22	6.77	3.43
ii) Lease Liabilities	18 & 24	3.64	3.66
iii) Trade Payables	23	75.00	246.24
iv) Other Financial Liabilities	24	18.28	26.68
Sub-Total		**103.69**	**280.01**
b) Derivatives Measured at Fair Value			
i) Derivative Instruments designated as Hedging Instruments	24	5.57	-
Sub-Total		5.57	-
Total Financial Liabilities		**109.26**	**280.01**

*Exclude Group Company investment of ₹22.24 crore (P.Y. ₹22.14 crore) measured at cost (Refer Note 5)

(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 Methodology**

Specific valuation techniques used to value financial instruments include:

· the fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.

· the fair value of level 3 instruments is valued using inputs based on information about market participants assumptions and other data that are available.

· the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

· All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

(iii) Fair value of financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Level 1	Level 3	Level 1	Level 3
Financial Assets				
Investment in Equity Instruments	4.11	-	6.14	-
Investment in LLP	-	-	-	-
Total Financial Assets	4.11	-	6.14	-

43. Disclosures on Financial Instruments (Contd.)

(₹ in crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Level 1	Level 3	Level 1	Level 3
Financial Liabilities				
Lease Liabilities	-	3.64	-	3.66
Financial Liability / (Asset) on Forward Contract	5.57	-	(1.93)	-
Total Financial Liabilities	**5.57**	**3.64**	**(1.93)**	**3.66**

(iv) Fair value of financial assets and liabilities measured at amortised cost

(₹ in crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Liabilities				
Borrowings	6.77	6.77	3.43	3.43
Total Financial Liabilities	**6.77**	**6.77**	**3.43**	**3.43**

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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
a) Claims against the Company/ disputed liabilities not acknowledged as debt		
- Excise duty and service tax demand	3.49	4.50
b) Letters of credit issued by banks and outstanding	59.70	62.99
c) Bank Guarantees issued by banks and outstanding	57.39	80.07
d) Bill discounted backed by LC's	13.66	3.99

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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Estimated amount of contracts remaining to be executed on capital commitments	-	0.63

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 crore)

1. Revenue from External Customers	Year Ended 31 March 2020	Year Ended 31 March 2019
- Within India	976.13	866.86
- Outside India	795.04	1,058.98
Total	**1,771.17**	**1,925.84**
2. Non-Current Assets	**As at 31 March 2020**	**As at 31 March 2019**
- Within India	215.18	226.56
- Outside India	-	-
Total	**215.18**	**226.56**

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 borrowings are:

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Current		
Trade Receivables	280.59	256.66
Inventories	276.93	260.94
	557.52	**517.60**
Non-Current		
Property, Plant and Equipment	185.17	219.37
	185.17	**219.37**
Total Assets Pledged as Security	**742.69**	**736.97**

47 Related Party Disclosures

a) **Name of the Related Parties and Description of Relationship:**

I Holding Company

1 Bhagwati Syndicate (P) Ltd.

II Subsidiary Companies

1 AXL Exploration (P) Ltd.

2 Anjaney Minerals Ltd.

3 Salanpur Sinters (P) Ltd.

4 Maithan Ferrous (P) Ltd.

III 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

IV Relatives of Key Managerial Personnel

1 Mr. Sudhanshu Agarwalla

V 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 crore)

Sl. No.	Types of Transactions	Subsidiaries		Enterprises influenced by KMP		Key Management Personnel and their Relatives	
		2019 - 20	2018 - 19	2019 - 20	2018 - 19	2019 - 20	2018 - 19
1	**Services Received**						
	Mr. Sudhanshu Agarwalla	-	-	-	-	5.49	5.89
2	**Remuneration Paid**						
	Mr. S. C. Agarwalla	-	-	-	-	8.49	9.46
	Mr. Subodh Agarwalla	-	-	-	-	6.79	7.57
3	**Sitting Fees**						
	Mr. Parasanta Chattopadyay	-	-	-	-	0.01	-
4	**Purchase of Shares**						
	Maithan Ferrous Pvt. Ltd.	0.10	-	-	-	-	-
5	**CSR Expenses**						
	BMA Foundation	-	-	4.43	3.95	-	-
6	**Loans / Advances given / (refund)**						
	BMA Foundation	-	-	-	(0.71)	-	-
	AXL Exploration (P) Ltd.	0.04	0.05	-	-	-	-
	Anjaney Mineral Ltd.	0.75	-	-	-	-	-
7	**Reimbursement of Expenses**						
	Anjaney Minerals Ltd.	-	0.05	-	-	-	-
	Salanpur Sinters (P) Ltd.	-	0.26	-	-	-	-

c) Balance Outstanding (₹ in crore)

Sl. No.	Particulars	Subsidiaries		Enterprises influenced by KMP		Key Management Personnel and their Relatives	
		As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
1	**Remuneration Payable**						
	Mr. S. C. Agarwalla	-	-	-	-	0.50	1.42
	Mr. Subodh Agarwalla	-	-	-	-	0.48	1.15
2	**Other Payables**						
	Mr. Sudhanshu Agarwalla	-	-	-	-	0.36	0.69
3	**Loans and Advances - Current**						
	AXL Exploration (P) Ltd.	1.03	0.99	-	-	-	-
	Anjaney Minerals Ltd.	0.75	-	-	-	-	-

d) Compensation to Key Management Personnel (₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
1. Short Term Employee Benefits	15.29	17.03
2. Post Employment Benefits*	-	-
3. Other Long Term Benefits*	-	-
	15.29	**17.03**

* 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. Bhagwati Syndicate (P) Ltd.
2. Maithan Smelters (P) Ltd. (Merged with Bhagwati Syndicate (P) Ltd during the year)
3. H. S. Consultancy (P) Ltd. (Merged with Bhagwati Syndicate (P) Ltd during the year)

b) **Transactions during the year with the Parties**

(₹ in crore)

Types of Transactions	Transactions		Balances	
	2019-20	2018-19	31 March 2020	31 March 2019
Dividend Paid				
Bhagwati Syndicate (P) Ltd.	9.97	0.26	-	-
Maithan Smelters (P) Ltd.	3.24	1.62	-	-
H. S. Consultancy (P) Ltd.	1.96	0.98	-	-

49. Due to outbreak of COVID 19 globally and in India, the Company's management has made business and financial risk assessments, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the company's ability to continue as going concern and meeting its liabilities as and when they fall due. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future period.

50. The previous year figures have been reclassified and regrouped where considered necessary to confirm to this year's presentations.

The accompanying notes 1 to 50 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: 20 June 2020

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

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 subsidiary companies listed in Annexure I (the Holding Company and its subsidiaries collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Cash Flows Statement for the year then ended, and notes to the Consolidated Financial Statement, including 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 2020, 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 ('ICAI'), and we have fulfilled our other ethical responsibilities in accordance with the provision of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to Note 49 to the consolidated financial statement which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our opinion is not modified in this matter.

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. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

S. No.	Key Audit Matters	Auditor's Response
1	**Revenue Recognition** (Refer note 3(k) of the significant accounting policies of Consolidated Financial Statements). Revenue is recognised when the control of the underlying products has been transferred to customer along with the satisfaction of the Company's performance obligation under a contract with customer. The company focuses on revenue as a key performance measure which could create an incentive for revenue to be recognized before completion of the performance obligation. There is a significant risk of misstatement due to risk related to inappropriate recognition of the revenue and hence was determined to be a key audit matter	Our audit procedures to assess the appropriateness of revenue recognized included the following: Our audit procedures, considering the significant risk of misstatement related to revenue recognition, included amongst other: · Obtaining an understanding of an assessing the design, implementation and operating effectiveness of the Company's key internal controls over the revenue recognition process. · Examination of significant contracts entered into close to year end to ensure revenue recognition is made in correct period. · Testing a sample of contracts from various revenue streams by agreeing information back to contracts and proof of delivery as appropriate and ensure revenue recognition policy is in accordance with principles of Ind AS 115. Our testing as described above showed that revenue has been recorded in accordance with the terms of underlying contracts and accounting policy in this area.
2	**Inventories** The carrying value of inventory as at 31 March 2020 is ₹ 276.93 crore. The inventory is valued at the lower of cost and net realizable value. We have considered the value of inventory as a key audit matter given the relative size of its balance in the financial statements and significant judgement involved in the consideration of factors in determination of selling prices such as fluctuation of raw materials prices in the market and in determination of net realizable value. Refer Note No. 9 to the consolidated financial statements	**Principal Audit Procedures** - We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory. - Assessing the appropriateness of Company's accounting policy for valuation of stock-in-trade and compliance of the policy with the requirements of the prevailing Indian accounting standards - We considered various factors including the actual selling price prevailing around and subsequent to the year-end. - Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at net realizable value where the cost was higher than the net realizable value. - Based on the above procedures performed, the management's determination of the net realizable value of the inventory as at the year end and comparison with cost for valuation of inventory is considered to be reasonable.

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

The Holding Company's management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report., 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 management and 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 (Ind AS) specified under section 133 of the Act, read with relevant rules issued thereunder.

The respective management and Board of Directors of the entities 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 each entities 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 management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management and Board of Director's either intends to liquidate the each entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities 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 scepticism 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 and Board of Directors of the Holding Company.
- Conclude on the appropriateness of management's and Board of Directors of the Holding Company 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 appropriateness of this assumption. 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of the entities included in the consolidated financial statements. We remain solely responsible for our audit opinion.

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

(A) 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian 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 2020 taken on record by the Board of Directors of Holding Company and on the basis of written representations received by the management from directors of its subsidiaries which are incorporated in India, as on 31 March 2020, none of the directors of the Group's Companies incorporated in India is disqualified as on 31 March 2020 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 - Refer Note 44 to the Consolidated Financial Statements.

