



**BEEKAY**

Inspired by Steel



# **Beekay Steel Industries Limited**

**Annual Report 2019-20**

# Content

Chairman's overview	<b>1</b>
Our financial performance for last 10 years	<b>4</b>
Directors report	<b>6</b>
Business responsibility report	<b>34</b>
Management Discussion and Analysis	<b>40</b>
Report on Corporate Governance	<b>44</b>
Standalone Financials	<b>64</b>
Consolidated Financials	<b>101</b>

### Chairman's overview

“The company continues to keep the growth in terms of performance of the company in spite of amid slowdown in automotive sectors and reduction of steel prices by 14% and slow domestic consumption”

# Overview

IT GIVES ME A VERY GREAT PLEASURE TO PRESENT THE PERFORMANCE OF THE COMPANY FOR 2019-20.

THE COMPANY CONTINUES TO KEEP THE GROWTH IN TERMS OF PERFORMANCE OF THE COMPANY IN SPITE OF AMID SLOWDOWN IN AUTOMOTIVE SECTORS AND REDUCTION OF STEEL PRICES BY 14% AND SLOW DOMESTIC CONSUMPTION. YOUR COMPANY REPORTED REVENUE OF RS. 811.97 CRORES WITH EBIDTA OF RS. 125.94 CRORES.

## Strong balance sheet

Despite having made substantive capex investments in the last two years amounting Rs. 65.44 Crores funded through the Company's internal accruals, our balance sheet remained largely unleveraged during the year under review with a long term gearing ratio of only 0.31.

The Beekay Steel has helped rationalize working capital requirements through cash-and-carry business model. The Company's receivables cycle was at 43 days turnover equivalent in FY20 compared to 45 days in FY19. The Company's debt equity ratio was 0.06 in FY20 comparing with 0.08 in FY19 and working capital/turnover ratio was 13.25 times in FY20 comparing with 10.67 times in FY19.

## B2B performance

During the last financial year, 31% of the Company's revenue was derived from B2B segment. In this segment the company has catered its structural and sections items with downstream applications in the engineering, infrastructure and automotive sectors like Tata International, BALCO, Amtek Group, BHEL, Tata Steel, L&T, Raymonds, Hindalco, Amalgamations Group, Vedanta and others.

## Engineering and Infrastructure

Beekay Steel derived 63% of B2B revenues from heavy structurals and section items marketed to the engineering and infrastructure industries.

## Automotive

At Beekay Steel, 37% revenue was derived from B2B revenue addressing the demand in automotive sectors. The business was affected in this year by the amid slowdown in this segment. Also the COVID19 pandemic has come as a double whammy for India's automobile sector, which is already reeling under recession for over a year now. But a recent survey offers a glimmer of hope to the automobile industry. The report, changing gears: The impact of COVID19 on the automobile industry, by carandbike.com, has forecast a possible

V-shape recovery. The Company has already commissioned 2nd mill in Special Steel unit at Visakhapatnam and expected to be operational by the end of 3rd quarter of FY21 which will largely cater to the increase in demand in automobile segment.

## B2C performance

During the year under review, 69% of the Company's revenue was derived from B2C segments. It comprises the marketing of TMT bars utilized in the construction industries and also to the traders as end users. The Company has strengthened its retail marketing by taking over the entire business from its sole-selling distributors in Coimbatore, Bangalore, Hyderabad, Mumbai & Pune with effect from 1st February, 2020 to increase the market penetration of all products on pan India basis.

## Construction

At Beekay Steel, 57% revenue was derived from B2C segments where TMT bars are used in the construction and infrastructure sectors. Over the last couple of years, the company has widened its market in the coastal areas of Andhra Pradesh by way of massive advertisement and branding establishment in all media platforms. During the year under review, the company strengthens the engagement with the distributors and trading partners and made a road map to reach every corner in Andhra Pradesh. TMT bars segment of the company had an 80% share of the total export turn over of the company in FY20 and it will help in achieving better capacity utilisation

## Product mix basket

The Company is engaged in manufacturing of thermo mechanical treatment (TMT) bars, hot rolled sections, bright bars, structurals and machined bars. It offers both standard and customised sections, such as including round bars, square bars, hexagons, flat bars, round corner squares, special profiles, including rectangular bars for aluminum industries. It also manufactures bright bars, which find applications in



areas, such as pump shafts, machined components, valves, dairy equipment and fasteners. It offers medium and heavy angles, channels, and beams under structural category.

### **Cost effectiveness and efficiency**

At Beekay Steel, we always focus to reduce the rolling mill rolls operating cost, including reducing energy consumption, choosing the right equipment, leverage automation and process optimization.

During the year under review, the Company imported tungsten carbide rolls (TC Rolls) as a measure of cost effectiveness and high efficiency in the form of high speed rolling steel wire with long lifespan. Most of the units are also equipped with coal pulverizer to optimize the heating process and reduce fuel costs.

### **Optimization of production capacity**

During the year under review, the company has achieved 100% utilization in TMT bars production capacity with scale of 5,00,000 MPTA in its Jamshedpur and TMT bar division at Parwada. The company has modernized mill at Jamshedpur plant with investment of 12 crores to improve the product mix and increase capacity utilisation to produce the entire range 8-40 mm of TMT Bars.

Your company has also achieved 50% utilization in hot-rolled sections in the unit of Beekay Structurals steels, Special Steel, Radice Ispat and Beekay Chengalpet with scale of 2,32,000 MPTA. The Company is strengthening the marketing team with

increasing Brand spend and creating of distributor channels for optimization of production capacity in all these units.

### **Strengthening our financials**

During the year under review, the company generated Rs. 101 Crores in cash profit which will help to strengthening the Company's fiscal efficiency in long run.

The Company is also reduced working capital to Rs.61.29 Crores in this FY20 from Rs. 90.41 Crores in the previous year and it helped to moderate interest out flow from Rs. 15.77 Crores to 10.22 Crores. Correspondingly interest coverage strengthened from 11.56 times to 12.32 times.

### **Outlook for 2020-21**

As per the present scenario, the construction sectors are going to be a pan India driver of steel demand in the country. This would be driven by strong government thrust for infrastructure development and housing for all. Government initiatives such as "Smart Cities" and "Affordable Housing" as well as building of industrial corridors will boost India 'steel demand definitely'.

The Company will continue and take this opportunity to serve the outsourcing requirements with the institutional partners. The Company will also focus on increasing own manufacturing production in all the units including TMT bar division by way of advertisement, establishment of branding with use of pan-India base marketing network.

**Suresh Chand Bansal-Executive Chairman**

# Performance at a glance

## (Ten years' review)

(Rs. In Crores)

PARTICULARS	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
Sales	811.97	964.76	992.39	779.43	559.52	554.20	581.13	609.04	600.03	458.58
Other Income	1.66	2.50	10.05	2.76	1.50	1.99	2.08	1.79	1.64	2.29
<b>Total Income (A)</b>	<b>813.63</b>	<b>967.26</b>	<b>1,002.44</b>	<b>782.19</b>	<b>561.02</b>	<b>556.19</b>	<b>583.21</b>	<b>610.83</b>	<b>601.67</b>	<b>460.87</b>
Manufacturing & Other Expenses (B)	687.69	784.96	858.95	695.17	494.22	494.03	521.64	556.67	547.29	410.91
<b>EBIDTA (C) [A-B]</b>	<b>125.94</b>	<b>182.30</b>	<b>143.49</b>	<b>87.02</b>	<b>66.80</b>	<b>62.16</b>	<b>61.57</b>	<b>54.16</b>	<b>54.38</b>	<b>49.97</b>
Finance Costs	10.22	15.77	18.50	18.87	21.24	21.36	20.04	16.65	18.23	14.46
Depreciation	23.06	16.37	14.99	14.82	15.92	16.46	12.56	9.28	9.25	7.51
<b>Profit Before Tax</b>	<b>92.66</b>	<b>150.16</b>	<b>110.00</b>	<b>53.33</b>	<b>29.64</b>	<b>24.34</b>	<b>28.97</b>	<b>28.23</b>	<b>26.90</b>	<b>28.00</b>
Less:-Taxation / Deferred Tax	14.52	51.90	39.21	18.84	10.32	8.75	10.67	9.20	8.75	9.12
<b>Profit / (Loss) After Tax</b>	<b>78.14</b>	<b>98.26</b>	<b>70.79</b>	<b>34.49</b>	<b>19.32</b>	<b>15.59</b>	<b>18.30</b>	<b>19.03</b>	<b>18.15</b>	<b>18.88</b>
Adjustment in the respect of the earlier years	-	-	-	(0.01)	(0.00)	0.01	(0.06)	(0.01)	0.02	(0.01)
<b>Profit Available For Appropriation</b>	<b>78.14</b>	<b>98.26</b>	<b>70.79</b>	<b>34.48</b>	<b>19.32</b>	<b>15.60</b>	<b>18.24</b>	<b>19.02</b>	<b>18.17</b>	<b>18.87</b>
Appropriation										
(a) Dividend Amount & Dividend Tax	4.58	2.29	2.29	2.29	2.29	2.29	-	-	-	1.00
(b) Transfer to / from Reserves	-	-	-	5.00	5.00	5.00	5.00	5.00	5.00	4.20
<b>Surplus</b>	<b>73.56</b>	<b>95.97</b>	<b>68.50</b>	<b>27.19</b>	<b>12.03</b>	<b>8.31</b>	<b>13.24</b>	<b>14.02</b>	<b>13.17</b>	<b>13.67</b>
<b>What The Company Owned</b>										
<b>Fixed Assets</b>										
Gross Block	397.71	370.00	333.12	320.28	308.24	298.56	274.49	198.51	172.23	162.47
Less : Depreciation	185.09	162.09	146.00	131.22	116.50	100.57	84.28	71.70	62.65	53.56
Net Block	212.62	207.91	187.12	189.06	191.74	197.99	190.21	126.81	109.58	108.91
Capital Work-in-Progress	20.95	23.41	25.35	22.56	24.16	21.43	27.48	61.08	37.96	8.09
Investment	35.25	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.66
Current Assets & Advances	371.62	380.81	381.82	309.44	262.20	308.79	248.88	255.77	274.94	238.78
	<b>640.44</b>	<b>612.36</b>	<b>594.52</b>	<b>521.29</b>	<b>478.33</b>	<b>528.44</b>	<b>466.80</b>	<b>443.89</b>	<b>422.71</b>	<b>356.44</b>
<b>What The Company Owed</b>										
Secured Loans	62.76	92.23	150.39	140.11	125.95	116.70	131.51	114.38	101.14	98.20
Redeemable Preference Shares				-	-	-	-	-	-	-
Unsecured Loans	25.80	28.61	31.24	45.45	37.95	57.37	36.91	26.40	36.08	32.98
Deferred Tax Liability	22.59	33.30	32.47	32.63	28.84	29.72	27.61	18.59	15.10	14.52
Current/Long Term Liabilities & Provisions	59.64	61.75	79.98	71.21	86.14	144.32	103.78	135.76	140.65	119.16
	<b>170.79</b>	<b>215.89</b>	<b>294.08</b>	<b>289.40</b>	<b>278.88</b>	<b>348.11</b>	<b>299.81</b>	<b>295.13</b>	<b>292.97</b>	<b>264.86</b>
<b>Net Worth of the Company</b>										
Equity Share Capital	19.09	19.09	19.09	19.09	19.09	19.09	19.09	19.09	19.09	17.09
Reserve & Surplus	450.56	377.38	281.35	212.80	180.36	161.24	147.90	129.67	110.65	74.49
	<b>469.65</b>	<b>396.47</b>	<b>300.44</b>	<b>231.89</b>	<b>199.45</b>	<b>180.33</b>	<b>166.99</b>	<b>148.76</b>	<b>129.74</b>	<b>91.58</b>
<b>Financial Indicators</b>										
Earning per Share (EPS)	40.97	51.52	37.12	18.08	10.13	8.18	10.00	10.00	10.00	11.00
Book Value per Equity Share (Rs.)	246.25	207.88	157.53	121.59	104.58	94.55	87.56	78.00	68.03	48.02

# Corporate Information

<b>BOARD OF DIRECTORS</b>	<p>Mr. Suresh Chand Bansal - Executive Chairman          Mr. Mukesh Chand Bansal - Managing Director          Mr. Vikas Bansal - Executive Director          Mr. Manav Bansal - Wholetime Director &amp; CFO          Mr. Gautam Bansal - Wholetime Director          Mr. Vijay Bansal - Non Executive Director          Mr. Bhal Chandra Khaitan - Independent Director          Mr. Ravishankar Sridharan - Independent Director          Mr. Srikumar Banerjee - Independent Director          Ms. Shyanthi Dasgupta - Independent Woman Director          Mr. Bharat Kumar Nadhani - Independent Director          Mr. Sudipto Jana - Independent Director</p>
<b>BANKERS</b>	<p>State Bank of India          Allahabad Bank          Punjab National Bank          Bank of Baroda          YES Bank</p>
<b>COMPANY SECRETARY</b>	Mr. Rabindra Kumar Sahoo
<b>AUDITORS</b>	<p>M/s. Lihala &amp; Co.          Chartered Accountants          11, Crooked Lane, Kolkata-700069</p>
<b>SECRETARIAL AUDITORS</b>	<p>Mr. Santosh Kumar Tibrewalla          Practising Company Secretary          5A, N.C. Dutta Sarani, Kolkata - 700 001</p>
<b>REGISTERED OFFICE</b>	<p>'Lansdowne Towers', 2/1A, Sarat Bose Road,          4th Floor, Kolkata: 700 020, Tel: (033) 4060 4444, Fax: (033) 2282 3322,          Email: contact@beekaysteel.com, Web: www.beekaysteel.com</p>
<b>REGISTER &amp; SHARE TRANSFER AGENT</b>	<p>M/s. Maheshwari Datamatics Pvt. Ltd.          23, R.N Mukherjee Road, Kolkata-700 001          Phone: (033) 2243-5029/5809          Fax : (033) 22484787          Email: mdpldc@yahoo.com</p>
<b>WORKS</b>	<p>Jamshedpur (Jharkhand), Chennai (Tamil Nadu), Visakhapatnam,          (Andhra Pradesh)          a. Autonagar, b. Bheemlipatnam, c. Vellanki, d. Parwada,          Howrah (West Bengal)</p>

# Directors' Report to the shareholders

Dear Shareholders,

The Board of Directors are pleased to present the 39th (Thirty Ninth) Annual Report on the business and operations of your Company together with the Company's Audited Financial Statements (standalone and consolidated) for the financial year ended 31st March, 2020.

(Rs in Crores)

Financial results				
Particulars	Standalone		Consolidated	
	Financial Year 2019-20	Financial Year 2018-19	Financial Year 2019-20	Financial Year 2018-19
<b>Operating Income</b>	<b>811.97</b>	<b>964.76</b>	<b>811.97</b>	<b>964.76</b>
Profit before interest, depreciation & taxation	125.94	182.30	125.94	182.30
Finance Cost	10.22	15.77	10.22	15.77
Depreciation	23.06	16.37	23.06	16.37
<b>Profit before taxation</b>	<b>92.66</b>	<b>150.16</b>	<b>92.66</b>	<b>150.16</b>
- Current Tax	25.10	51.10	25.10	51.10
- Deferred Tax	(10.58)	0.80	(10.58)	0.80
<b>Profit after taxation</b>	<b>78.14</b>	<b>98.26</b>	<b>78.14</b>	<b>98.26</b>
Share of Profit/(Loss) from Associates	-	-	0.38	0.83
<b>Balance brought forward</b>	<b>290.14</b>	<b>194.11</b>	<b>291.45</b>	<b>194.59</b>
Profit available for appropriation	368.27	292.36	369.96	293.67
<b>Appropriation</b>				
Dividend-Equity Shares	3.81	1.90	3.81	1.90
Dividend Tax	0.77	0.39	0.77	0.39
Transfer to General Reserve				
Remeasurement of net defined benefit plan(net of tax)	0.37	(0.07)	0.37	(0.07)
<b>Balance carried forward</b>	<b>363.32</b>	<b>290.14</b>	<b>365.01</b>	<b>291.45</b>

## Financial highlights

- The Standalone Gross Revenue from operations for FY 2020 was Rs. 811.97crores (Previous Year Rs. 964.76 crores)
- The Operating Profit stood at Rs. 125.94 crores as against Rs. 182.30 crores in the Previous year
- The Net Profit for the year stood at Rs. 92.66 crores against Rs. 150.16 crores reported in the previous year
- Export turnover increased by 41% from Rs. 131.15 crores in previous year to Rs. 184.92 crores.

- EPS of the Company for the year ended 31st March 2020 stood Rs. 40.97 as compared to Rs. 51.52 in its previous year.

During the year under review, the company continued its growth in terms of volume of production and it is increased from 6,15,853 Metric tons in previous year to 6,21,003 Metric tons despite the challenges it faced in the automotive sectors, geo-political uncertainties with the unprecedented Pandemic Covid-19 situation in mid March 2020. The company's revenue from operations is down by 16% from Rs. 964.76 crores in previous year to Rs.811.97 crores due to steel prices declined as subdued economic activity, seasonal slowdown in India and also due to lower sales within our own manufacturing segment. EBIDTA margin is also down by 3% from Rs. 182.30 crores in previous year to Rs.125.94 crores due to lower net realization rate. The revenue in conversion business of the Company is increased by 15% from Rs.138.26 crores in previous year to Rs.158.57 crores, which is around 20% of the operating revenue and it provides the stability to revenue and EBIDTA of the company.

The Company is committed to its vision to emerge as an efficient producer of steel products in the secondary market with customized solutions in hot rolled sections, TMT bars and cold drawn sections. The Company is also strengthening its B2C (TMT Bars) segment through aggressive spending on advertisement and brand building. The Company is also focused on increasing capacity utilization of all units, improving product-mix, reducing operating costs and improving operational efficiency with technology upgradation.

## Dividend

Your Directors are pleased to recommend a dividend of 10 % (Rs.1/-) per equity share of Rs.10/-each (Last year Rs.2/-) for the Financial Year ended 31st March, 2020 subject to approval of the shareholders at the ensuing Annual General Meeting. The total outgo on account of dividend will be aggregating to Rs.190.72 Lakhs.

## Investor Education and Protection Fund (IEPF)

The unpaid and unclaimed dividend lying in the Unpaid Dividend Account becomes due to be transferred to Investor Education & Protection Fund ("IEPF") after a period of 7 (seven) years. Your Directors therefore suggest you to claim the unpaid dividend before the last date.

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013, Investor Education and Protection Fund



Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including amendments thereof) read with circulars and notifications issued there under, all the shares in respect of which dividend has not been paid or claimed for 7 consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund (IEPF).

In accordance with the aforesaid provisions, the Company is yet to transfer equity shares to Investor Education Protection Fund (IEPF), those who had not claimed dividend for a period of 7 years with effect from the FY 2009-10, as per the IEPF Rules notified by the Central Govt. from time to time. Your Company has also initiated to transfer the equity shares of those shareholders who had not claimed dividend from FY 2010-11 till date of the report.

Any shareholder whose shares are transferred to IEPF can claim the shares, as per the IEPF rules made there under, by making an online application in Form IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with the fees prescribed to the IEPF authority with a copy to the Company.

Reminders had been sent to the Shareholders who have not claimed their dividends and whose shares are due to be transferred to IEPF in accordance with provisions of Companies Act, 2013 and IEPF Rules made there under.

#### **Share Capital**

The paid up equity share capital as on March 31, 2020 stood at Rs.19,09,09,270/- comprising of 1,90,72,052 shares of Rs. 10/-each fully paid shares and balance of Rs.1,88,750 is the amount of forfeited shares.

Your Company has not issued any equity shares, equity shares with differential rights, Sweat Equity Sares, Employees' Stock Options and did not purchase its own shares. Hence there is no information to be provided as required under Rule 4(4), Rule 8(13), Rule 12(9) and Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 and Section 62 of the Companies Act 2013, respectively.

#### **Finance**

Cash and cash equivalents as at March 31, 2020 was Rs. 739.11 Lakhs (Previous year Rs. 650.35 Lakhs). The company continues to focus on judicious management of its working capital, Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

In the Month of March, 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lockdowns of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to

services for all our customers globally. As of 31st March, 2020, work from home was enabled to close to 25 % of the employees to work securely.

#### **Deposits**

Your Company has not accepted any deposits during the year, no deposits remained unpaid or unclaimed as at the end of the year and there was no default in repayment of deposits or payment of interest thereon during the year within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

#### **Transfer to Reserve**

The Company has not transferred any amount to the General Reserves out of the profit for the financial year ended 31st March, 2020.

The closing balance of the retained earnings of the Company for FY 2020, after all appropriation and adjustments was Rs. 363.32 crores.

#### **Particulars of Loans, Guarantees or Investments**

The Company has neither given any loans or guarantees nor made any investment during the year under review. The overall limit is within the powers of the Board as applicable to the Company in terms of the applicable provisions of the Companies Act, 2013.

The particulars of loans, guarantees and investments have been disclosed in the notes of the Financial Statements for the year ended 31st March, 2020 and form a part of this Annual Report.

#### **Internal Financial Controls**

The Company has in place an adequate and robust system for internal financial controls commensurate with the size and nature of its business. Internal control systems are integral to the Company's corporate governance policy and no reportable material weakness was observed in operations.

The internal control systems and procedures are designed to assist in the identification and management of risks, the procedure-led verification of all compliance as well as an enhanced control consciousness.

The Audit Committee of the Company evaluated the adequacy of internal financial control. During the year such controls were tested with reference to financial statements and no reportable material weakness in the formulation or operations were observed. The Statutory Auditors of the Company conducted audit on the Company's internal financial control over financial reporting and the report of the same is annexed with Auditor's Report.

## Corporate Social Responsibilities

The Company has a Corporate Social Responsibility Committee comprising of three directors, the details of which are mentioned in the corporate governance Report which form part of this Report.