   (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 Group during the year ended 31 March 2020.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its respective directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

D Choudhury
Partner
Membership No. 052066
UDIN: 20052066AAAAAY6979

Place: Kolkata
Date: 20 June 2020

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 2020, 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 company's management and Board of Directors 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, read with impact of Covid- 19 stated in Emphasis of Matter paragraph in Independent Auditor's Report, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, 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
Firm Registration No. 302186E

D Choudhury
Partner

Place: Kolkata
Date: 20 June 2020

Membership No. 052066
UDIN: 20052066AAAAAY6979

CONSOLIDATED BALANCE SHEET as at 31 March 2020

(₹ in crore)

Particulars	Notes	As At 31 March 2020	As At 31 March 2019
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	4(i)	194.90	229.11
(b) Capital Work in Progress		1.10	-
(c) Intangible Assets	4(ii)	0.54	0.10
(d) Right of Use Assets	4(iii)	21.42	-
(e) Financial Assets			
(i) Investments	5	4.11	6.13
(ii) Other Financial Assets	6	32.54	33.45
(f) Non Current Tax Assets (Net)	7	6.11	6.10
(g) Other Non-Current Assets	8	3.98	4.13
Total Non-Current Assets		**264.70**	**279.02**
(2) Current Assets			
(a) Inventories	9	276.93	260.94
(b) Financial Assets			
(i) Investments	10	1.71	621.85
(ii) Trade Receivables	11	280.59	256.66
(iii) Cash and Cash Equivalents	12	625.34	16.60
(iv) Bank Balances (other than (iii) above)	13	13.40	28.81
(v) Loans	14	0.75	-
(vi) Other Financial Assets	15	2.42	4.26
(c) Other Current Assets	16	50.09	50.75
Total Current Assets		**1,251.23**	**1,239.87**
Total Assets		**1,515.93**	**1,518.89**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	17	29.11	29.11
(b) Other Equity		1,263.11	1,083.43
(c) Non-Controlling Interest		0.53	0.54
Total Equity		**1,292.75**	**1,113.08**
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	18	3.57	3.62
(b) Provisions	19	2.78	2.34
(c) Deferred Tax Liabilities (Net)	20	29.52	28.00
(d) Other Non-Current Liabilities	21	0.98	1.07
Total Non-Current Liabilities		**36.85**	**35.03**
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	6.77	3.43
(ii) Trade Payables	23		
- Trade Payables (outstanding to micro and small enterprises)		-	-
- Trade Payables (outstanding to other than micro and small enterprises)		75.00	246.24
(iii) Other Financial Liabilities	24	24.44	26.73
(b) Provisions	25	1.60	1.42
(c) Current Tax Liabilities (Net)	26	5.21	0.38
(d) Other Current Liabilities	27	73.31	92.58
Total Current Liabilities		**186.33**	**370.78**
Total Liabilities		**223.18**	**405.81**
Total Equity and Liabilities		**1,515.93**	**1,518.89**

The accompanying notes 1 to 50 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: 20 June 2020

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 2020

(₹ in crore)

Particulars	Notes	Year Ended 31 March 2020	Year Ended 31 March 2019
Income			
Revenue from Operations	28	1,830.88	1,987.93
Other Income	29	66.16	26.19
Total Income		**1,897.04**	**2,014.12**
Expenses			
Cost of Material Consumed	30	921.96	956.42
Purchases of Stock In Trade	31	135.98	165.79
Changes in Inventories	32	8.85	4.03
Employee Benefits Expenses	33	42.45	44.20
Power Cost	34	361.38	373.40
Finance Cost	35	3.71	5.91
Depreciation and Amortisation Expenses	36	15.81	15.63
Other Expenses	37	127.64	121.86
Total Expenses		**1,617.78**	**1,687.24**
Profit Before Tax		**279.26**	**326.88**
Tax Expenses			
(a) Current Tax	39	55.43	68.27
(b) Deferred Tax	39	1.81	3.39
Total Tax Expenses		**57.24**	**71.66**
Profit for the year (A)		**222.02**	**255.22**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
- Re-measurements of the Net Defined Benefit Plans		(0.14)	0.02
- Equity Instruments through Other Comprehensive Income		(2.02)	(1.30)
(ii) Income tax relating to above items	39	0.28	0.15
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		1.63	1.16
Other Comprehensive Income/(Loss) for the year (B)		**(0.25)**	**0.03**
Total Comprehensive Income for the year (A+B)		**221.77**	**255.25**
Profit attributable to:			
(a) Owners of the Company		222.03	255.23
(b) Non-Controlling Interest		(0.01)	(0.01)
Other Comprehensive Income Attributable to:			
(a) Owners of the Company		(0.25)	0.03
(b) Non-Controlling Interest		-	-
Total Comprehensive Income Attributable to:			
(a) Owners of the Company		221.78	255.26
(b) Non-Controlling Interest		(0.01)	(0.01)
Earnings Per Share (of ₹ 10/- each)			
(1) Basic (in ₹)	38	76.27	87.67
(2) Diluted (in ₹)	38	76.27	87.67

The accompanying notes 1 to 50 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: 20 June 2020

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 2020

a. Equity share capital:

(₹ in crore)

Particulars	Note	₹
Equity shares of ₹ 10 each issued, subscribed and fully paid		
As At 1 April 2018		29.11
Issue of share capital		-
As At 31 March 2019	**17**	**29.11**
Issue of share capital		-
As At 31 March 2020		**29.11**

c. Other equity:

(₹ in crore)

Particulars	Reserve 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 2018	1.70	31.87	803.94	1.55	(0.34)	838.72	0.55	839.27
Profit for the year	-	-	255.22	-	-	255.22	(0.01)	255.21
Other Comprehensive Income for the year	-	-	0.01	(1.15)	1.16	0.02	-	0.02
Dividends paid including DDT	-	-	(10.53)	-	-	(10.53)	-	(10.53)
As At 31 March 2019	**1.70**	**31.87**	**1,048.64**	**0.40**	**0.82**	**1,083.43**	**0.54**	**1,083.97**
Profit for the year	-	-	222.03	-	-	222.03	(0.01)	222.02
Other Comprehensive Income for the year	-	-	(0.09)	(1.78)	1.63	(0.24)	-	(0.24)
Dividends paid including DDT	-	-	(42.11)	-	-	(42.11)	-	(42.11)
As At 31 March 2020	**1.70**	**31.87**	**1,228.47**	**(1.38)**	**2.45**	**1,263.11**	**0.53**	**1,263.64**

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 utilized 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 utilized 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 1 to 50 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: 20 June 2020

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 2020

(₹ in crore)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	279.26	326.88
Adjusted for :		
Depreciation and amortisation	15.81	15.63
Interest expense	3.71	5.91
Interest income	(5.11)	(4.53)
Irrecoverable balances written off/back	0.01	(2.82)
Fair value gain on investment	(46.17)	(4.04)
Unrealised Forex (gain) / loss	9.13	(1.11)
Deferred revenue income	(0.09)	(0.09)
Dividend received	(13.96)	(13.19)
Loss / (Profit) on sale of property, plant and equipment	(0.01)	0.10
	(36.68)	**(4.14)**
Operating profit before working capital changes	**242.58**	**322.74**
Adjusted for :		
Trade and other receivables	(23.02)	(20.78)
Inventories	(15.98)	(12.75)
Trade and other payables	(197.91)	102.70
	(236.91)	**69.17**
Cash generated from operations	**5.67**	**391.91**
Income tax paid	50.62	77.18
NET CASH FROM OPERATING ACTIVITIES (A)	**(44.95)**	**314.73**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(4.56)	(7.47)
Sale of property, plant and equipment	0.02	0.25
Purchase of investments	(906.65)	(1,050.18)
Sale of investments	1,572.96	767.54
Dividend received	13.96	13.19
Interest income received	5.06	4.06
Investments in fixed deposits	15.41	(3.02)
NET CASH USED IN INVESTING ACTIVITIES (B)	**696.20**	**(275.63)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(3.71)	(5.93)
Dividend paid including tax on dividend	(42.11)	(10.53)
Acquisition of shares in LLP firm	-	-
Proceeds/ (Repayment) from/ of borrowings	3.31	(37.65)
NET CASH FROM FINANCING ACTIVITIES (C)	**(42.51)**	**(54.11)**
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	608.74	(15.01)
Cash and cash equivalents at the beginning of the year	16.60	31.61
Cash and cash equivalents at the end of the year	**625.34**	**16.60**
Cash and cash equivalent includes:		
Cash and cash equivalent	**625.34**	**16.60**
Less: Deposits held as margin money	-	-
	625.34	**16.60**

The accompanying notes 1 to 50 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: 20 June 2020

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

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").

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 (Rs.) which is the Group's functional currency for all its operations. All financial information presented in Indian Rupees (Rs.) 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 realized 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 recognized 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 & machinery in Visakhapatnam 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**

As a Lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

As a Lessor:

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

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 recognized in the Statement of Profit and Loss except any exchange differences on monetary items designated as an effective hedging instrument which are recognized in the Other Comprehensive Income.

i. Government Grants and Subsidies

Grants and subsidies from the Government are recognized 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 recognized 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 recognized 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 recognized 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 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 Amortized 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.

➢ Debt Instruments at Amortized Cost: A debt instrument is measured at the amortized 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 amortized cost using the effective interest rate (EIR) method.

- 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 recognized 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 EIR (Effective Rate Interest) method is recognized in the Statement of Profit and Loss as investment income.

➢ Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized 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 recognized 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 derecognizes 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 amortized 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 recognized in profit or loss.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (Effective Rate Interest) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR (Effective Rate Interest) 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 derecognized 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 recognized amounts and there is an intention to settle on a net basis or realize 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 recognized 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 recognized in the Statement of Profit and Loss in the period when they arise, except for the effective portion of cash flow hedges which is recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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 capitalized 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 recognized 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 recognized 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 recognized 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 recognized 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 recognized 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.

(4) (i) Property, Plant and Equipment

(₹ in crore)

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 2018	6.09	25.49	13.08	25.43	202.18	0.73	0.31	4.26	0.27	277.84
Additions	5.42	-	-	-	0.71	0.08	0.04	0.84	0.26	7.35
Sale/Deduction	-	-	-	-	-	-	-	0.46	-	0.46
As At 31 March 2019	**11.51**	**25.49**	**13.08**	**25.43**	**202.89**	**0.81**	**0.35**	**4.64**	**0.53**	**284.73**
Additions	-	-	-	-	2.12	-	0.03	0.75	0.06	2.96
Reclassified on account of adoption of Ind AS 116	-	25.49	-	-	-	-	-	-	-	25.49
Sale/Deduction	-	-	-	-	-	-	-	0.09	-	0.09
As At 31 March 2020	**11.51**	**-**	**13.08**	**25.43**	**205.01**	**0.81**	**0.38**	**5.30**	**0.59**	**262.11**
Accumulated Depreciation										
As At 1 April 2018	-	1.98	2.18	2.04	32.82	0.28	0.16	0.66	0.06	40.18
Additions	-	0.99	0.83	1.25	11.53	0.14	0.05	0.65	0.12	15.56
Sale/Deduction	-	-	-	-	-	-	-	0.11	-	0.11
As At 31 March 2019	**-**	**2.97**	**3.01**	**3.29**	**44.35**	**0.42**	**0.21**	**1.20**	**0.18**	**55.63**
Additions	-	-	0.80	1.19	11.68	0.13	0.03	0.67	0.14	14.64
Reclassified on account of adoption of Ind AS 116	-	2.97	-	-	-	-	-	-	-	2.97
Sale/Deduction	-	-	-	-	-	-	-	0.09	-	0.09
As At 31 March 2020	**-**	**-**	**3.81**	**4.48**	**56.03**	**0.55**	**0.24**	**1.78**	**0.32**	**67.21**
Net Book Value										
As at 31 March 2020	**11.51**	**-**	**9.27**	**20.95**	**148.98**	**0.26**	**0.14**	**3.52**	**0.27**	**194.90**
As at 31 March 2019	11.51	22.52	10.07	22.14	158.54	0.39	0.14	3.44	0.35	229.11

(4) (ii) Intangible Assets

(₹ in crore)

Particulars	Software	Mining Rights	Total
Gross Carrying Value			
As At 1 April 2018	0.26	-	0.26
Additions	0.11	-	0.11
As At 31 March 2019	**0.37**	**-**	**0.37**
Additions	0.07	0.42	0.49
As At 31 March 2020	**0.44**	**0.42**	**0.86**
Amortisation and Impairment			
As At 1 April 2018	0.19	-	0.19
Additions	0.07	-	0.07
As At 31 March 2019	**0.26**	**-**	**0.26**
Additions	0.06	-	0.06
As At 31 March 2020	**0.32**	**-**	**0.32**
Net Book Value			
As At 31 March 2020	**0.12**	**0.42**	**0.54**
As At 31 March 2019	**0.10**	**-**	**0.10**

Note:- 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 (iii) Right of Use Asset

Effective 1 April 2019, the Company adopted Ind AS 116, Leases, and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method on the date of initial application. For leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of initial application shall be the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for the year ended 31 March 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of Rs. 22.41 crore and a lease liability of Rs. 3.62 crore. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. There is no change in cash flow from previous year Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The changes in the carrying value of ROU assets for the year ended 31 March 2020 are as follows: (₹ in crore)

Particulars	ROU_ Land
Balance as at 1 April 2019	-
Reclassified on account of adoption of Ind AS 116	22.41
Additions	-
Depreciation	0.99
Balance as at 31 March 2020	**21.42**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The movement in lease liabilities during the year ended 31 March 2020 is as follows: (₹ in crore)

Particulars	2019-2020
Balance at the beginning	3.62
Adjustments	0.01
Interest expense during the period	0.37
Payment of lease liabilities	0.43
Balance at the year end	**3.57**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

5. Non-Current Investments

(₹ in crore)

Particulars	Face Value (₹)	No. of Shares 31 March 2020	No. of Shares 31 March 2019	As at 31 March 2020	As at 31 March 2019
Investments measured through OCI (FVOCI)					
Investment in Unquoted Equity Shares (fully paid up)					
Ideal Centre Services (P) Ltd.	10.00	1,500	1,500	-	-
Investment in Quoted Equity Shares (fully paid up)					
Hindustan Petroleum Corporation Ltd.	10.00	216,000	216,000	4.11	6.13
Share in Partnership Firm LLP					
Belved Property LLP (Share 18.15%)				-	-
				4.11	**6.13**
5.1 Aggregate Cost of Quoted Investments				5.88	5.88
Market Value of Quoted Investments				4.11	6.13
Aggregate Amount of Unquoted Investments				-	-

6. Other Non-Current Financial Assets

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, Considered Good		
Security Deposits	32.54	33.45
	32.54	**33.45**

7. Non-Current Tax Asset (Net)

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Advance Tax (Net of Provisions)	6.11	6.10
	6.11	**6.10**

8. Other Non-Current Assets

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, Considered Good		
Capital Advances	0.84	0.99
Prepaid Lease	3.14	3.14
	3.98	**4.13**

9. Inventories

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Raw Materials		
- Ferro Alloys	157.66	121.41
- Power Plant	0.05	1.84
Raw Materials in Transit	70.70	83.01
Work - In - Progress	1.34	1.76
Finished Goods	30.74	37.86
Finished Goods - Trading Goods	2.38	0.07
Slag and Waste	5.55	6.86
Stores and Spares Parts	8.51	8.13
	276.93	**260.94**

9.1 Inventories have been hypothecated as security against certain bank borrowings of the Company (Refer note 22).

10. Current Investments

(₹ in crore)

Particulars	No. of Units 31 March 2020	No. of Units 31 March 2019	As at 31 March 2020	As at 31 March 2019
Investments in Units of Mutual Funds - FVTPL				
Kotak Equity Arbitrage Fund Fortnightly Dividend	-	9,800,643.46	-	23.07
Reliance Arbitrage Advantage Fund	-	6,381,620.93	-	7.02
SBI Liquid Fund Direct Growth	-	410,639.07	-	120.25
Nippon India Arbitrage fund- Dividend plan	6,13,297.70	194,336.26	0.81	0.25
SBI Short Term Debt Fund - Regular Plan - Growth	386,279.36	386,279.36	0.90	0.83
Investments in Market Linked Debentures - FVTPL				
CitiCorp Finance India Ltd.	-	16,841.00	-	169.99
Piramal Enterprises Ltd.	-	1,500.00	-	150.00
IIFL Wealth Finance Ltd.	-	15,000.00	-	150.44
			1.71	**621.85**
10.1 Aggregate Cost of Quoted Investments			1.30	150.36
Market Value of Quoted Investments			1.71	151.42
Aggregate Amount of Unquoted Investments			-	470.43

11. Trade Receivables

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, Considered Good		
Trade Receivables	280.59	256.66
	280.59	**256.66**

11.1 Trade Receivables have been hypothecated as security against bank borrowings of the Company (Refer note 22).

12. Cash and Cash Equivalents

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Cash on Hand	0.18	0.17
Cheques in Hand	-	1.14
Balance with Banks		
- In Current Accounts	32.94	15.11
- Debit Balances in Cash Credit Accounts	7.22	0.18
- Deposits with original maturity of less than 3 months	585.00	-
	625.34	**16.60**

13. Other Bank Balances (other than note 12 above)

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Bank Deposits with original maturity of more than 3 months and up to 12 months	3.21	26.59
Bank Deposits with original maturity of more than 3 months (as margin money)	10.04	2.17
Earmarked Unpaid Dividend Accounts	0.15	0.05
	13.40	**28.81**

14. Loans - Current

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, Considered Good		
Loan	3.96	-
Less: Allowances	(3.21)	-
	0.75	**-**

15. Other Current Financial Assets

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, Considered Good		
Financial Asset on Forward Contract	-	1.93
Interest Accrued on Bank Deposits	2.17	2.11
Staff Advance	0.25	0.22
	2.42	**4.26**

16. Other Current Assets

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, Considered Good		
Advance for Raw Materials & Stores	27.23	24.87
Balances with Statutory/Government Authorities	5.01	5.60
Export Incentives Receivable	10.60	12.91
Income Tax Refundable	0.09	0.09
Prepaid Expenses	1.05	0.44
Others	6.11	6.84
	50.09	**50.75**

(17) Share Capital

(₹ in crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Nos.	Amount	Nos	Amount
Authorised Share Capital				
Equity Shares of ₹ 10/- each	80,000,000	**80.00**	80,000,000	**80.00**
Issued, Subscribed and Paid-up Share Capital				
Equity Shares of ₹ 10/- each	29,111,550	**29.11**	29,111,550	**29.11**

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) Shares held by Holding Company

Name of shareholders	As at 31 March 2020		As at 31 March 2019	
	Nos.	% of holding	Nos	% of holding
Equity Shares				
Bhagwati Syndicate (P) Ltd.	1,61,86,576	55.60%	4,30,600	1.48%

Note:- Pursuant to merger of 19 companies with Bhagwati Syndicate (P) Ltd merger order dated 3 December 2019, it has accumulated 55.60% shares of the Company. Consequently, Bhagwati Syndicate (P) Ltd. has become Holding Company.

C) Details of shareholders holding more than 5% shares in the Company

Name of shareholders	As at 31 March 2020		As at 31 March 2019	
	Nos	% of holding	Nos	% of holding
Maithan Smelters (P) Ltd.	-	0.00%	5,397,357	18.54%
H. S. Consultancy (P) Ltd.	-	0.00%	3,259,200	11.20%
Bhagwati Syndicate (P) Ltd.	16,186,576	55.60%	430,600	1.48%

d) 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 2020	As at 31 March 2019
Issue of bonus shares in FY 2015-16	14,555,775	14,555,775

18. Lease Liabilities - Non-Current

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Lease Liabilities	3.57	3.62
	3.57	**3.62**

19. Non-Current Provisions

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Provisions for Employee Benefits	2.78	2.34
	2.78	**2.34**

19.1 Movement in Provisions

(₹ in crore)

Balance As At 1 April 2018	1.89
Provision utilised	0.12
Provision created	0.57
Balance As At 31 March 2019	**2.34**
Provision utilised	0.19
Provision created	0.64
Balance As At 31 March 2020	**2.78**

20. Deferred Tax Liabilities (Net)

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred Tax Liabilities		
- Property, Plant and Equipment	30.97	28.74
- Fair Value Gain on Mutual Fund	0.04	0.16
Gross Deferred Tax Liabilities	**31.01**	**28.90**
Deferred Tax Assets		
- Employee Benefits	1.10	0.90
- MAT Credit Entitlement	-	-
- Fair Value Gain/Loss on Investment	0.39	-
Gross Deferred Tax Asset	**1.49**	**0.90**
Deferred Tax Liabilities / (Assets) (Net)	**29.52**	**28.00**

21. Other Non-Current Liabilities

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred Government Grant	0.98	1.07
	0.98	**1.07**

22. Borrowings - Current

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Working Capital Loan from Banks (Secured)		
- Rupee Loan	6.77	3.43
	6.77	**3.43**

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 the Company.

23. Trade Payables

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Creditors	75.00	246.24
	75.00	**246.24**

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 2020. 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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Current Maturities of Lease Liabilities	0.07	0.04
Financial Liability on Forward Contract	5.57	-
Unclaimed Dividend*	0.15	0.05
Other Liabilities		
- Employee Dues	2.61	4.74
- Liability for Expenses	16.04	21.37
- Others	-	0.53
	24.44	**26.73**

* There are no amount due for transfer to the Investors Education and Protection Fund at the year end.