In compliance with section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the disclosures with respect to CSR Committee and expenditure made by the Company forms part of this Report and marked as "Annexure "A". The Committee met 4 (four) times during the year to discharge its responsibilities. The CSR Policy may be accessed on the Company's website at the web link: <https://www.beekaysteel.com>.

## Extract of Annual Return

In accordance with the provisions of Sections 92(3) & 134(3) (a) of the Companies Act, 2013 read with Rule 12 of the Companies(Management and Administration) Rules, 2014, the details forming part of the extract of the annual return in Form No. MGT-9, is marked as "Annexure – B" and annexed hereto and forms a part of this report.

## Number of Meetings of the Board

The Board of Directors met 7(Seven) times during the year and the maximum interval between two meetings did not exceed 120 days. The intervening gap between the meetings was within the period prescribed under the Act and the Listing Regulations. The details of the number of meetings of the Board held during the financial year 2019-20 also form part of the Corporate Governance Report.

## Director's Responsibility Statement

As required by Sections 134(3)(c) & 134(5) of the Companies Act, 2013 your Directors state that:

(a) In the preparation of the annual accounts for the year ended 31st March, 2020, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;

(b) The accounting policies adopted in the preparation of the annual accounts have been applied consistently except as otherwise stated in the Notes to Financial Statements and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2019-20 and of the profit for the year ended 31st March, 2020;

(c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safe guarding the assets of the Company and for preventing and detecting

fraud and other irregularities;

(d) The annual accounts for the year ended 31st March, 2020, have been prepared on a going concern basis.

(e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

(f) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## Declaration by Independent Directors

Mr. Bhal Chandra Khaitan, Mr. Ravishankar Sridharan, Mr. Srikumar Banerjee, Mrs. Shyanthi Dasgupta, Mr. Bharat Kumar Nadhani and Mr. Sudipto Jana are Independent Directors on the Board of the Company. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter 'SEBI LODR Regulation').

## Company's Policy on Director's Appointment and Remuneration

Pursuant to provisions of Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Remuneration Policy.

The remuneration policy of the Company, inter alia, includes the aims and objectives, principles of remuneration, guidelines for remuneration/ sitting fees to Executive Directors and Non-Executive Directors, fixed and variable components in the remuneration package, criteria for identification of the Board Members and appointment of senior management.

The criteria for identification of the Board Members including that for determining qualification, positive attributes, independence etc. are summarily given hereunder:

- The Board Member shall possess appropriate skills, qualification, characteristics and experience. The objective is to have a Board with diverse background and experience in business, government, academics, technology, human resources, social responsibilities, finance, law etc. and in such other areas as may be considered relevant or desirable to conduct the Company's business in a holistic manner.
- Independent Director shall be person of integrity and possess expertise and experience and/or someone who the Committee/Board believes could contribute to the growth/

philosophy/strategy of the Company.

- In evaluating the suitability of individual Board Members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business, social perspective, educational and professional background and personal achievements.
- Director should possess high level of personal and professional ethics, integrity and values. He should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular section.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. He must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.
- The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business and achieves its objectives.

The Company's policy on appointment and remuneration of directors are available on the website of the Company at [www.beekaysteel.com](http://www.beekaysteel.com)

#### **Credit Rating**

During the year under review, the long term credit rating of the Company is affirmed/assigned as "IND A" with "Stable" outlook by India Rating and Research (Ind Ra), a wing of international rating agency FITCH Group.

#### **Related Party Transactions**

All transactions entered with Related Parties during the financial year were on an arm's length basis and were in the ordinary course of business and the provisions of Section 188 of the Companies Act, 2013 are not attracted. Further, there are no materially significant related party transactions the Company's Promoters, Directors and others as defined in section 2(76) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 during the year under review.

The necessary disclosures regarding the transactions as required in Form AOC-2 are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the Audit Committee and Board of Directors were taken wherever required in accordance with the Policy. The Company has not entered into any specific contract with related parties.

#### **Risk management**

The Company has a robust Risk Management framework

to identify, evaluate business risks, and opportunities. This framework seeks to minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The framework also defines the risk management approach across the enterprise at various levels. Risk Management forms an integral part of the Company's planning process.

#### **Board evaluation & criteria for evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR Regulations, 2015, the Board carried out an annual performance evaluation of its own performance, the individual Directors as well as the working of the Committees of the Board. The evaluation process inter alia considers attendance of Directors at Board and committee meetings, acquaintance with business, compliance with code of conduct, vision and strategy, which is in compliance with applicable laws, regulations and guidelines.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non- Independent Directors was carried out by Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company. Details of the same are given in the Report on Corporate Governance annexed hereto. Details of the same are given in the Report on Corporate Governance annexed hereto.

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#### **Directors and Key Managerial Personnel**

##### **(i) Directors – Retirement by Rotation:**

In accordance with the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Manav Bansal, (DIN: 00103024), & Mr. Vijay Kumar Bansal, (DIN: 01979712), Directors of the Company would retire by rotation from the Board and being eligible, offers themselves for re-appointment.

The above appointments are subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

##### **(ii) Appointment/ Re-appointment of Directors/ Executive Directors:**

The present terms of appointment of Mr. Gautam Bansal as

Whole-Time Director had expired on 31st May, 2020. Based on the recommendation of the Nomination & Remuneration Committee (NRC) and pursuant to the performance evaluation and extensive involvement in the business and affairs of the Company, the Board of Directors at its meeting held on 29th June, 2020 has re-appointed Mr. Gautam Bansal as Whole-Time Director with effect from 1st June, 2020 for a period of 5 (Five) years pursuant to the of Sections 196, 197 and 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Securities Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force) subject to the approval of members by special resolution in the ensuing Annual General Meeting ("AGM") of the Company.

Pursuant to the provisions of sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Director) Rules, 2014 Mr. Sudipto Jana (DIN: 07066362) has been recommended by the NRC and then appointed as an Additional Director (Independent) by the Board of Directors at their meeting held on 30th September, 2019. The Board recommended his appointment as Normal Independent Director by the Members of the Company at the ensuing AGM.

The profile and particulars of experience, attributes and skills of the appointed/re-appointed Directors are disclosed in the Notice.

#### **(iii) Whole time Key Managerial Personnel (KMP):**

Pursuant to the provisions of Section 203 of the Companies Act, 2013 Mr. Mukesh Chand Bansal, Managing Director, Mr. Manav Bansal, Whole time Director & CFO, and Mr. Rabindra Kumar Sahoo, Company Secretary is continuing to be the Key Managerial Personnel of the Company. During the year under review, there has been no change in the Key Managerial Personnel of the Company.

None of the Directors of the Company are disqualified as per section 164(2) of the Companies Act, 2013 and rules made there under. The Directors have also made necessary disclosures to the extent as required under provisions of section 184(1) as applicable.

#### **Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status and company's operations in future**

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

#### **Changes in the nature of business, if any**

There has been no change in the nature of business of the Company.

#### **Vigil Mechanism / Whistle Blower Policy**

In compliance with provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI LODR Regulation, the Company has framed a Vigil Mechanism/Whistle Blower Policy to deal with unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy, if any. The Vigil Mechanism/Whistle Blower Policy has also been uploaded on the website of the Company.

Commitment towards highest moral and ethical standards in the conduct of business is of utmost importance to the Company. The Audit committee oversees the vigil mechanism and the persons who avail the mechanism are encouraged to escalate to the level of the Audit Committee for any issue of concerns impacting and compromising with the interest of the Company and its stakeholders in any way. This policy also allows the direct access to the Chairperson of the Audit Committee and makes protective disclosures about the unethical behavior, actual or suspected fraud or violation.

#### **Details relating to Remuneration of Directors, Key Managerial Personnel and Employees**

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as "Annexure- C" which is annexed hereto and forms part of the Directors' Report.

#### **Particulars of Employees**

There is no such employee in the Company, the information of which is required to be furnished under provisions of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Having regard to the provisions of Section 136 of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company.

#### **Company's Website**

The website of your Company, [www.beekaysteel.com](http://www.beekaysteel.com), has been designed to present the Company's businesses up-front on the home page. The site carries a comprehensive database of information including the Financial Results of your Company, Shareholding pattern, Director's & Corporate Profile, details of Board Committees, Corporate Policies and business activities of your Company. All the mandatory information and disclosures as per the requirements of the Companies



Act, 2013 and Companies Rules 2014 and as per the SEBI LODR Regulations, 2015 (erstwhile Listing Agreement) has been uploaded.

### **Performance & Financial Position of Associate and Wholly Owned Subsidiary**

A K C Steel Industries Ltd. is a listed Company dealing in manufacturing and trading of steel and has reported total revenue of Rs.4.32 Crores ( Prv. Yr. Rs. 6.66 Crores) and has earned a profit of Rs.135.90 Lakhs ( Prv. Yr. earned a profit of Rs.298.15 Lakhs) during the year under review.

Beekay Utkal Steel Private Limited is a wholly owned subsidiary Company incorporated on 31st December 2019 with the intention to set up a rolling mill in Kalinga Nagar, Jajpur district in the state of Odisha. The subsidiary company is in the process to acquire land from IPICOL, to set up green field project.

### **Auditors and Auditors' Report**

#### **Statutory Auditors:**

The present Statutory Auditors, M/s. LIHALA & CO., Chartered Accountants shall hold office for a period of Five years from the financial year 2018-19.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. ***The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.***

#### **Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary to conduct Secretarial Audit of the Company for the Financial Year 2018-19. The Secretarial Audit Report for the Financial Year ended 31st March, 2019 is annexed herewith and marked as "**Annexure-D**".

The Report is self-explanatory and do not call for any further comments. ***The Secretarial Auditors' Report contain adverse remark or disclaimer regarding not consolidating the accounts of its wholly owned subsidiary company, Beekay Utkal Steel Pvt. Ltd., which was incorporated on 31.12.2019.***

On the adverse remark of the Secretarial Auditor for not consolidating the accounts of its wholly owned subsidiary company, the Board of Directors be hereby explaining that though the wholly owned subsidiary was incorporated on 31.12.2019 but no business transaction as well as 'Commencement of Business' was undertaken by the Subsidiary Compa-

ny during the FY 2019-20 due to the CoVID-19 pandemic and continuous lockdown declared by the Central Govt. and State Govt. from the last week of March 2020. After certain relaxations extended by the Govt., the subsidiary is in the process to start its business transactions and will surely do the proper compliance in the present FY 2020-21

#### **Cost Auditors:**

Pursuant to Section 148 of the Companies Act, 2013, in terms of the Central Government's approval, the Board of Directors on the recommendation of the Audit Committee has re-appointed M/s. Somnath Roy & Associates, Cost Accountants, as the Cost Auditor of the Company for the year 2020-21.

The Audit Committee has also received a Certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company.

The Company submits it's Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period and the Cost Audit Report for the financial year 2018-19 has already been filed with MCA.

As per the requirements of the Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records and accordingly, such accounts are made and records have been maintained.