25. Provisions - Current

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Provisions for Employee Benefits	1.60	1.42
	1.60	**1.42**

25.1 Movement in Provisions:

Balance As At 1 April 2018	1.27
Provision utilised	1.10
Provision reversed	0.01
Provision created	1.26
Balance As At 31 March 2019	**1.42**
Provision utilised	1.31
Provision reversed	0.01
Provision created	1.50
Balance As At 31 March 2020	**1.60**

26. Current Tax Liabilities (Net)

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for Tax (Net of Advance Tax)	5.21	0.38
	5.21	**0.38**

27. Other Current Liabilities

(₹ in crore)

	As at 31 March 2020	As at 31 March 2019
Current portion of Deferred Government Grant	0.09	0.09
Other Liabilities		
- Statutory Dues	11.57	11.82
- Advance from Customer	3.39	11.32
- Others	58.26	69.35
	73.31	**92.58**

28. Revenue from Operations

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Sale of Products		
- Manufactured Goods		
- Ferro Alloys	1,579.24	1,704.29
- Wind Power	1.59	1.84
- Traded Goods		
- Ferro Alloys	49.72	100.22
- Manganese Ore	76.75	52.92
- Others	21.25	23.33
Other Operating Revenue		
- Sale of Slag and Waste	42.62	43.24
- Forex Fluctuation Gain	33.45	33.47
- Tax Refund / Remission	3.82	7.80
- Export Incentives	22.44	20.82
	1,830.88	**1,987.93**

29. Other Income

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Interest Income	5.11	4.53
Deferred Revenue Grant	0.09	0.09
Profit on Sale of Property, Plant and Equipment	0.01	-
Gain on Investments	46.17	4.04
Dividend Received	13.96	13.19
Insurance Claim Received	0.79	1.39
Sundry Balances Written Off	-	2.82
Miscellaneous Receipts	0.03	0.13
	66.16	**26.19**

30. Cost of Material Consumed

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Opening Stock	121.41	143.13
Add: Purchases	958.21	934.70
	1,079.62	1,077.83
Less: Closing Stock	157.66	121.41
Raw Material Consumed	**921.96**	**956.42**

30.1 Raw material purchases are net of sale of unusable raw materials.

31. Purchases of Stock In Trade

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Ferro Alloys	40.92	92.65
Manganese Ore	73.20	50.49
Others	21.86	22.65
	135.98	**165.79**

32. Changes in Inventories

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Stock at the end of the year		
Finished Goods	30.74	37.86
Work-In-Progress	1.34	1.76
Slag and Waste	5.55	6.86
	37.63	**46.48**
Stock at the beginning of the year		
Finished Goods	37.86	40.14
Work-In-Progress	1.76	1.34
Slag and Waste	6.86	9.03
	46.48	**50.51**
Increase/ (Decrease) in stock of		
Finished Goods	7.12	2.28
Work-In-Progress	0.42	(0.42)
Slag and Waste	1.31	2.17
Total Increase/ (Decrease) in Inventories	**8.85**	**4.03**

33. Employee Benefits Expenses

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Salaries and Wages	25.55	25.58
Directors' Remuneration	15.28	17.03
Contribution to Provident and Other Funds	1.01	0.96
Staff Welfare Expenses	0.61	0.63
	42.45	**44.20**

34. Power Cost

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Raw Material Consumed in Power Plant	-	19.02
Electricity Charges	355.46	347.02
Electricity Duty	5.85	6.01
Operation & Maintenance of Power Plant	0.07	1.35
	361.38	**373.40**

35. Finance Cost

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Interest on Lease Liabilities	0.37	0.35
Interest on Borrowings	3.34	5.56
	3.71	**5.91**

36. Depreciation and Amortisation Expenses

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Depreciation on Property, Plant and Equipment	14.64	15.57
Depreciation on Right of Use Asset	1.11	-
Amortisation on Intangible Assets	0.06	0.06
	15.81	**15.63**

37. Other Expenses

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Export Expenses	33.94	34.50
Stores and Packing Materials	12.58	16.07
Packing and Forwarding Expenses	9.98	10.57
Carriage Outward	8.07	7.73
Rebate and Discounts	7.08	8.86
Other Manufacturing Expenses	5.85	5.35
Brokerage and Commission	4.47	4.84
Bank Commission and Charges	2.18	2.31
Pollution Control Expenses	3.81	3.94
Service Tax and GST Expenses	7.54	-
Repairs to Machinery	12.50	10.12
Repairs to Building	0.92	0.79
Repairs to Others	0.65	0.56
Rates and Taxes	0.82	0.50
Loss on Sale of Property Plant and Equipment	-	0.10
Professional Charges	1.33	1.82
CSR Expenses (Refer note 37.1)	6.67	4.89
Irrecoverable balances and debts written off	0.01	-
Insurance Premium	0.77	0.66
Directors' Sitting Fees	0.05	0.05
Rent *	0.23	0.23
Demurrage Charges	1.43	1.09
Auditors Remuneration		
- Statutory Audit Fee	0.12	0.12
- Tax Audit Fee	0.01	0.01
- Other Services (incld. reimbursement of expenses)	0.03	0.03
Miscellaneous Expenses	6.60	6.72
	127.64	**121.86**

* Rental expense recorded for short-term leases and low value lease for the year ended 31 March 2020.

37.1 Expenditure on Corporate Social Responsibility (CSR) activities

(i) Details of CSR expenditure:

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
(a) Gross amount required to be spent by the Company during the year	6.42	4.89
(b) Amount spent during the year:		
(i) Construction/acquisition of any asset	0.21	-
(ii) On purposes - in cash	6.46	4.89

(ii) The various heads under which the CSR expenditure were incurred in cash is detailed as follows:

Relevant Clause of Schedule VII to the Act	Description of CSR activities	Year Ended 31 March 2020	Year Ended 31 March 2019
Clause (i) & (ii)	Promoting healthcare including preventive healthcare and promoting education	0.25	0.19
Clause (i)	Eradicating hunger, poverty and malnutrition, Promoting healthcare including preventive healthcare	1.13	0.51
Clause (ii)	Promoting education, including special education and employment enhancing vocational training and livelihood enhancement projects*	4.56	3.99
Clause (iii)	Empowering Woman	0.05	-
Clause (iv)	Ensuring animal welfare and Environment Sustain	0.66	0.20
Clause (iii)	Measures for Reducing Inequalities faced by Socially and Economically Backward Groups.	0.02	-
		6.67	**4.89**

* Contribution to related trust (BMA Foundation) amounting to ₹ 4.43 crore (31 March 2019 - ₹ 3.95 crore)

38. Earnings Per Share (EPS)

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
i) Profit after tax as per Statement of Profit and Loss	222.02	255.22
ii) Weighted average number of equity shares used as denominator for calculating Basic EPS	29,111,550	29,111,550
iii) Weighted average potential equity shares	-	-
iv) Total weighted average number of equity shares used as denominator for calculating Diluted EPS	29,111,550	29,111,550
v) Basic Earnings Per Share (₹)	76.27	87.67
vi) Diluted Earnings Per Share (₹)	76.27	87.67
vii) Face value Per Equity Share (₹)	10	10

39. Tax Expenses

39.1 Amount recognised in Profit or Loss

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Current Tax:		
Income Tax for the year	55.43	68.23
Charge/(Credit) in respect of Current Tax for earlier years	-	0.04
Total Current Tax	**55.43**	**68.27**
Deferred Tax:		
Origination and Reversal of Temporary Differences	**1.81**	**3.39**
MAT Credit Entitlement	-	-
Total Deferred Tax	**1.81**	**3.39**
Total Tax Expenses	**57.24**	**71.66**

39.2 Amount recognised in Other Comprehensive Income

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
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	0.05	(0.01)
Equity Instruments through OCI	0.23	0.16
Total	**0.28**	**0.15**

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) recognized in the Balance Sheet as follows:

(₹ in crore)

Particulars	MAT	PPE	Fair Value of Financial Instrument	Employee Benefits and Others	Total
As At 1 April 2018	-	(25.42)	(0.05)	0.71	(24.76)
(Charged) / credited to :					
- Profit or Loss	-	(3.32)	(0.26)	0.19	(3.39)
- Other Comprehensive Income		-	0.15	(0.01)	0.14
As At 31 March 2019	**-**	**(28.74)**	**(0.16)**	**0.89**	**(28.01)**
(Charged) / credited to :					
- Profit or Loss	-	(2.23)	0.27	0.16	(1.80)
- Other Comprehensive Income	-	-	0.24	0.05	0.29
As At 31 March 2020	**-**	**(30.97)**	**0.35**	**1.10**	**(29.52)**

40. Employee Benefit Obligations

a) Defined Contributory Plans

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
The followings recognized in the Statement of Profit and Loss		
Contribution to Employees Provident Fund	0.77	0.68

b) Defined Benefit Plans

(₹ in crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Current	Non-Current	Current	Non-Current
Leave Encashment	0.10	0.36	0.08	0.33
Gratuity	0.27	2.43	0.15	2.00

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.

40. Employee Benefit Obligations (Contd.)

A. Amount recognised in the Balance Sheet

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Present Value of the Plan Liabilities	0.46	0.41
Fair Value of Plan Assets	-	-
Net Liabilities / (Assets)	0.46	0.41

B. Movements in Plan Assets and Plan Liabilities

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
As At 1 April	0.41	0.36
Current Service Cost	0.15	0.06
Net Interest	0.03	0.03
Net impact on Profit Before Tax	**0.18**	**0.09**
Actuarial (Gain)/Loss arising from changes in-		
- Financial Assumptions	0.05	-
- Experience Adjustments	(0.08)	0.01
Net Gain recognised in Other Comprehensive Income	**(0.03)**	**0.01**
Curtailment Cost	-	-
Benefits Paid	(0.10)	(0.05)
As At 31 March	**0.46**	**0.41**

C. Assumptions

Principal actuarial assumptions as at the Balance Sheet date:

Particulars	As at 31 March 2020	As at 31 March 2019
Discount Rate (%)	7.65%	7.65%
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 crore)

Particulars	Year Ended 31 March 2020			Year Ended 31 March 2019		
	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%	0.51	0.58	0.50%	0.34	0.39
Salary Escalation Rate	0.50%	0.58	0.51	0.50%	0.39	0.34

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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Year 1	0.10	0.08
Year 2	-	0.01
Year 3	0.01	0.01
Year 4	0.02	0.01
Year 5	0.04	0.01
Next 5 years	0.99	1.10

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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Present Value of the Plan Liabilities	2.70	2.15
Fair Value of Plan Assets	-	-
Net Liabilities / (Assets)	2.70	2.15

B. Movements in Plan Assets and Plan Liabilities

(₹ in crore)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
As At 1 April	2.15	1.70
Current Service Cost	0.44	0.37
Plan Amendments : Vested portion at the end of period(past services)	-	0.05
Interest Expense/ Income	0.14	0.13
Net impact on Profit Before Tax	**0.58**	**0.55**
Actuarial (Gain)/Loss arising from changes in-		
- Financial Assumptions	0.29	0.01
- Experience Adjustments	(0.11)	(0.03)
Net Gain recognised in Other Comprehensive Income	**0.18**	**(0.02)**
Benefits Paid	(0.21)	(0.08)
As At 31 March	**2.70**	**2.15**

C. Assumptions

Principal actuarial assumptions as at the Balance Sheet date:

Particulars	As at 31 March 2020	As at 31 March 2019
Discount Rate (%)	7.65%	7.65 %
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 crore)

Particulars	Year Ended 31 March 2020			Year Ended 31 March 2019		
	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%	2.52	2.85	1.00%	2.03	2.27
Salary Escalation Rate	1.00%	2.86	2.55	1.00%	2.27	2.02

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.