#### **Secretarial Standards**

The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

#### **Corporate governance**

Your Company has initiated, by providing the shareholders, to avail the option of receiving online the requisite documents i.e. notices, annual reports, disclosures and all other communications, by registering their e-mail Ids. For the success of 'Green Initiative' as per MCA circular no.17/2011 & No. 18/2011.

The Company continues to comply with the requirements of SEBI LODR Regulations, 2015 and amendments thereto regarding Corporate Governance. The Report on Corporate Governance together with a certificate from Mr. S.K. Tibrewalla, Practicing Company Secretary regarding Compliance of Conditions of Corporate Governance, certification by M.D./ CEO and the Management Discussion & Analysis Report are attached herewith which form part of this Annual Report.

#### **Management discussion and analysis report**

The Management Discussion and Analysis as required in



terms of the Listing Regulations is annexed to the report and forms an integral part of this report.

### **Stock exchange listing**

The Equity Shares of your Company are listed on BSE Limited (nation-wide trading terminal). The applicable annual listing fees have been paid to the Stock Exchange till financial year 2020-21.

### **Code of conduct**

The Code of Conduct for Directors, KMPs and Senior Executives of the Company is already in force and the same has been placed on the Company's **website: www.beekaysteel.com.**

### **Code of conduct for prevention of insider trading**

In terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 your Company has adopted the Code of Conduct for Prevention of Insider Trading and the same is also placed on the Company's website: www.beekaysteel.com.

### **Energy conservation, technology absorption and foreign exchange earnings and outgo**

Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013, read with 8(3) of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo, are given in the "**Annexure-E**", annexed hereto and forms a part of this report.

### **Consolidated financial statements**

The Audited Consolidated Financial Statements of your Company for the Financial Year 2019- 20 is prepared in compliance with the applicable provisions of the Companies Act, 2013, Accounting Standards as laid down by the Institute of Chartered Accountants of India and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forms part of this Annual Report.

Further a statement containing the salient features of the financial statement of the Associate Company & Wholly Owned Subsidiary Company in the prescribed format, Form AOC-1 and forms part of this Annual Report and is annexed hereto and marked as "**Annexure-F**".

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information will be available on our website. The Company will also make available copy on specific request by any member of the Company, interested in obtaining the same.

### **Disclosures as per applicable act and SEBI LODR regulation**

#### ***i) Composition of Audit Committee:***

The Board has constituted the Audit Committee under the Chairmanship of Mr. Bhal Chandra Khaitan. Complete details of the Committee are given in the Corporate Governance Report, attached as Annexure to this Board's Report.

#### ***ii) Material changes affecting the Company***

On occurrence of COVID -19, there was a complete nation-wide lock down since 24th March, 2020 and the operation of the Company was jeopardized since then till 17th May, 2020.

The revenue was marginally effected during 2019-20 and post balance sheet in the current financial year 2020-21, there would be relevant effect on the operation of the Company and seems to remain partially effected till December, 2020 when the vaccine is likely to be invented and commercially made available to the general public or such other earlier date when the epidemic end by itself.

#### ***iii) Subsidiaries, Associates or Joint Ventures:***

Your Company has Wholly Owned Subsidiary Company, Ms. **Beekay Utkal Steels Pvt. Ltd.** and one Associate Company, i.e. **M/s. AKC Steel Industries Ltd.** and does not have any joint ventures, during the year under review.

#### ***iv) Nomination, Remuneration and Evaluation Policy:***

The Company on recommendation of its Nomination & Remuneration Committee has laid down a Nomination, Remuneration and Evaluation Policy, in compliance with the provisions of the Companies Act, 2013 read with the Rules made therein and the Listing Agreement with the stock exchanges (as amended from time to time). This Policy is formulated to provide a framework and set standards in relation to the followings:

- a. Criteria for appointment and removal of Directors, Key Managerial Personnel (KMP) and Senior Management Executives of the Company.
- b. Remuneration payable to the Directors, KMPs and Senior Management Executives.
- c. Evaluation of the performance of the Directors.
- d. Criteria for determining qualifications, positive attributes and independence of a Director.

There has been no change in the policy since last fiscal. The remuneration/ sitting fees paid to the Directors are as per the terms laid out in the Nomination and Remuneration Policy of the Company.

The detailed Nomination & Remuneration Policy of the Company is placed on the Company's website and can be viewed at [www.beekaysteel.com](http://www.beekaysteel.com)

#### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender neutral. During the year under review, no complaints with allegations of sexual harassment were filed.

#### **Registered Office:**

'Lansdowne Towers'  
4th Floor, 2/1A, Sarat Bose Road  
Kolkata – 700 020

**Date: 29th August, 2020**

#### **Industrial relations**

The industrial relation during the year 2018-19 had been cordial. The Directors take on record the dedicated services and significant efforts made by the Officers, Staffs and Workers towards the progress of the Company.

#### **Appreciation**

Your Directors take this opportunity to express their appreciation for the cooperation and assistance received from the Government of India, the State Governments of Andhra Pradesh, Tamil Nadu, West Bengal and Jharkhand; the financial institutions, banks as well as the shareholders during the year under review. The Directors also wish to place on record their appreciation of the devoted and dedicated services rendered by all employees of the Company.

#### **On behalf of the Board of Directors For Beekay Steels Industries Ltd.**

sd/-

#### **Suresh Chand Bansal**

Executive Chairman  
(DIN: 00103134)

sd/-

#### **Mukesh Chand Bansal**

Managing Director  
(DIN: 00103098)

# Annexure - A to Director's Report

## THE ANNUAL REPORT ON CSR ACTIVITIES

**I. Brief outline of the Company's CSR Policy:** A brief outline of the Company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR policy and projects or programmes:

In line with the provisions of the Companies Act, 2013, the Company has framed its CSR policy for the development of programmes and projects for the benefit of weaker sections of the society and the same has been approved by the CSR Committee of the Board. Though the Company gives preference to local areas and areas around the Company units located for spending the amount earmarked for CSR, it also works for the upliftment of the underprivileged at large.

In line with the CSR policy and in accordance with Schedule VII to the Act, the Company has undertaken the following CSR activities.

- Promoting Education, skill development and literacy programmes;
- Promoting Healthcare including preventive healthcare, water and sanitation programmes;
- Ensuring Environment Sustainability and preservation of flora & fauna, animal welfare, agro forestry and social upliftment programmes;
- Other areas approved by the CSR Committee within the ambit of CSR Rules as amended from time-to-time.

The aforesaid projects have been carried out by the Company directly or through implementing agencies.

Sd/-  
**(Suresh Chand Bansal)**  
(Chairman of CSR Committee)  
(DIN: 00103134)

Place: Kolkata  
Date: 29th August, 2020

### II. Composition of the CSR Committee:

Mr. Suresh Chand Bansal	Chairman
Mr. Manav Bansal	Member
Mr. Ravishankar Sridharan	Member
CS. Rabindra Kumar Sahoo	Secretary

**III. Average net profit of the Company for last three financial years: Rs. 105.00 Crores.**

**IV. Required CSR Expenditure: Rs. 210.01 Lakhs**

### V. Details of CSR spend for the financial year:

- a) Amount spent for the financial year: Rs. 160.90 Lakhs; (P. Year we spent Rs. 128.36 Lakhs)
- b) Amount unspent if any: 49.10 Lakhs
- c) Manner in which the amount spent during the financial year 2019-20: Manner in which the amount is spent is detailed in the **Annexure-A**.

**VI. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in the Board report:**

The Company has initiated and undertaken the different projects for establishment of schools in the state of West Bengal in this financial year and the remaining portion of projected amount mentioned in Annexure-A will be incurred in the 1st half of the coming financial year.

### VII. Responsibility Statement:

It is hereby affirmed that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Sd/-  
**(Mr. Manav Bansal)**  
(Wholetime Director & CFO)  
(DIN:00103024)

## Annexure - A to report on csr activities in 2019-2020

Rs. in lac

Sl. No	CSR Project activity identified	Sector in which the project is covered	Projects programmes 1. Local area others 2. State district (Name of the District, State where project programme was undertaken)	Amount Outlay (budget) project programme wise (Rs. In Lac)	Amount spent on the projects programmes Sub-heads : 1. Direct expenditure on project programme 2. Overheads (Rs. In Lac)	Cumulative spend up to the reporting period i.e. FY 2019-20 (Rs. In Lac)	Amount spent: Direct & through implementing agency (Rs. In Lac)	
1	2	3	4	5	6	7	8	
1	Promoting Education, Improving literacy, Skill Development and Literacy Programmes	Infrastructure support to schools, institutions	Paschimpara, Hooghly, Amta, Howrah, Kolkata, West Bengal	275.00	35.50	35.50	Implementing Agencies (Vivekananda Vidyavikash Parishad, Maharaja Agrasain Foundation & Purvanchal Kalyan Ashram)	
			In the State of Andhra Pradesh		22.40	22.40	Implementing Agency (The Akshaya Patra Foundation)	
			Kolkata, West Bengal		51.00	51.00	Direct to Hariyana Shiksha Kendra	
		Assistance to students and Education Support	Local Area (Visakhapatnam. Andhra Pradesh)		1.10	1.10	Implementing Agency (Seva Bharati)	
		Literacy Programmes	All States of India		13.00	13.00	Implementing Agencies (Friends of Tribal's Society & Paschim Bangiya Marwari Sammelan)	
		<b>Sub Total</b>				<b>275.00</b>	<b>123.00</b>	<b>123.00</b>

2	Promoting humanitarian principles and values, Health and care in the community and maintenance of hospitals, Disaster response including support health & food especially underprivileged section of the society	Preventive Health Care protection of life, health and human dignity and Infrastructure Development	Local Area (Kolkata, West Bengal)	18.00	13.00	13.00	Direct to Tata Medical Center, Mahavir Seva Sadan & Marwari Society
			In the State of Odisha		4.16	4.16	Direct & Chief Minister Relief Fund
		<b>Sub Total</b>		<b>18.00</b>	<b>17.16</b>	<b>17.16</b>	
3	Social Upliftment, Environmental Sustainability and Animal Welfare	Eradicating hunger, poverty and malnutrition	In Local Area of Visakhapatnam, Andhra Pradesh & Jamshedpur, Jharkhand)	17.00	3.59	3.59	Direct and through various Implementing Agencies
			Local Area (Visakhapatnam, AP)		1.00	1.00	Implementing Agency (Nitya Annadhanam Pathakham)
		Animal Welfare, Protection of Animals and Environment Program, Rural Sports	Local Area (Kolkata, West Bengal)		4.40	4.40	Implementing Agency (Akhil Bhartiya Goraksha Sansthan)
			Local Area (Jamshedpur, Jharkhand)		7.05	7.05	Implementing Agencies (Rajasthan Yuvak Sangha & Archery Academy)
		<b>Sub Total</b>		<b>17.00</b>	<b>16.04</b>	<b>16.04</b>	
		<b>Total</b>		<b>310.00</b>	<b>156.20</b>	<b>156.20</b>	
		Overhead of Project Costs			4.70		
	Total Amount Spent on Program & Overhead During FY'20			<b>160.90</b>			



# Annexure - B to Director's Report

Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2020

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

<b>I.</b>	<b>REGISTRATION AND OTHER DETAILS</b>	
i)	CIN	L27106WB1981PLC033490
ii)	Registration Date	28-03-1981
iii)	Name of the Company	Beekay Steel Industries Limited
iv)	Category/ Sub-Category of the Company	Public Company / Limited by shares
v)	Address of the Registered office and contact details	2/1A, Sarat Bose Road, Lansdowne Towers, 4th Floor, Kolkata-700020 Tel: +91 33 40604444 Fax: +91 33 22833322 Email: contact@beekaysteel.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheswari Datamatics Private Limited 23, R.N. Mukherjee Road, 5th Floor Kolkata-700001 Tel: 033 2248 2248, 2243 5029 Fax: +91 33 2248 4787
<b>II.</b>	<b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>	
	All the business activities contributing 10% or more of the total turnover of the company	As per Attachment A
<b>III.</b>	<b>PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>	As per Attachment B
<b>IV.</b>	<b>SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)</b>	
i)	Category-wise Share Holding	As per Attachment C
ii)	Shareholding of Promoters	As per Attachment D
iii)	Change in Promoters' Shareholding	As per Attachment E
iv)	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment F
v)	Shareholding of Directors and Key Managerial Personnel	As per Attachment G
<b>V.</b>	<b>INDEBTEDNESS</b>	
	Indebtedness of the Company including interest outstanding/accrued but not due for payment	As per Attachment H
<b>VI.</b>	<b>REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>	
A.	Remuneration to Managing Director, Whole-time Directors and/or Manager	As per Attachment I
B.	Remuneration to other directors	As per Attachment J
C.	Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD	As per Attachment K
<b>VII.</b>	<b>PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES</b>	As per Attachment L

## ATTACHMENT - A

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are given below :-

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.	Steel	3311/3302	100 %

## ATTACHMENT - B

### 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	Beekay Utkal Steel Pvt. Ltd.	U27320WB2019PTC235606	SUBSIDIARY	100	2(87)
2	AKC Steel Industries Limited	L27109WB1957PLC023360	ASSOCIATE	27.95	2(6)

## ATTACHMENT - C

### 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 01/ Apr/ 2019]				No of Shares held at the end of the year [As on 31/ Mar/ 2020]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	8541408	9084	8550492	44.8326	8541408	9084	8550492	44.8326	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	4647408	0	4647408	24.3676	4647408	0	4647408	24.3676	0.0000
e) Banks/FI									
f) Any other									
<b>Sub-total (A)(1)</b>	13188816	9084	13197900	69.2002	13188816	9084	13197900	69.2002	0.0000
<b>(2) Foreign</b>									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
<b>Sub-total (A)(2)</b>	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	13188816	9084	13197900	69.2002	13188816	9084	13197900	69.2002	0.0000

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2019]				No of Shares held at the end of the year [As on 31/Mar/2020]				% change during the Year
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors									
Provident Funds / Pension Funds									
Qualified Foreign Investor									
<b>Sub-total(B)(1):-</b>	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	3556261	448548	4004809	20.9983	3636626	448548	4085174	21.4197	0.4214
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	558866	283697	842563	4.4178	660235	226295	886530	4.6483	0.2305
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	438230	233604	671834	3.5226	282953	221604	504557	2.6455	-0.8771
c) Others (Specify)									
Non Resident Indians	55011	0	55011	0.2884	109560	0	109560	0.5745	0.2861
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	12585	0	12585	0.0660	1981	0	1981	0.0104	-0.0556
Trusts									
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI	1000	0	1000	0.0052	0	0	0	0.0000	-0.0052
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Investor Education and Protection Fund Authority	286350	0	286350	1.5014	286350	0	286350	1.5014	0.0000
<b>Sub-total(B)(2):-</b>	4908303	965849	5874152	30.7997	4977705	896447	5874152	30.7998	0.0001
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	4908303	965849	5874152	30.7997	4977705	896447	5874152	30.7998	0.0001
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	18097119	974933	19072052	99.9999	18166521	905531	19072052	100.0000	0.0001

## ATTACHMENT - D

ii) Shareholding of Promoters-								
SI No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/Apr/2019]			Shareholding at the end of the year [As on 31/Mar/2020]			% change in share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	SURESH CHAND BANSAL	2013854	10.5592	0.0000	2013854	10.5592	0.0000	0.0000
2	MUKESH CHAND BANSAL	1193374	6.2572	0.0000	1193374	6.2572	0.0000	0.0000
3	VIKAS BANSAL	953998	5.0021	0.0000	953998	5.0021	0.0000	0.0000
4	MANAV BANSAL	1258196	6.5971	0.0000	1258196	6.5971	0.0000	0.0000
5	GAUTAM BANSAL	812856	4.2620	0.0000	812856	4.2620	0.0000	0.0000
6	INDU BANSAL	459518	2.4094	0.0000	459518	2.4094	0.0000	0.0000
7	ARUNA BANSAL	446753	2.3424	0.0000	446753	2.3424	0.0000	0.0000
8	BHAWANI BANSAL	124800	0.6544	0.0000	124800	0.6544	0.0000	0.0000
9	RITU BANSAL	300966	1.5780	0.0000	300966	1.5780	0.0000	0.0000
10	SARIKA BANSAL	11100	0.0582	0.0000	11100	0.0582	0.0000	0.0000
11	ISHITA BANSAL	30000	0.1573	0.0000	30000	0.1573	0.0000	0.0000
12	SHAURYA BANSAL	26550	0.1392	0.0000	26550	0.1392	0.0000	0.0000
13	KIRTI BHAGCHANDKA	205800	1.0791	0.0000	205800	1.0791	0.0000	0.0000
14	B.L.BANSAL - HUF	169800	0.8903	0.0000	169800	0.8903	0.0000	0.0000
15	SURESH CHAND BANSAL - HUF	381551	2.0006	0.0000	381551	2.0006	0.0000	0.0000
16	MUKESH CHAND BANSAL - HUF	152292	0.7985	0.0000	152292	0.7985	0.0000	0.0000
17	GOURI DUTTA BANSAL	9042	0.0474	0.0000	9042	0.0474	0.0000	0.0000
18	D P AGARWALLA	42	0.0002	0.0000	42	0.0002	0.0000	0.0000
19	CONCAST STEELS AND ALLOYS LIMITED	2129754	11.1669	0.0000	2129754	11.1669	0.0000	0.0000
20	CENTURY VISION PVT. LTD.	1060938	5.5628	0.0000	1060938	5.5628	0.0000	0.0000
21	MANVIK ESTATES PRIVATE LIMITED	754920	3.9583	0.0000	754920	3.9583	0.0000	0.0000
22	TIRUMALA HOLDINGS PRIVATE LIMITED	559596	2.9341	0.0000	559596	2.9341	0.0000	0.0000
23	EMERALD SUPPLIERS PRIVATE LIMITED	142200	0.7456	0.0000	142200	0.7456	0.0000	0.0000
	<b>TOTAL</b>	<b>13197900</b>	<b>69.2002</b>	<b>0.0000</b>	<b>13197900</b>	<b>69.2002</b>	<b>0.0000</b>	<b>0.0000</b>

## ATTACHMENT - E

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

SI No	Name	Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20]		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>SURESH CHAND BANSAL</b>				
	4/1/2019	2013854	10.5592		
	3/31/2020	2013854	10.5592	2013854	10.5592
<b>2</b>	<b>MUKESH CHAND BANSAL</b>				
	4/1/2019	1193374	6.2572		
	3/31/2020	1193374	6.2572	1193374	6.2572
<b>3</b>	<b>VIKAS BANSAL</b>				
	4/1/2019	953998	5.0021		
	3/31/2020	953998	5.0021	953998	5.0021
<b>4</b>	<b>MANAV BANSAL</b>				
	4/1/2019	1258196	6.5971		
	3/31/2020	1258196	6.5971	1258196	6.5971
<b>5</b>	<b>GAUTAM BANSAL</b>				
	4/1/2019	812856	4.2620		
	3/31/2020	812856	4.2620	812856	4.2620
<b>6</b>	<b>INDU BANSAL</b>				
	4/1/2019	459518	2.4094		
	3/31/2020	459518	2.4094	459518	2.4094
<b>7</b>	<b>ARUNA BANSAL</b>				
	4/1/2019	446753	2.3424		
	3/31/2020	446753	2.3424	446753	2.3424
<b>8</b>	<b>BHAWANI BANSAL</b>				
	4/1/2019	124800	0.6544		
	3/31/2020	124800	0.6544	124800	0.6544
<b>9</b>	<b>RITU BANSAL</b>				
	4/1/2019	300966	1.5780		
	3/31/2020	300966	1.5780	300966	1.5780
<b>10</b>	<b>SARIKA BANSAL</b>				
	4/1/2019	11100	0.0582		
	3/31/2020	11100	0.0582	11100	0.0582
<b>11</b>	<b>ISHITA BANSAL</b>				
	4/1/2019	30000	0.1573		
	3/31/2020	30000	0.1573	30000	0.1573



<b>12</b>	<b>SHAURYA BANSAL</b>				
	4/1/2019	26550	0.1392		
	3/31/2020	26550	0.1392	26550	0.1392
<b>13</b>	<b>KIRTI BHAGCHANDKA</b>				
	4/1/2019	205800	1.0791		
	3/31/2020	205800	1.0791	205800	1.0791
<b>14</b>	<b>B.L.BANSAL - HUF</b>				
	4/1/2019	169800	0.8903		
	3/31/2020	169800	0.8903	169800	0.8903
<b>15</b>	<b>SURESH CHAND BANSAL - HUF</b>				
	4/1/2019	381551	2.0006		
	3/31/2020	381551	2.0006	381551	2.0006
<b>16</b>	<b>MUKESH CHAND BANSAL - HUF</b>				
	4/1/2019	152292	0.7985		
	3/31/2020	152292	0.7985	152292	0.7985
<b>17</b>	<b>D P AGARWALLA</b>				
	4/1/2019	42	0.0002		
	3/31/2020	42	0.0002	42	0.0002
<b>18</b>	<b>GOURI DUTTA BANSAL</b>				
	4/1/2019	9042	0.0474		
	3/31/2020	9042	0.0474	9042	0.0474
<b>19</b>	<b>CONCAST STEELS AND ALLOYS LIMITED</b>				
	4/1/2019	2129754	11.1669		
	3/31/2020	2129754	11.1669	2129754	11.1669
<b>20</b>	<b>CENTURY VISION PVT.LTD.</b>				
	4/1/2019	1060938	5.5628		
	3/31/2020	1060938	5.5628	1060938	5.5628
<b>21</b>	<b>MANVIK ESTATES PRIVATE LIMITED</b>				
	4/1/2019	754920	3.9583		
	3/31/2020	754920	3.9583	754920	3.9583
<b>22</b>	<b>TIRUMALA HOLDINGS PRIVATE LIMITED</b>				
	4/1/2019	559596	2.9341		
	3/31/2020	559596	2.9341	559596	2.9341
<b>23</b>	<b>EMERALD SUPPLIERS PRIVATE LIMITED</b>				
	4/1/2019	142200	0.7456		
	3/31/2020	142200	0.7456	142200	0.7456