40. Employee Benefit Obligations (Contd.)

E. Maturity

The defined benefit obligations shall mature as follows:

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Year 1	0.28	0.16
Year 2	0.04	0.11
Year 3	0.07	0.03
Year 4	0.12	0.06
Year 5	0.21	0.11
Next 5 years	6.08	5.92

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.

Risk	Exposure arising from	Measurement	Management
Market Risk – Price Risk	Investments in equity securities	Sensitivity analysis	Continuous monitoring of 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

41. Financial Risk Management (Contd.)

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 summarizes the impact of increases/decreases of the share prices on the Company’s investment:

(₹ in crore)

Particulars	Impact on profit before tax	
	31 March	31 March
Increase by 5% (2019: 5%)*	0.29	31.40
Decrease by 5% (2019: 5%)*	(0.29)	(31.40)

* 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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Floating Rate		
Rupee Borrowings	6.77	3.43
Total	**6.77**	**3.43**

Sensitivity

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates as below:

(₹ in crore)

Particulars	Impact on profit before tax	
	31 March	31 March
Interest expense rates – increase by 50 basis points (2019: 50 bps)*	(0.03)	(0.02)
Interest expense rates – decrease by 50 basis points (2019: 50 bps)*	0.03	0.02

* Holding all other variables constant

41. Financial Risk Management (Contd.)

(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".

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:-

(₹ in crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
	USD	Euro	USD	Euro
Trade Receivables	96.27	47.38	76.67	29.00
Trade Payables	33.50	-	220.28	-
Net Exposure	**62.77**	**47.38**	**(143.61)**	**29.00**

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 crore)

Particulars	Gross Currency	As at 31 March 2020		As at 31 March 2019	
		Buy	Sell	Buy	Sell
US Dollar	INR	-	205.97	-	40.05
Euro	INR	-	102.10	-	172.73

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 2020, that defaults in payment obligations will occur .

41. 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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Neither past due nor impaired	179.55	197.65
Past due but not impaired		
Due less than 6 months	91.67	53.35
Due between 6–12 months	8.36	3.06
Due greater than 12 months	1.01	2.60
Total	**280.59**	**256.66**

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.

(i) **Financing Arrangements**

The Company had access to the following undrawn funding facilities at the end of the reporting period:

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Expiring within one year (bank overdraft and other facilities)	83.23	86.57
	83.23	**86.57**

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.

41. Financial Risk Management (Contd.)

(₹ in crore)

Particulars	Less than 1 year	Between 2 and 5 years	> 5 years	Total
As at 31 March 2020				
Borrowings	6.77	-	-	6.77
Lease Liabilities	0.41	1.23	6.55	8.19
Derivative Financial Liabilities	5.57	-	-	5.57
Trade Payables	75.00	-	-	75.00
Other Financial Liabilities **	18.80	-	-	18.80
Total	**106.55**	**1.23**	**6.55**	**114.33**
As at 31 March 2019				
Borrowings	3.43	-	-	3.43
Lease Liabilities	0.41	1.23	6.96	8.60
Trade Payables	246.24	-	-	246.24
Other Financial Liabilities **	26.69	-	-	26.69
Total	**277.77**	**1.23**	**6.96**	**284.96**

** 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 .

The Gearing Ratio at the end of the reporting period was as follows:

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Long-Term Borrowings including Lease Liabilities	3.57	3.62
Short-Term Borrowings and Current Maturities of Lease Liabilities	6.84	3.47
Total Borrowings (a)	10.41	7.09
Less:		
Cash and Cash Equivalents	625.34	16.60
Current Investments	1.71	621.85
Total Cash (b)	627.05	638.45
Net Debt (c = a-b)	**(616.64)**	**(631.36)**
Total Equity (as per Balance Sheet) (d)	1,292.75	1,113.08
Total Capital (e = c + d)	**676.11**	**481.72**
Gearing Ratio (c/e)	**(0.91)**	**(1.31)**

42. Capital Management (Contd.)

(b) Dividends Paid and Proposed

(₹ in crore)

Particulars		As at 31 March 2020	As at 31 March 2019
(i)	Final dividend (including DDT) paid for the year ended 31 March 2019 of ₹ 6.00 (31 March 2018 – ₹ 3.00) per fully paid share	21.06	10.53
(ii)	Interim dividend (including DDT) paid for the year ended 31 March 2020 of ₹ 6.00 (31 March 2019 – ₹ Nil) per fully paid share	21.06	-
(iii)	Dividends not recognised at the end of the reporting period		
	The Board of directors have recommended dividend of ₹ Nil (31 March 2019: ₹ 6.00) 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.	-	17.47
	Dividend distribution tax (DDT) on above	-	3.59

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 crore)

Particulars	Note	As at 31 March 2020	As at 31 March 2019
Financial Assets			
a) Measured at Amortised Cost			
i) Cash and Cash Equivalents	12	625.34	16.60
ii) Other Bank Balances	13	13.40	28.81
(iii) Trade Receivables	11	280.59	256.66
(iv) Other Financial Assets	6 & 15	34.96	35.78
Sub-Total		**954.29**	**337.85**
b) Measured at Fair Value through OCI (FVOCI)			
i) Investment in Quoted Equity Shares	5	4.11	6.13
ii) Investment in Unquoted Equity Shares	5	-	-
Sub-Total		**4.11**	**6.13**
c) Measured at Fair Value through Profit and Loss (FVTPL)			
i) Investment	10	1.71	621.85
Sub-Total		**1.71**	**621.85**
d) Derivatives Measured at Fair Value			
i) Derivative Instruments designated as Hedging Instruments	15	-	1.93
Sub-Total		**-**	**1.93**
Total Financial Assets		**960.11**	**967.76**
Financial Liabilities			
a) Measured at Amortised Cost			
i) Borrowings	22	6.77	3.43
ii) Lease Liabilities	18 & 24	3.64	3.66
iii) Trade Payables	23	75.00	246.24
iv) Other Financial Liabilities	24	18.80	26.69
Sub-Total		**104.21**	**280.02**
b) Derivatives Measured at Fair Value			
i) Derivative Instruments designated as Hedging Instruments	24	5.57	-
Sub-Total		5.57	-
Total Financial Liabilities		**109.78**	**280.02**

43. Disclosures on Financial Instruments (Contd.)

(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.

(ii) Valuation Methodology

Specific valuation techniques used to value financial instruments include:

- the fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.
- the fair value of level 3 instruments is valued using inputs based on information about market participants assumptions and other data that are available.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

(iii) Fair value of financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Level 1	Level 3	Level 1	Level 3
Financial Assets				
Investment in Equity Instruments	4.11	-	6.13	-
Investment in LLP	-	-	-	-
Total Financial Assets	**4.11**	**-**	**6.13**	**-**

Particulars	As at 31 March 2020		As at 31 March 2019	
	Level 1	Level 3	Level 1	Level 3
Financial Liabilities				
Lease Liabilities	-	3.64	-	3.66
Financial Liability / (Asset) on Forward Contract	5.57	-	(1.93)	-
Total Financial Assets	**5.57**	**3.64**	**(1.93)**	**3.66**

(iv) Fair value of financial assets and liabilities measured at amortised cost

(₹ in crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Liabilities				
Borrowings	6.77	6.77	3.43	3.43
Total Financial Liabilities	**6.77**	**6.77**	**3.43**	**3.43**

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 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 crore)

Particulars	As at 31 March 2020	As at 31 March 2019
a) Claims against the Company/ disputed liabilities not acknowledged as debt		
- Excise duty and service tax demand	3.49	4.50
b) Letters of credit issued by banks and outstanding	59.70	62.99
c) Bank Guarantees issued by banks and outstanding	57.39	80.07
d) Bill discounted backed by LC's	13.66	3.99

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 crore)

	As at 31 March 2020	As at 31 March 2019
Estimated amount of contracts remaining to be executed on capital commitments	-	0.63

45 Interest in Other Entities

a) The subsidiaries considered in preparation of these consolidated financial statements are: (₹ in crore)

Name of the Enterprise	Principal Activities	Proportion of Ownership Interest		Country of Incorporation
		As at 31 March 2020	As at 31 March 2019	
Anjaney Minerals Limited	Manufacturing and trading of metals and/or minerals	100%	100%	India
Salanpur Sinters (P) Ltd.	Processing of powder and lump	100%	100%	India
AXL Explorations (P) Ltd.	Manufacturing and trading of metals and/or minerals	75%	75%	India
Maithan Ferrous (P) Ltd.	Manufacturing and trading of metals and/or minerals	100%	100%	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.

45 Interest in Other Entities (Contd.)

b) Additional Information pursuant to Schedule III of the Companies Act, 2013

(₹ in crore)

Name of the Company	Net Assets (Total Assets minus Total Liabilities) 2019 - 20		Share in Profit or Loss 2019 - 20		Other Comprehensive Income (OCI) 2019 - 20		Total Comprehensive Income (TCI) 2019 - 20	
	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 Limited*	98.79%	1,277.17	100.01%	221.90	100.00%	(0.25)	100.01%	221.65
Subsidiaries								
AXL Explorations (P) Ltd. *	1.23%	15.91	-0.01%	(0.03)	0.00%	-	-0.01%	(0.03)
Anjaney Minerals Limited	0.56%	7.29	0.05%	0.10	0.00%	-	0.05%	0.10
Salanpur Sinters (P) Ltd.	0.47%	6.06	0.03%	0.07	0.00%	-	0.03%	0.07
Maithan Ferrous (P) Ltd.	0.01%	0.10	0.00%	-	0.00%	-	0.00%	-
Non-Controlling Interest	-1.07%	(13.78)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Total	**100.00%**	**1,292.75**	**100.00%**	**222.03**	**100.00%**	**(0.25)**	**100.00%**	**221.78**

*The above figures are before inter-company eliminations.

46. 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:

46.1 Geographical Information

(₹ in crore)

1. Revenue from External Customers	Year Ended 31 March 2020	Year Ended 31 March 2019
- Within India	976.12	866.86
- Outside India	795.05	1,058.98
Total	**1,771.17**	**1,925.84**

2. Non-Current Assets	As at 31 March 2020	As at 31 March 2019
- Within India	**228.05**	**239.45**
- Outside India	-	-
Total	**228.05**	**239.45**

46.2 For product wise information refer note 28.

46.3 The Company is not reliant on revenue from transactions with any single external customer.

47 Assets Pledged as Security

The carrying amounts of assets pledged as security for borrowings are:

(₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
First Charge		
Current		
Trade Receivables	280.59	256.66
Inventories	276.93	260.94
	557.52	**517.60**
Non-Current		
Property, Plant and Equipment	185..17	219.37
	185.17	**219.37**
Total Assets Pledged as Security	**742.69**	**736.97**

48 Related Party Disclosures

a) Name of the Related Parties and Description of Relationship:

I Holding Company

1 Bhagwati Syndicate (P) Ltd.

II 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

III Enterprises over which Key Managerial Personnel are able to exercise significant influence

1 BMA Foundation

b) Transactions during the year with Related Parties (₹ in crore)

Sl. No.	Types of Transactions	Enterprises influenced by KMP		Key Management Personnel and their Relatives	
		2019 - 20	2018 - 19	2019 - 20	2018 - 19
1	**Services Received**				
	Mr. Sudhanshu Agarwalla	-	-	5.49	5.89
2	**Remuneration Paid**				
	Mr. S. C. Agarwalla	-	-	8.49	9.46
	Mr. Subodh Agarwalla	-	-	6.79	7.57
3	**Sitting Fees**				
	Mr. Parasanta Chattopadyay	-	-	0.01	-
4	**CSR Expenses**				
	BMA Foundation	4.43	3.95	-	-
5	**Loans / Advances given / (refund)**				
	BMA Foundation	-	(0.71)	-	-

c) Balance Outstanding (₹ in crore)

Sl. No.	Particulars	Enterprises influenced by KMP		Key Management Personnel and their Relatives	
		As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
1	**Remuneration Payable**				
	Mr. S. C. Agarwalla	-	-	0.50	1.42
	Mr. Subodh Agarwalla	-	-	0.48	1.15
2	**Other Payables**				
	Mr. Sudhanshu Agarwalla	-	-	0.36	0.69

48 Related Party Disclosures (Contd.)

d) **Compensation to Key Management Personnel** (₹ in crore)

Particulars	As at 31 March 2020	As at 31 March 2019
1. Short Term Employee Benefits	15.29	17.03
2. Post Employment Benefits*	-	-
3. Other Long Term Benefits*	-	-
	15.29	**17.03**

* 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.

49. Due to outbreak of COVID 19 globally and in India, the Company's management has made business and financial risk assessments, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the Company's ability to continue as going concern and meeting its liabilities as and when they fall due. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future period.

50. The previous year figures have been reclassified and regrouped where considered necessary to confirm to this year's presentations.

The accompanying notes 1 to 50 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: 20 June 2020

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

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 Rs. Crs)

1.	Sl. No.	01	02	03	04
2.	Name of the subsidiary	Anjaney Minerals Limited	AXL-Exploration Private Limited	Salanpur Sinters Private Limited	Maithan Ferrous Private Limited
3.	The date since when subsidiary was acquired	22 October 2008	16 March 2004	28 November 2017	5 December 2019
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1 April 2019 to 31 March 2020	1 April 2019 to 31 March 2020	1 April 2019 to 31 March 2020	5 December 2019 to 31 March 2020
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	Indian Rupees
6.	Share capital	11.00	3.24	6.04	0.10
7.	Reserves & surplus	(3.71)	(1.10)	0.02	0.00
8.	Total assets	8.62	3.17	6.06	0.10
9.	Total liabilities	1.33	1.04	0.01	0.00
10.	Investments	1.71	Nil	Nil	Nil
11.	Turnover	Nil	Nil	Nil	Nil
12.	Profit before taxation	0.09	(0.04)	0.08	0.00
13.	Provision for taxation	(0.01)	Nil	0.01	Nil
14.	Profit after taxation	0.10	(0.04)	0.07	0.00
15.	Proposed dividend	Nil	Nil	Nil	Nil
16.	Extent of shareholding in percentage	100%	75%	100%	100%

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. Maithan Ferrous Private Limited is engaged in dealing and trading of ferro alloys, metal and/or minerals.
5. None of the subsidiary(ies) have been liquidated or sold during the year 2019-20.

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 venture.

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

Place: Kolkata
Date: 20 June 2020

CORPORATE INFORMATION

CHAIRMAN AND MANAGING DIRECTOR

Mr. S. C. Agarwalla

WHOLE-TIME DIRECTOR AND CEO

Mr. Subodh Agarwalla

DIRECTORS

Mr. Nand Kishore Agarwal

Mr. Vikash Kumar Jewrajka*

Mr. Ashok Bhandari

Mr. Vivek Kaul^

Mr. P. K. Venkatramani

Mrs. Kalpana Biswas Kundu

Mr. Parasanta Chattopadyay

^(Appointed as Additional Director w.e.f. 20 August 2019)

**(Ceased to be a Director w.e.f. 22 September 2019)*

PRESIDENT & 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

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

A TRISYS PRODUCT
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maithan alloys ltd

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e-mail: office@maithanalloys.com, website: www.maithanalloys.com
Ph: 033- 4063-2393; Fax: 033-2290-0383

NOTICE

Notice is hereby given that the 35th Annual General Meeting of the Members of **Maithan Alloys Limited (hereinafter referred to as 'the Company')** will be held on **Saturday, 26 September 2020 at 11:00 A.M.** through Video Conferencing / Other Audio Visual Means to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statement of the Company for the financial year ended on 31 March 2020 together with the Reports of the Directors and Auditors thereon and the Audited Consolidated Financial Statement of the Company for the financial year ended on 31 March 2020 together with the Report of the Auditors thereon.
2. To confirm the payment of interim dividend.
3. To appoint a Director in place of Mr. Parasanta Chattopadyay (DIN: 06968122), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To ratify the remuneration of the Cost Auditors and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED That pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration of ₹40,000/- (Rupees Forty Thousand only) plus tax (if applicable) at actual, payable to S.K. Sahu & Associates, Cost Accountants (Firm Registration No.: 100807), as approved by the Board of Directors for conducting the audit of the Cost Records of the Company for the financial year ending on 31 March 2021, be and is hereby ratified.

   RESOLVED FURTHER That the Board of Directors of the Company be and is hereby authorised to do all the acts and to take all such steps as may be necessary, proper or expedient to comply with the rules, regulations and notifications as prescribed and/or to be prescribed, under the law in this regard."

5. To appoint Mr. Vivek Kaul (DIN: 00345022) as an Independent Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED That pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Vivek Kaul (DIN: 00345022), who was appointed by the Board of Directors as an Additional Director and subsequently as an Independent Director and who holds office upto the date of 35th Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for a period of 3 (three) consecutive years with effect from 20 June 2020 and shall not liable to retire by rotation."

6. To re-appoint Mrs. Kalpana Biswas Kundu (DIN: 07006341) as an Independent Director of the

Company and in this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED That pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof and subject to such approvals as may be necessary, Mrs. Kalpana Biswas Kundu (DIN: 07006341), being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of 3 (three) consecutive years with effect from 3 February 2021."

Registered Office :
'Ideal Centre', 4th Floor,
9 AJC Bose Road,
Kolkata – 700 017

Date : 20 June 2020
Place: Kolkata

By Order of the Board
For **Maithan Alloys Limited**

Rajesh K. Shah
Company Secretary

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (hereinafter referred to as 'the Act') in respect of each item of Special Business to be transacted at the 35th Annual General Meeting (hereinafter referred to as 'the Meeting') is annexed hereto.

2. In view of the continuing restrictions on the movement of persons at several places in the Country due to COVID-19 pandemic, the Ministry of Corporate Affairs (hereinafter referred to as 'MCA') has vide its General Circular No. 20/2020 dated 5 May 2020, read with General Circular No. 14/2020 dated 8 April 2020 and General Circular No. 17/2020 dated 13 April 2020 (collectively referred to as 'MCA Circulars') permitted the holding of Annual General Meetings through Video Conferencing / Other Audio Visual Means (hereinafter referred to as 'VC') without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations') and MCA Circulars, the Meeting of the Company is being held through VC. The Members desiring to participate in VC are requested to refer Note No. 23 as given herein below.

3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS MEETING IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC , PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE MEETING AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.**

4. Since the Meeting will be held through VC, the route map showing directions to reach the venue of the Meeting has not been provided.

5. In compliance with the aforesaid MCA Circulars and Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020, Notice of the Meeting along with the Annual Report 2019-2020 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-2020 will also be available on the Company's website www.maithanalloys.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of Central Depository Services (India) Limited at www.evotingindia.com.

   Members, who have not yet registered their e-mail addresses with the Company or their respective Depository Participant, are therefore requested to register the same at the earliest.

Further, please be informed that all the Members who have registered their e-mail addresses or not, are entitled to receive aforesaid documents in physical form free of cost, upon specific request made by them to the Company.

6. Members attending the Meeting through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. Pursuant to Section 72 of the Act, read with rules framed thereunder, shareholders are entitled to make nomination in respect of shares held by them. Shareholders holding shares in physical form and desirous of making nomination(s) are requested to send their nomination(s) in the prescribed Form No. SH-13 duly filled in, to the Company. Further, shareholders holding shares in electronic form are requested to contact their respective Depository Participant, with whom they are maintaining their demat account, for availing this facility.

8. Members holding shares in the same name or in the same order of names but in several folios are requested to consolidate them into one folio.

9. The Securities and Exchange Board of India (hereinafter referred to as 'SEBI') has mandated the submission of Permanent Account Number (hereinafter referred to as 'PAN') by every participant in securities market. Further, pursuant to Finance Act, 2020, dividend income will be taxable in the hands of Members w.e.f. 1 April 2020. Therefore, the Members are requested to update their PAN with the Company or its RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode) to enable the Company to deduct the tax at source as and when applicable.

10. Electronic Voting (hereinafter referred to as 'e-voting') facility is being provided to all the Members to exercise their right to vote on the resolutions proposed to be passed at the Meeting in accordance with the provision of Section 108 of the Act read with Rules made thereunder, MCA Circulars, Regulation 44 of SEBI Listing Regulations and Secretarial Standard on General Meetings. The Company has engaged the services of Central Depository Services (India) Limited (hereinafter referred to as 'CDSL') for providing the said e-voting facilities. The Members may cast their votes using electronic voting system provided by CDSL either before the date of the Meeting (hereinafter referred to as 'remote e-voting') or during the Meeting. The e-voting rights of the Members/Beneficial Owners shall be reckoned in proportion to the equity shares held by them in the Company as on close of business hours on Saturday, 19 September 2020 (cut-off date fixed for this purpose). Any person who is not a Member as on the said cut-off date should treat this Notice for information purpose only.

11. The remote e-voting period begins at 10:00 a.m. on Wednesday, 23 September 2020 and ends on Friday, 25 September 2020 at 5:00 p.m. During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. Saturday, 19 September 2020, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be able to change it subsequently or cast the vote again. The Members desiring to vote through remote e-voting are requested to refer to the instructions to remote e-voting as given below:

The instructions for shareholders voting electronically are as under:

(i) Log on to the e-voting website www.evotingindia.com during the voting period.