## ATTACHMENT - F

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

	Name	Shareholding at the beginning [01/Apr/19]/end of the year [31/Mar/20]		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>JYOTIRMAY TRADING PRIVATE LIMITED</b>				
	4/1/2019	2457678	12.8863		
	3/31/2020	2457678	12.8863	2457678	12.8863
<b>2</b>	<b>SUN STAR BUSINESS PVT LTD</b>				
	4/1/2019	275802	1.4461		
	3/31/2020	275802	1.4461	275802	1.4461
<b>3</b>	<b>IDEAL GOODS AND SERVICES PRIVATE LIMITED</b>				
	4/1/2019	249000	1.3056		
	3/31/2020	249000	1.3056	249000	1.3056
<b>4</b>	<b>ESTELLE CONSULTANT PVT LTD</b>				
	4/1/2019	171184	0.8976		
	3/31/2020	171184	0.8976	171184	0.8976
<b>5</b>	<b>VAISHALI RASAYANS PVT. LTD.</b>				
	4/1/2019	238074	1.2483		
	3/31/2020	238074	1.2483	238074	1.2483
<b>6</b>	<b>KANTA AGARWAL #</b>				
	4/1/2019	213786	1.1209		
	12/04/2019 - Transfer	-30000	0.1573	183786	0.9636
	26/04/2019 - Transfer	-30000	0.1573	153786	0.8063
	03/05/2019 - Transfer	-20000	0.1049	133786	0.7015
	10/05/2019 - Transfer	-33786	0.1771	100000	0.5243
	13/12/2019 - Transfer	-25000	0.1311	75000	0.3932
	24/01/2020 - Transfer	-3921	0.0206	71079	0.3727
	07/02/2020 - Transfer	-30000	0.1573	41079	0.2154
	28/02/2020 - Transfer	-8465	0.0444	32614	0.1710
	3/31/2020	32614	0.1710	32614	0.1710
<b>7</b>	<b>BABBU COMMERCIALS PVT LTD</b>				
	4/1/2019	171546	0.8995		
	3/31/2020	171546	0.8995	171546	0.8995
<b>8</b>	<b>ORTEM SECURITIES LIMITED</b>				
	4/1/2019	125100	0.6559		
	17/01/2020 - Transfer	200	0.0010	125300	0.6570
	24/01/2020 - Transfer	-200	0.0010	125100	0.6559

	3/31/2020	125100	0.6559	125100	0.6559
<b>9</b>	<b>PRACHI JINDAL</b>				
	4/1/2019	97998	0.5138		
	3/31/2020	97998	0.5138	97998	0.5138
<b>10</b>	<b>RITESH JINDAL *</b>				
	4/1/2019	87282	0.4576		
	3/31/2020	87282	0.4576	87282	0.4576
<b>11</b>	<b>INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS</b>				
	4/1/2019	286350	1.5014		
	3/31/2020	286350	1.5014	286350	1.5014

\* Not in the list of Top 10 shareholders as on 01/04/2019 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2020.

# Ceased to be in the list of Top 10 shareholders as on 31/03/2020. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2019.

## ATTACHMENT - G

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

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	Name	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
<b>A.</b>	<b>DIRECTORS :</b>				
1	Shri Suresh Chand Bansal As on 01.04.2019 & 31.03.2020	2395405	12.5598	2395405	12.5598
2	Shri Mukesh Chand Bansal As on 01.04.2019 & 31.03.2020	1345666	7.0557	1345666	7.0557
3	Shri Vikas Bansal As on 01.04.2019 & 31.03.2020	953998	5.0021	953998	5.0021
4	Shri Manav Bansal As on 01.04.2019 & 31.03.2020	1258196	6.5971	1258196	6.5971
5	Shri Gautam Bansal As on 01.04.2019 & 31.03.2020	812856	4.2620	812856	4.2620
6	Shri Vijay Kumar Bansal As on 01.04.2019 & 31.03.2020	0	0.00	0	0.00
7	Shri Bhal Chandra Khaitan As on 01.04.2019 & 31.03.2020	0	0.00	0	0.00
8	Shri Bharat Kumar Nadhani As on 01.04.2019 & 31.03.2020	0	0.00	0	0.00
9	Shri Ravishankar Sridharan As on 01.04.2019 & 31.03.2020	0	0.00	0	0.00
10	Shri Srikumar Banerjee As on 01.04.2019 & 31.03.2020	0	0.00	0	0.00
11	Smt. Shyanthi Dasgupta As on 01.04.2019 & 31.03.2020	0	0.00	0	0.00
12	Shri Sudipto Jana As on 01.04.2019 & 31.03.2020	0	0.00	0	0.00
<b>B.</b>	<b>KEY MANAGERIAL PERSONNEL (KMP) :</b>				
01	Shri Mukesh Chand Bansal As on 01.04.2019 & 31.03.2020	1345666	7.0557	1345666	7.0557
02	Shri Manav Bansal As on 01.04.2019 & 31.03.2020	1258196	6.5971	1258196	6.5971
03	Shri Rabindra Kumar Sahoo As on 01.04.2019 & 31.03.2020	0	0.00	0	0.00

## ATTACHMENT - H

### V. INDEBTNESS

Indebtedness of the company including interest outstanding or accrued but not due for payment

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtness
Indebtedness at the beginning of the financial year				
i) Principal Amount as on 31.03.2019	922,422,144	231,900,000	0	1,154,322,144
ii) Interest due but not paid	0	54,193,048	0	54,193,048
iii) Interest accrued but not due as on 31.03.2019	0	0	0	
<b>TOTAL (i+ii+iii)</b>	<b>922,422,144</b>	<b>286,093,048</b>	<b>0</b>	<b>1,208,515,192</b>
Change in Indebtedness during the financial year *				
ADDITION	0	(25,000,000)	0	(25,000,000)
REDUCTION	(294,818,007)	(3,123,741)	0	(297,941,748)
Exchange Difference	0	0	0	0
<b>Net Change</b>	<b>(294,818,007)</b>	<b>(28,123,741)</b>	<b>0</b>	<b>(322,941,748)</b>
Indebtness at the end of the financial year				
i) Principal Amount as on 31.03.2020	627,604,137	206,900,000	0	834,504,137
ii) Interest due but not paid	0	51,069,307	0	51,069,307
iii) Interest accrued but not due as on 31.03.2020	0	0	0	0
<b>TOTAL (i+ii+iii)</b>	<b>627,604,137</b>	<b>257,969,307</b>	<b>0</b>	<b>885,573,444</b>

## ATTACHMENT - I

### (VI) DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. No	Particulars of Remuneration	Name of MD / WTD / MANAGER					Total Amount (Rs in Lakhs)
		Mr. Suresh Chand Bansal (Executive Chairman)	Mr. Mukesh Chand Bansal (Managing Director)	Mr. Vikas Bansal (Executive Director)	Mr. Manav Bansal (Whole-time Director & CFO)	Mr. Gautam Bansal (Whole Time Director)	
1.	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	147.00	75.60	70.20	57.12	52.08	402.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	300.00	125.00	150.00	75.00	50.00	700.00
2.	Stock Option	0.00	0.00	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00	0.00	0.00
4.	Commission - as % of profit - others	0.00	0.00	0.00	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total (A)</b>	<b>447.00</b>	<b>200.60</b>	<b>220.20</b>	<b>132.12</b>	<b>102.08</b>	<b>1102.00</b>
	Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013.					



## ATTACHMENT - J

### (VI) DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

B. Remuneration to other directors :

1. Independent Directors:

Particulars of Remuneration								
	Shri Bhal Chandra Khaitan	Shri Bharat Kumar Nadhani	Shri Ravishankar Sridharan	Shri Srikumar Banerjee	Shri Tapan Kumar Banerjee	Smt. Shyanthi Dasgupta	Shri Sudipto Jana	Total Amount in Lakhs
• Fee for attending board/committee meetings	0.46	0.42	0.35	0.41	0.14	0.45	0.05	2.28
• Commission	0	0	0	0	0	0	0	0
• Others	0	0	0	0	0	0	0	0
Total (B)(1)	0.46	0.42	0.35	0.41	0.14	0.45	0.05	2.28

2. Other Non-Executive Directors

Particulars of Remuneration	Name of Director Shri Vijay Kumar Bansal	Total Amount (Rs. in Lakhs)
• Fee for attending board committee meetings	0.10	0.10
• Commission	0.00	0.00
• Others		
Total (B)(2)	0.10	0.10

Total (B)=(B1)+(B2) = Rs2.38 Lakhs

## ATTACHMENT - K

### (VI) DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(iv) Remuneration to Key Managerial Personnel other than MD/WTD/ Manager:

Sl. No.	Particulars of Remuneration	Shri Mukesh Chand Bansal (MD/CEO)	Shri Manav Bansal (Whole time Director & Chief Financial Officer)	Shri Rabindra Kumar Sahoo (Company Secretary)	Total Amount (in Lakhs)
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	75.60 0.00 125.00	57.12 0.00 75.0	13.12 0.00 0.00	145.84 0.00 200.00
2.	Stock Option	-	-	0.00	0.00
3.	Sweat Equity	-	-	0.00	0.00
4.	Commission - as % of profit - others	-	-	0.00	0.00
5.	Others, please specify	-	-	0.00	0.00
	Total	200.60	132.12	13.12	345.84

# Annexure - C to Director's Report

## DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20, the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

SI No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2019-20 (Rs. in Lakhs)	% increase in Remuneration in the financial year 2019-20	Ratio of remuneration of each Director/ to median remuneration of employees
1	Shri Suresh Chand Bansal, Executive Chairman	447.00	8.57 %	248.33 : 1
2	Shri Mukesh Chand Bansal, Managing Director	200.60	10.40 %	111.44 : 1
3	Shri Vikas Bansal Executive Director	220.20	26.19 %	122.33 : 1
4	Shri Manav Bansal Wholetime Director & CFO	132.12	11.49 %	73.40 : 1
5	Shri Gautam Bansal Whole Time Director	102.08	17.06 %	56.71 : 1
7	Shri Rabindra Kumar Sahoo, Company Secretary	13.12	0.00 %	NA

**Note:** No other Director other than the Managing Director, Executive Chairman, Executive Director, Whole time Directors received any remuneration other than sitting fees during the financial year 2019-20.

ii) The median remuneration of employees of the Company during the financial year was Rs.1.80 lakhs,

iii) In the financial year, there was an increase of 11.10 % in the median remuneration of employees;

iv) There were 636 permanent employees on the rolls of Company as on March 31, 2020.

v) Average percentage increase made in the salaries of the employees other than the managerial personnel in the financial year 2019-20 was 8.64 % whereas the increase in the managerial remuneration for the same financial year was 14.75%

vi) It is hereby affirmed that the remuneration paid during the year ended 31st March, 2020 as per the Remuneration Policy of the Company.