(ii) Click on "SHAREHOLDERS/MEMBERS" tab.

(iii) Now Enter your User ID

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

For Physical Form: Members should enter Folio Number registered with the Company.

(iv) Thereafter please enter the Image Verification as displayed and click on "LOGIN" tab.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. For Members holding shares in physical form, the details in e-mail can be used only for remote e-voting on the resolutions contained in this Notice.

(vi) If you are a first time user follow the steps given below:

Sl. No.	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by the Company or contact the Company or its Registrar and Share Transfer Agent.
Dividend Bank Details or Date of Birth	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the Depository Participant or Company please enter the Member ID / Folio Number in the Dividend Bank details field as mentioned herein above.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for Maithan Alloys Limited.

(xi) On the voting page, you will see 'RESOLUTION DESCRIPTION' and against the same the option "YES/NO" for remote e-voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE" link if you wish to view the entire resolution(s) details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT" tab. A confirmation box will be displayed. If you wish to confirm your vote, click on "OK" tab, else, to change your vote, click on "CANCEL" tab and accordingly modify your vote.

(xiv) Once you "CONFIRM" tab your vote on the resolution, you will not be allowed to modify your vote subsequently.

(xv) You can also take print of the votes cast by you by clicking on "CLICK HERE TO PRINT" option on the voting page.

(xvi) If a demat account holder has forgotten the login password then enter the User ID, the image verification code and thereafter click on "FORGOT PASSWORD" tab and enter the details as prompted by the system.

General Guidelines for Members

(i) Note for Non-Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the "CORPORATES" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be e-mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney which they have issued

in favour of the Authorised Representative / Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.

- Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of their Board of Directors or governing body resolution/authorization etc., authorising their representative to attend the Meeting through VC on their behalf and to vote through e-voting. The said resolution/ authorization is required to be sent to the Scrutinizer by e-mail at jpatnaikassociates@gmail.com, through their registered e-mail address, with a copy marked to rajesh@maithanalloys.com.

(ii) In case you have any grievances, queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions and e-voting manual available at www.evotingindia.com, under help section or write an e-mail to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542) or may write/contact to Mr. Rajesh K. Shah, Company Secretary at Maithan Alloys Limited, Ideal Centre, 4th Floor, 9 AJC Bose Road, Kolkata –700017, e-mail: rajesh@maithanalloys.com/Phone No.: 033-4063-2393.

12. The facility for e-voting shall also be made available during the Meeting and the Members attending the Meeting, whose name are recorded in the Register of Members as on the close of business hours on Saturday, 19 September 2020 (hereinafter referred to as 'cut-off date') and who have not cast their vote through remote e-voting, shall be eligible to vote during the Meeting. Their voting rights shall be reckoned in proportion to the equity shares held by the Member in the Company as on the cut-off date. In case of joint holder(s) attending the Meeting, only such joint holder who is higher in order of names, will be entitled to vote. The Members desiring to participate in e-voting during the Meeting are requested to refer to the Note No. 23 as given herein below.

13. Mr. S.K. Patnaik, partner of Patnaik & Patnaik, Company Secretaries, has been appointed by the Board of Directors as the Scrutiniser, to scrutinise the voting process in a fair and transparent manner.

14. The Scrutiniser shall, immediately after the conclusion of voting during the Meeting, count the votes cast and shall submit a Consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, not later than three days of the conclusion of the Meeting to the Chairman of the Company or any person authorised by the Chairman in writing. The Chairman or any other authorised person, as the case may be, shall declare the result of the voting forthwith.

15. The results along with the Scrutiniser's Report will be placed on the Company's website at www.maithanalloys.com and on the CDSL's website at www.evotingindia.com, immediately after the result is declared by the Chairman or any other authorised person, as the case may be and the same shall be communicated to the Stock Exchanges, where the shares of the Company are traded.

16. Any person, who becomes the Member of the Company after dispatch of this Notice and holds shares as on the cut-off date i.e. Saturday, 19 September 2020 may obtain the login ID and password by sending a request to the Company or its Registrar and Share Transfer Agent, Maheshwari Datamatics Private Limited (hereinafter referred to as 'RTA') at 5th Floor, 23, R. N. Mukherjee Road, Kolkata-700001 (Mr. S. Rajagopal, Phone No.: 033-2248-2248; e-mail: mdpldc@yahoo.com).

    However, if a Member is already registered with CDSL for e-voting then he can use his existing User ID and password for casting his vote. If a Member forgets his password, he can reset his password by using "Forgot Password" option available on www.evotingindia.com.

17. Members holding shares in physical form and desirous of either registering their bank particulars or changing bank particulars or registering any change of address against their respective folios are requested to intimate the same to the Company or to its RTA at 5th Floor, 23, R. N. Mukherjee Road, Kolkata-700001. Members holding shares in electronic form, are requested to contact their respective Depository Participant, with whom they are maintaining their demat accounts, for any change in their address or bank particulars.

18. The amount of dividend that remained unclaimed or unpaid for a period of seven years from the date of transfer of dividend in the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (hereinafter referred to as 'IEPF') established by the Central Government. Accordingly, till date the Company has transferred the unpaid or unclaimed amount pertaining to the dividends up to the financial year 2011-2012 to the IEPF. Members who have not so far encashed their dividend for the financial year 2012-2013 and onwards are requested to approach the Company for revalidation of their dividend instrument. The details of unclaimed dividend are available at the Company's website at www.maithanalloys.com.

19. The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as 'IEPF Rules, 2016') provide for the manner of transfer of shares to the Demat Account of the IEPF Authority, in case any dividend has not been encashed by the Members on such shares during the last seven consecutive years. Consequently, during the financial year 2019-2020, the Company has transferred shares, in respect of which dividend as declared by the Company for the financial year 2011-2012, remained unpaid/ unclaimed for seven consecutive years, to the IEPF, after sending prior intimation to all the concerned Members. The details in respect of shares so transferred, including the names of Members, folio number or DP ID/Client ID are available on the website of the Company at www.maithanalloys.com.

    The shares so transferred to the IEPF can be claimed by the concerned Members from the IEPF after complying with the procedure prescribed under IEPF Rules, 2016.

20. The physical copies of the Notice of the Meeting and Annual Report 2019-2020 and all documents referred to in this Notice and the Explanatory Statement thereto are available for inspection at the Registered Office of the Company from 10:00 a.m. to 5:00 p.m. on all working days up to the date of the Meeting.

21. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act, will also be available for inspection at the Registered Office of the Company from 10:00 a.m. to 5:00 p.m. on all working days up to the date of the Meeting.

22. SEBI has mandated the transfer of securities to be carried out only in dematerialised form (except in case of transmission or transposition of securities) with effect from 1 April 2019. Accordingly, requests for physical transfer of securities shall not be processed. In view of such amendment and in order to eliminate the risks associated with physical holding of shares, Members who are holding shares in physical form are hereby requested to dematerialise their holdings. Members may contact the Company or its RTA for assistance in this regard.

23. Members are requested to follow the instructions given herein below for participating in the Meeting through VC and e-voting thereat.

    I. **Instructions for participation at the Meeting through VC are as under:**

        a. Members will be provided facility to attend the Meeting through VC and facility of e-voting on the day of the Meeting through e-voting system. Members may access the same at https://www.evotingindia.com under "Shareholders/ Members" login by using the remote e-voting credentials. The link for VC will be available in Shareholder / Members login where the EVSN of Company will be displayed. Please note that the Members need to use their 16-digit Demat Account Number or Folio Number as User ID. In case any Member forgets their password they can retrieve the same by clicking on 'forgot password' option. System will then prompt for some validation and Members will then get the password on their registered e-mail address.

        b. Members are requested to join the proceedings of the Meeting through desktops / laptop / IPad with high-speed internet connectivity for better experience and smooth participation. Further, Members are required to allow camera for seamless participation during this Meeting.

        c. Please note that participants connecting from mobile devices (smartphones) or tablets, or through laptop using mobile hotspot may experience audio/ video loss due to fluctuation in their respective internet bandwidth connection / network. It is therefore recommended to use a stable Wi-Fi or LAN connection to mitigate any kind of aforementioned glitches.

d. The facility for joining the Meeting through VC facility will be enabled 30(thirty) minutes before the scheduled start-time of the Meeting and will be available for Members on first-come-first-serve basis.

e. Members may note that the VC facility allows participation of at least 1,000 Members on a first-come-first-serve basis. However, large Members (i.e. Members holding 2% or more shareholding), Promoter, Institutional Investors, Directors, Key Managerial Personnel, Chairman / Chairpersons of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. are allowed to attend the Meeting without restriction on account of first-come-first-serve basis.

f. Members who would like to express their views or ask questions during the Meeting may register themselves as a speaker and send their request mentioning their name, demat account number/ folio number, e-mail address, mobile number at Company's e-mail address: rajesh@maithanalloys.com. Only those Members who have registered themselves as a "SPEAKER" at least 72 (seventy two) hours in advance will be allowed to express their views / ask questions during the Meeting. The Company reserves the right to limit the number of Members asking questions and/or restrict the time for speaking at the Meeting.

g. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting.

h. The shareholders who do not wish to speak during the Meeting but have queries may send their queries at least 72 (seventy two) hours prior to Meeting mentioning their name, demat account number/ folio number, e-mail address, mobile number at Company's e-mail address: rajesh@maithanalloys.com. These queries will be replied to by the Company suitably by e-mail.

i. Members who need any technical assistance or support before or during the Meeting are requested to write to CDSL at helpdesk.evoting@cdslindia.com or contact them at toll-free No. 022-2305 8542/43.

II. Process for those Members whose e-mail addresses are not registered with the Company or RTA or depositories for obtaining login credentials for e-voting for the resolutions proposed in this Notice:

a. For Members holding shares in physical mode - Please provide necessary details like Folio No., Name of Member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to the Company or to its RTA.

b. For Members holding shares in demat mode - Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to the Company or to its RTA.

c. The Company/RTA shall co-ordinate with CDSL for providing the login credentials to the concerned Member.

III. Instructions for shareholders for e-voting during the Meeting are as under:

a. The procedure for e-voting is same as the instructions mentioned above for remote e-voting at Note No. 11.

b. In case any Member, who had voted through remote e-voting, casts his vote again at the e-voting provided during the Meeting, then the votes cast during the Meeting shall be considered as invalid.

c. If any votes are cast by a Member through the e-voting available during the Meeting and if the said Member has not participated in the Meeting through VC facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the Meeting is available only to the Members attending the Meeting.

d. The Members who have cast their vote through remote e-voting prior to the Meeting may also attend the Meeting through VC.