**Statement pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:  
List of Top 10 (Ten) Employees in terms of remuneration drawn:**

Sl no	Name	Designation	Qualification	Date of Commencement of Employment	Age	Remuneration 2019-20 (Amount in Rs)	Experience	Last employment held
<b>Employed throughout the financial year</b>								
1	RABINDRA KUMAR SAHOO	Company Secretary	B.COM(H), M.COM. (Specialization in Finance), LLB, FCS	22.12.2014	51	1,312,467	26	AKC Steel Industries Limited
2	ACHHELAL YADAV	Foreman-Production	Diploma in Mechanical Engg	01.02.2002	64	1,249,254	36	-
3	PRASUN DAS	AGM-Accounts	B.COM(H), MBA (Finance, UK), CA Inter, CIMA (CBA)	04.10.2010	54	1,141,142	29	SHELL PLC, U.K INC
4	RAJENDRA YADAV	Foreman	Diploma in Mechanical Engg	01.11.2007	55	1,119,084	33	-
5	RAJESH PATODIA	AGM-Finance	Chartered Accountant	01.11.2007	42	1,079,143	19	Meghalaya Cement Limited
6	D VENKATESWARA RAO	AGM-Admin	MBA-HR	01.04.2013	60	918,985	27	Maa Mahamaya Industries Limited
7	UMA SHANKAR SINGH	Foreman	Diploma in Mechanical Engg	01.12.1999	58	855,475	34	-
8	RAJESH KUMAR SHARMA	Foreman	Diploma in Mechanical Engg	25.04.2019	48	633,643	25	
9	B JANARDANA RAO	DGM-Marketing	BE(Mechanical Engg), MBA ( Marketing)	18.04.2019	53	495,000	28	Srinivasa Pangaramma Steel Industries Ltd
<b>Employed for a part of the financial year</b>								
10	KANDAVEL THANIKACHALAM	GM-Works	BE(Mechanical Engg)	09.09.2019	48	647,498	25	Minimelt Engineers (India), Bangalore

# Annexure – D to Director’s Report

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
Beekay Steel Industries Ltd.  
Lansdowne Towers, 4th Floor,  
2/1A, Sarat Bose Road,  
Kolkata – 700 020

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **Beekay Steel Industries Ltd.** (hereinafter called the Company) bearing CIN: L27106WB-1981PLC033490. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M/s. Beekay Steel Industries Ltd.’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Beekay Steel Industries Ltd. (‘the Company’) for the financial year ended on 31st March, 2020, to the **extent Acts / provisions of the Acts applicable**, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules

and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’), to the extent applicable:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (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;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) I further report that, having regards to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis and on representation made by the Company and its officers for compliances under other applicable Acts, laws and Regulations to the Company, the Company has complied with the laws applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

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

The Company has not consolidated the financials of its Wholly Owned Subsidiary Company viz. Beekay Utkal Steel Pvt. Ltd. incorporated on 31st December, 2019.

**I further report that -**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review and the composition of Board of Directors of the Company is in conformity with the provisions of the Act.

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

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

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

**I further report that** during the audit period the Company has no other reportable specific events, actions having a major bearing on the Company's affairs in pursuance of the laws, regulations, guidelines, standards, etc. referred to above.

**Signature: sd/-**

**Name of Company Secretary in practice : Santosh Kumar Tibrewalla**

**Place: Kolkata**  
**Date: 03.08.2020**

**FCS No.: 3811**  
**C P No.: 3982**  
**UDIN: F003811B000545761**

# Annexure - E to Director's Report

## Particulars pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 and rule 8(3) of the Companies (Accounts) Rules, 2014:

### A) Conservation of Energy -

(i) Steps taken or impact on conservation of energy

The Company is committed to reduce energy consumption at its various plants. The company has been continually reducing energy consumption in various stages of manufacturing operations and kept priority for energy consumption.

- For reduction in operating cost and better fuel efficiency we have implemented Bosch make "Pulverizing & Feeding Equipment" in our various plants.
- We have invested in technology to monitor and control the power consumption of ACs and other related equipment, use of energy efficient light bulbs, using technology for switching off computer monitors etc to conserve energy.
- Energy meters installed at all locations to monitor/ control for power optimum utilisation
- Auto control capacitor panels installed for maintaining power factor as per norms
- Installation of sky light sheet which enabled to switch off the lighting system during day time
- Installation of turbo vents to improve air circulation without electrical energy
- Rain water harvesting-all rain water collected and stored

(ii) Steps taken by the Company for utilizing alternate sources of energy

The Company is in the process of evaluating installation of Solar Power Plant of 10-20 MW. Power generated from this unit will be exchanged with the power consumed at our all units in Andhra Pradesh. As a measure of cost cutting the company has used furnace oil when the price of coal in the market was high and subsequently switched to coal when the price of oil was high which result to conservation of energy and proper utilization of resources.

### (iii) Capital investment on energy conservation equipments

Not ascertainable.

### B) Technology Absorption -

(i) Efforts made towards technology absorption: Upgradation/modernization of the plants and best technologies is absorbed and adapted to Indian working conditions to increase mill productivity, improvement in yield and product quality.

(ii) Benefits derived like product improvement, cost reduction Product development or import substitution: The Company is constantly endeavoring to bring about further development in the product.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a) Details of technology imported [NA]

b) Year of import [NA]

c) Whether the technology been fully absorbed [NA]

d) If not fully absorbed, areas where absorption has not taken Place, reasons thereof and [NA]

(iv) The expenditure incurred on Research and Development Expenses incurred are charged to respective heads are not allocated separately

### C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign exchange earned in terms of actual cash inflows during the year and the Foreign exchange outgo during the year in terms of actual outflows is as follow -

	2019-20 (Rs. in lakhs)	2018-19 (Rs. in lakhs)
Total Foreign Exchange Used and Earned:		
Earned (F.O.B.)	18492.02	13115.61
Used	825.50	59.66

# Annexure – F to Director’s Report

## Form AOC-1

(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:

- Names of subsidiaries which are yet to commence operations – **M/s. Beekay Utkal Steel Pvt. Ltd.- a wholly owned subsidiary, incorporated on 31.12.2019 is yet to commence its business.**
- Names of subsidiaries which have been liquidated or sold during the year - Not Applicable

### Part B Associates and Joint Ventures:

## Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates or Joint Ventures	Name 1 : Associate
	AKC Steel Industries Ltd
<b>1. Latest audited Balance Sheet Date</b>	29.06.2020
<b>2. Date on which the associate or joint venture was associated or acquired</b>	01.04.1998
<b>3. Shares of Associate or Joint Ventures held by the company on the year end</b>	27.95%
No.	Equity – 11,60,000 of Rs. 10/- each
Amount of Investment in Associates or Joint Venture	Rs. 23,20,000/-
Extend of Holding (in percentage)	27.95% - Equity
<b>4. Description of how there is significant influence</b>	Holding more than 20% of total share capital pursuant to Section 2(6) of Companies Act, 2013
<b>5. Reason why the associate/joint venture is not consolidated</b>	N.A.
<b>6. Net worth attributable to Shareholding as per latest audited Balance Sheet</b>	Rs.8,86,90,868/-
<b>7. Profit for the year</b>	Rs. 135.90 Lakhs
i. Considered in Consolidation	Yes
ii. Not Considered in Consolidation	N.A.

### Other information :

- Names of associates or joint ventures which are yet to commence operations - Not Applicable
- Names of associates or joint ventures which have been liquidated or sold during the year - Not Applicable

For and on behalf of the Board of Directors  
For Beekay Steel Industries Ltd.

**For LIHALA & CO**  
**Chartered Accountants**  
**Firm’s Registration Number.315052E**

**Rajesh Lihala**  
**(Partner)**  
**Membership No. 052138**  
**UDIN No. 20052138AAAAAJ8521**  
Place: 11, Crooked Lane, Kolkata - 700 069  
Date: 29th June 2020

**Suresh Chand Bansal**  
**Executive Chairman**  
**(DIN: 00103134)**

**Manav Bansal**  
**Full time Director & CFO**  
**(DIN: 00103024)**

**Mukesh Chand Bansal**  
**Managing Director**  
**(DIN: 00103098)**

**Rabindra Kumar Sahoo**  
**Company Secretary**

# Annexures to Director's Report

## Business Responsibility Report

As per regulation 32(2)(f) of SEBI (LODR) regulations, 2015

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L27109WB1981PLC033490
2	Name of the Company	BEEKAY STEEL INDUSTRIES LTD
3	Registered address	Lansdowne Towers, 4th Floor, 2/1A, Sarat Bose Road, Kolkata-700020
4	Website	www.beekaysteel.com
5	E-mail id	contact@beekaysteel.com
6	Financial Year reported	2019-2020
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	27104 / Manufacturing & Trading of Iron & Steel Products
8	Three key products/services manufactured (As in balance sheet)	(1) TMT Bars (2) Structural & Sections (3) Job Work Services
9	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major 5)	There is no International Location for operation
	(b) Number of National Locations	Beekay has its registered office in Kolkata. It has manufacturing facilities at 7 locations in India . There are 5 branches across the country.
10	1. Markets served by the Company – Local/State/National/International	Beekay operates across India and also exports its products to Singapore, Indonesia, Mexico, UAE, Qatar, Bangladesh, Sri Lanka, Australia, USA, Netherlands, Myanmar, Bahrain and Saudi Arabia.