In case you have any grievances, queries or issues connected with participating in the Meeting through VC or e-voting during the Meeting, you may refer the Frequently Asked Questions and e-voting manual available at www.evotingindia.com, under help section or write an e-mail to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542) or may write/contact to Mr. Rajesh K. Shah, Company Secretary at Maithan Alloys Limited, Ideal Centre, 4th Floor, 9 AJC Bose Road, Kolkata –700017, e-mail: rajesh@maithanalloys.com/Phone No.: 033-4063-2393.

24. The brief profile of the Directors, who are being proposed to be appointed/re-appointed, as required pursuant to the SEBI Listing Regulations and Secretarial Standard on General Meetings, is given below:

24.1

Name of Director	**Mr. Parasanta Chattopadyay**
Director Identification Number (DIN)	06968122
Date of Birth and Age	17 January 1949; 71 Years
Qualification	Graduate
Experience	49 years
Date of first appointment on the Board of Directors of the Company	10 November 2016
The number of Meetings of the Board attended during the year 2019-2020	Attended 6 out of 6 Board Meetings
Nature of expertise in specific functional areas	Working knowledge of more than 48 years in the Iron and Steel Industry.
Name(s) of other companies in which directorships are held	Anjaney Minerals Limited Salanpur Sinters Private Limited *(Mr. Parasanta Chattopadyay does not hold any directorship or committee membership in any other listed company.)*
Name(s) of other companies in which Committee chairmanship(s)/membership(s) are held	None
Shareholding in the Company	Nil
Number of ESOPs granted	Nil
Relationship with other Directors, Manager and Key Managerial Personnel of the company	None
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	Remuneration by way of fee for attending each meeting of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors.
The remuneration last drawn (Financial Year 2019-2020)	Sitting Fees: ₹60,000/-

24.2

Name of Director	**Mr. Vivek Kaul**
Director Identification Number (DIN)	00345022
Date of Birth and Age	8 March 1959; 61 years
Qualification	B.Com (Hons.) & PGP Management Diploma (IIM-Bangalore)
Experience	38 years

Date of first appointment on the Board of Directors of the Company	20 August 2019
The number of Meetings of the Board attended during the year 2019-2020	Attended 3 out of 6 Board Meetings
Nature of expertise in specific functional areas	Experienced in the field of Manufacturing, international trading, services and franchise distribution
Name(s) of other companies in which directorships are held	Aditya Varna Private Limited Fairfields Private Limited *(Mr. Vivek Kaul does not hold any directorship or committee membership in any other listed company.)*
Name(s) of other companies in which Committee chairmanship(s)/membership(s) are held	None
Shareholding in the Company	400 Equity Shares of ₹10/- each
Number of ESOPs granted	Nil
Relationship with other Directors, Manager and Key Managerial Personnel of the company	None
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	Remuneration by way of fee for attending each meeting of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors.
The remuneration last drawn (Financial Year 2019-2020)	Sitting Fees: ₹30,000/-

24.3

Name of Director	**Mrs. Kalpana Biswas Kundu**
Director Identification Number (DIN)	07006341
Date of Birth and Age	6 June 1952; 68 years
Qualification	B.A. (Hons.) in Economics, M.A. (Economics)
Experience	37 years
Date of first appointment on the Board of Directors of the Company	8 November 2014
The number of Meetings of the Board attended during the year 2019-2020	Attended 6 out of 6 Board Meetings
Nature of expertise in specific functional areas	Experienced in the field of Banking, Accounts and Finance
Name(s) of other companies in which directorships are held	Captain Steel India Limited (Formerly BMA Stainless Ltd.) *(Mrs. Kalpana Biswas Kundu does not hold any directorship in any other listed company.)*
Name(s) of other companies in which Committee chairmanship(s)/membership(s) are held	Captain Steel India Limited (Formerly BMA Stainless Ltd.) -Member of Audit Committee and Nomination & Remuneration Committee *(Mrs. Kalpana Biswas Kundu does not hold any committee membership in any other listed company.)*
Shareholding in the Company	Nil
Number of ESOPs granted	Nil
Relationship with other Directors, Manager and Key Managerial Personnel of the company	None
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	Remuneration by way of fee for attending each meeting of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors.
The remuneration last drawn (Financial Year 2019-2020)	Sitting Fees: ₹1,05,000/-

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS TO BE TRANSACTED AT THE 35TH ANNUAL GENERAL MEETING (HEREINAFTER REFERRED TO AS 'THE MEETING')

ITEM NO. 4

The Board of Directors at their meeting held on 20 June 2020, on the recommendation of Audit Committee, has re-appointed S. K. Sahu & Associates, Cost Accountants (Firm Registration No.: 100807) as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ended on 31 March 2021 at a remuneration of ₹40,000/- (Rupees Forty Thousand only) plus tax (if applicable) at actual.

In terms of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration as approved by the Board of Directors is required to be ratified by the shareholders subsequently. Accordingly, consent of the Members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2020-2021.

The Board of Directors, therefore, recommend the Ordinary Resolution as set out at Item No. 4 of this Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 4 of this Notice.

ITEM NO. 5

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Vivek Kaul (DIN: 00345022), as an Additional Director (Category – Professional/Non-Executive) of the Company with effect from 20 August 2019, in terms of Section 161 of the Companies Act, 2013 (hereinafter referred to as 'the Act') to hold office up to the date of 35th Annual General Meeting. Further, based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors at its meeting held on 20 June 2020 appointed Mr. Kaul as an Independent Director, with effect from 20 June 2020 for a period of 3 (three) consecutive years subject to the approval of the Members of the Company. He, as an Independent Director shall not be liable to retire by rotation in accordance with the provision of Section 152 of the Act.

The Company has received a Notice in writing from a Member proposing his candidature for the office of the Director. The Company has also received from Mr. Kaul all statutory disclosures/declarations including his consent letter in writing to act as an Independent Director of the Company and the declarations confirming that he is not disqualified under Section 164 of the Act, from being appointed as a Director and that he meets the criteria of independence as provided in Section 149 of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations').

Mr. Kaul fulfills the conditions specified in the Act for his appointment as an Independent Director and has experience of over three decades in manufacturing, franchised distribution and service sectors. He has achieved significant success in turnaround of a manufacturing unit and was responsible for diversification in, and the development of, new applications for chemical process industries. He has also done research in the fields of entrepreneurship and entrepreneurship ecosystems and independently offered course for management students at IIM Calcutta based on his experience and research.

In the opinion of the Board, Mr. Kaul is a person of integrity and possesses requisite expertise and qualification required by the Company to discharge his duty as an Independent Director. Further, he is independent of Management and therefore is eligible for appointment as an Independent Director of the Company.

The Company has received the declaration from him, affirming that he meets the criteria of independence as prescribed under Section 149 read with Schedule IV of the Act and SEBI Listing Regulations.

He shall be paid remuneration by way of fee for attending each meeting of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors. Accordingly, Company has issued the appointment letter dated 20 June 2020 to him setting out the terms and conditions relating to his appointment as an Independent Director.

A copy of the said appointment letter is available for inspection at the Registered Office of the Company from 10:00 a.m. to 5:00 p.m. on all working days up to the date of the Meeting.

A brief profile of Mr. Kaul, as required pursuant to the SEBI Listing Regulations and Secretarial Standard on General Meetings has been provided in Note No. 24 to this Notice.

The Board of Directors, therefore, recommends the Ordinary Resolution as set out at Item No. 5 of this Notice for approval by the Members.

Mr. Kaul and his relatives are deemed to be interested in the proposed resolution as set out at Item No. 5 of this Notice.

Save and except the above, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 5 of this Notice.

ITEM NO. 6

Mrs. Kalpana Biswas Kundu (DIN: 07006341) was first appointed as an Additional Director with effect from 8 November 2014 by the Board of Directors of the Company. Subsequently, she was appointed as an Independent Director by the Board of Directors of the Company, with effect from 3 February 2016 for a period of 5 (five) consecutive years, which was approved by the Members at the 31st Annual General Meeting of the Company held on 29 August 2016. She holds office as an Independent Director of the Company till 2 February 2021.

Section 149 of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations') provides that an independent director shall hold office for a term of five consecutive years but shall be eligible for re-appointment on passing of special resolution by the Company and disclosure of such appointment in the Board's Report.

The Company has received from Mrs. Kundu, all statutory disclosures/declarations including confirmation that she continues to meet the criteria of independence as provided in Section 149 of the Act and the SEBI Listing Regulations along with a consent letter in respect of her re-appointment as an Independent Director of the Company.

The Nomination and Remuneration Committee on the basis of the report of performance evaluation of Mrs. Kundu, formed an opinion that her continued association will be beneficial for the Company and it is therefore desirable to continue to avail her services as an Independent Director. Accordingly, the Committee recommended her re-appointment, for second term of 3 (three) consecutive years with effect from 3 February 2021, to the Board of Directors of the Company.

The Board of Directors at their meeting held on 20 June 2020 considered the said recommendation of Nomination and Remuneration Committee along with the said report of performance evaluation and the declaration received from Mrs. Kundu and formed an opinion that Mrs. Kundu continues to be independent of the management as well as she is a person of integrity and possesses requisite expertise and qualification required by the Company to discharge her duty as an Independent Director. Further, it was concluded that her continued association as an Independent Director of the Company is desirable and will benefit the Company. Her vast and varied experience in the field of Banking, Accounts and Finance justifies her re-appointment and continuance as an Independent Director of the Company.

Accordingly, it is proposed to re-appoint Mrs. Kundu as an Independent Director of the Company, not liable to retire by rotation, for a second term of 3 (three) consecutive years, on the Board of the Company, with effect from 3 February 2021.

She shall be paid remuneration by way of fee for attending each meeting of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors.

A copy of draft letter of re-appointment of Mrs. Kundu setting out the terms and conditions of her re-appointment is available for inspection at the Registered Office of the Company from 10:00 a.m. to 5:00 p.m. on all working days up to the date of the Meeting.

A brief profile of Mrs. Kundu, as required pursuant to the SEBI Listing Regulations and Secretarial Standard on General Meetings has been provided in Note No. 24 to this Notice.

The Board of Directors, therefore, recommend the Special Resolution as set out at Item No. 6 of this Notice for approval by the Members.

Mrs. Kundu and her relatives are deemed to be interested in the proposed resolution as set out at Item No. 6 of this Notice.

Save and except the above, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 6 of this Notice.

By Order of the Board
For **Maithan Alloys Limited**

Registered Office :
'Ideal Centre', 4th Floor,
9 AJC Bose Road,
Kolkata – 700 017

Date : 20 June 2020
Place: Kolkata

Rajesh K. Shah
Company Secretary