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR)	Rs. 19.07 Crores
2. Total Turnover (INR)	Rs. 811.97 Crores
3. Total profit after taxes (INR)	Rs. 78.15 Crores
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.06% of Profit after tax for FY 2019-20
5. List of activities in which expenditure in 4 above has been incurred:-	The major areas as listed under Schedule -VII to the Companies Act, 2013 where CSR activities has been incurred:
	* <b>Education</b> - Promoting education, including special education and financial support for establishment of School building, accommodation and school auditorium
	* <b>Health Care</b> - Eradicating hunger, poverty ; promoting health care including preventing health care and sanitation, disaster response, maintenance of hospitals etc
	* <b>Rural Development &amp; Social Uplifting</b> -Rural development and uplifting of social environment including services for local poor people
	* <b>Environmental Sustainability &amp; Animal Welfare</b> - Ensuring environmental sustainability , animal welfare and protection



## SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?	As on 31st March 2020 , BSIL has one wholly owned subsidiary company
2. Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the 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
<b>SECTION D: BR INFORMATION</b>	
(a) Details of the Director/Director responsible for implementation of the BR policy/policies	The following executive directors in the Board of Directors are responsible for implementation of BR policies.
	DIN Number: 00103024
	Name: Mr. Manav Bansal
	Designation: Wholetime Director & CFO
	DIN Number: 00103065
	Name: Mr. Vikas Bansal
	Designation: Executive Director
	DIN Number: 00103098
	Name: Mr. Mukesh Chand Bansal
	Designation: Managing Director
(b) Details of the BR head	DIN: 00103024
	Name: Mr. Manav Bansal
	Designation - Wholetime Director & CFO
	Telephone No.- 033-40604444
	Email:- manavb@beekaysteel.com

## 2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

**The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:**

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well-being of all employees
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
P5	Businesses should respect and promote human rights
P6	Business should respect, protect and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Principle Wise Policies		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?	N	N	N	N	N	N	N	N	N
3	Does the policy conform to any national/ international standards? If yes, specify. (The policies are based on NVG, in addition to conformance to the spirit of international standards like ISO 9000, ISO 14000, OHSAS 18000	N	N	N	N	N	N	N	N	N
		The spirit and intent conforms to the Beekay Steel Code of Conduct. In addition they reflect the purpose and intent of the QMS(Quality Management System) international standards such as ISO 9001 :15000. The QMS is the aggregate of all the processes, resources, assets, and cultural values that support the goal of customer satisfaction and organizational efficiency								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	N	N	N	N	N	N	N	N	N
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	N	N	N	N	N	N	N	N	N
6	Indicate the link for the policy to be viewed online?	<a href="https://www.beekaysteel.com">https://www.beekaysteel.com</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to BSIL's key internal stakeholders. The BR policies are communicated through this report. Besides, the Company continues to explore other formal channels to communicate more with relevant stakeholders.								
8	Does the company have in-house structure to implement the policy/ policies.	Yes, the BR Committee of the Board of Directors is responsible for the implementation of BSIL's policies.								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes, any grievance or feedback related to the policies can be sent to <a href="mailto:contact@beekaysteel.com">contact@beekaysteel.com</a> . of the Board of Directors is responsible for addressing stakeholder concerns related to BR policies.								
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

### 3. Governance related to Business Responsibility

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance:

- The overall BR performance of the Company is reviewed by BR head annually while varied aspects of BR performance of each department /unit are assessed by the respective department/ unit heads on regularly 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 time that the Business Responsibility Report is applicable to Beekay Steel as per the SEBI LODR. The Company will upload annually on its website at [www.beekaysteel.com](http://www.beekaysteel.com).

#### SECTION E: PRINCIPLE-WISE PERFORMANCE

##### Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corrup-

tion cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

- Yes. The Code of Conduct of Beekay Steel (available on [www.beekaysteel.com](http://www.beekaysteel.com)) serves as the ethical roadmap for all stakeholders including outside agencies, i.e. suppliers and they are expected to adopt the said Code of Conduct of Beekay Steel .

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.

- There are no stakeholder's complaints received by the Company during the year.

##### Principle 2. Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

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

(a) High strength steel: Automotive high strength steel grades maintain the safety standards of vehicles whilst improving fuel efficiency, through light weighting etc.

(b) TMT Bars-

(c) Squares/Angles etc.

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

- Emphasis is laid by the Company on researching, developing and producing new technology. It closely works with its suppliers and vendors to reduce any hazardous environmental impacts in the sourcing stage.

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.

- No

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

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

- We procure much of our machinery, spare-parts, consumables and packing materials from medium and small scale manufacturers, suppliers locally and outside of the manufacturing states wherever possible.

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.

- No

**Principle 3. Businesses should promote the well-being of all employees**

1. Please indicate the Total number of employees- 636

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis- 582

3. Please indicate the Number of permanent women employees - 9 (Nine)

4. Please indicate the Number of permanent employees with disabilities – 4 (Four)

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.- NIL

Sl. 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

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

20 % of employees were trained on skill upgradation training (Technical & managerial together) and 25 % trained on safety.

**Principle 4. Businesses should respect the interests of and be responsive towards all stakeholders.**

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. YES

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.

- The Company's Steel works are located in areas dominated by disadvantaged, vulnerable and marginalized communities with poor socio-economic indicators. Beekay Steel's structured and planned affirmative action strategies are focused on education, employability, employment and entrepreneurship. Also, the emphasis on ethnicity exhibits our commitment to sustain the culture of communities we serve.

**Principle 5. Businesses should respect and promote human rights**

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 Company is an ardent believer in human rights which is evident from the organizational culture which depicts integrity and respect for human rights. The Company is committed to respect and protect human rights of all individuals and it strives to serve all individuals with honesty, just management and fairness.

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 were received in Financial Year 2019-20.

**Principle 6. Business should respect, protect and make efforts to restore the environment**

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

• The Environmental Policy of Beekay Steel covers all manufacturing and own employees and contractors of the Company. The policy document is available at the Company website at [www.beekaysteel.com](http://www.beekaysteel.com)

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. Risk mitigation strategies and emergency measures are reviewed every year. The Company organizes multiple workshops.

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.

• NO

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.

• NO

**Principle 7. Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

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:

YES, Beekay Steel is a part of :

(a) Confederation of Indian Industry (CII)

(b) Merchant Chamber of Commerce (MCC)

(c) Bharat Chamber of Commerce & Industry (BCCI)

(d) Indian Steel Association

(e) Engineering Export Promotion Council of India (EEPC India)

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):-

Yes. The broad areas were:

• Governance and Administration

• Economic Reforms

• Development Policies

• Sustainable Business Principles

**Principle 8 - Businesses should support inclusive growth and equitable development**

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

Beekay Steel focuses on responsible business practices with community-based involvement. The core areas for Beekay Steel are sustainable livelihood pertains to skill development and training for employment, education and health care, all of which constitute the Human Development.

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

Beekay Steel collaborates with State Govts. and Implementing Agencies etc. and in-house team to implement community initiatives in the areas of Promoting Education, Skill Development and Literacy Programmes, Promoting Health Care, Water & Sanitation, Social Upliftment, Environmental Sustainability and Animal Welfare and environment. The entire scope of CSR activities are implemented through the Corporate Social Responsibility Committee and implementing agencies i.e. Friends of Tribal's Society & Paschim Bangiya Marawari Sammelan, Vivekananda Vidyavikash Parishad, The Akshaya Patra Foundation, Maharaja Agrasain Foundation, Haryana Shiksha Kendra & Purvanchal Kalyan Ashram, Direct to Tata Medical Center & Shree Visunanand Hospital, Nitya Anadhanam Pathakham and Rajasthan Yuvak Sangha.

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

Yes. The impact assessment is done through: Aspiration Surveys: Conducted among communities residing in operational areas of Beekay Steel in Vizag and Jamshedpur.

4. What is your Company's direct contribution to community development projects – Amount in INR and the details of the projects undertaken?

Beekay Steel's direct contribution to community development as a part of Corporate Social Responsibility is Rs. 210.01 Lakhs for the FY 2019-20 which is 2.00% of the Company's PAT. This amount was spent under the broad categories of :

- a) Promoting Health Care
- b) Drinking Water and Sanitation
- c) Promoting Education.
- d) Skill Development & Literacy Programmes
- e) Employability Livelihood
- f) Social Upliftment
- g) Animal Welfare

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. Most of our programmes are participatory in nature and

focus on development and capacity building. For instance, the promotion of Education and skill development which will empower the community / the people to adopt the method of livelihood, the way of living.

**Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner**

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

No complaints were lodged in Financial Year 2019-20.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? No

Beekay Steel has established its brand identities for source authentication. Information goes beyond the needs specified by statutory standards. For example:-

a) On Beekay Turbo TMT Bars, besides the Logo & ISI marks, the thickness and GSM (zinc coating) are also embossed.

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.

- There is no case against Beekay Steel during last five years, relating to unfair trade practices, irresponsible advertising and/or anti-competitive behavior.

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

Yes. Beekay Steel carries out Consumer survey as well as consumer satisfaction trends to know about the quality of its product and demand in the market.

# Management Discussion and Analysis Report

## Indian Economic Overview

As the world's third largest economy in purchasing parity terms, India aspires to better the lives of all its citizens and become a high-middle income country by 2030. The Indian economy grew at 4.2 per cent in 2019-20, lower than the 6.1 per cent figure registered in 2018-19, as the Covid-19 pandemic adversely impacted economic activity in the last month of the fiscal year, especially manufacturing and construction. The Reserve Bank of India's monetary policy committee refrained from providing any growth projections for the first time in its history, citing the huge uncertainties around the pandemic and its impact on various sectors.

Central Statistics Office showed that while agriculture grew at 4 per cent, manufacturing growth was stagnant at 0.03 per cent during the year. Growth in private final consumption expenditure decelerated to 5.3 per cent from 7.2 per cent a year ago, while government final consumption expenditure grew at 11.8 per cent as against 10.1 per cent the previous year. Gross fixed capital formation — a key measure of investment demand in the economy — contracted by 2.8 per cent in 2019-20. Exports and imports also contracted by 3.6 per cent and 6.8 per cent respectively. Nominal GDP growth for the full year also slowed to 7.2 per cent to Rs 203 lakh crore in the fiscal, as against 11 per cent growth the previous year. These are the first set of GDP numbers showing the impact of the Covid-19 pandemic and the nationwide lockdown, which came into effect from 25 March. Economists expect a massive contraction in the first quarter of 2020-21 due to the two-month lockdown, which is likely to pull down the full-year growth to a 5-7 per cent contraction. Manufacturing and construction, considered to be labour-intensive, were both impacted by the pandemic and lockdown, contracting by 1.4 per cent and 2.2 per cent respectively. The growth in 'Trade, Hotels, Transport, Communication and Services related to Broadcasting' also decelerated to 2.6 per cent in the fourth quarter from 6.9 per cent the previous year, with tourism being one of the worst-hit sectors due to the pandemic. Financial, Real Estate & Professional Services also grew at only 2.4 per cent as against 8.7 per cent earlier. During Q4-FY20 & Q1-2020-21 also witnessed lower economic activity due to the restrictions and lockdowns, owing to Covid-19 pandemic, which typically tends to be a month which sees increased output with businesses trying to meet targets before the end

of the financial year. Overall, the pace of growth across key sectors, private consumption and investment saw a sharp decline during the quarter and was a drag on growth for the full year.

The Indian economy witnessed series of challenges given the decline in overall investments, private consumption and regulatory uncertainty. To counter these challenges, the Central Government announced a series of structural reforms. The Prime Minister of India, Mr. Narendra Modi announced various economic packages comprising mainly credit support measures to different sectors, having a cumulative worth of around Rs 20 lakh crore (US\$ 283.73 billion) and being almost 10 per cent of India's GDP.

## Key Government Initiatives:

Some of the recent initiatives and developments undertaken by the Government are listed below:

- **Pradhan Mantri Garib Kalyan Package (PMGK)** was introduced in April 2020 to provide relief to underprivileged and help them fight the battle against COVID-19. The budget allocated to the scheme was Rs 1.70 lakh crore (US\$ 24.12 billion).
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is going to increase public health spending to 2.5 per cent of the GDP by 2025.
- For implementation of Agriculture Export Policy, Government approved an outlay Rs 206.8 crore (US\$ 29.59 million) for 2019, aimed at doubling farmers income by 2022.
- **Under the Pradhan Mantri Awas Yojana (Urban)**, Government has sanctioned more than 96.50 lakh houses under PMAY(U) and approved 606 proposals for the construction of 3,31,075 houses with an overall investment of Rs 15,125 crore (US\$ 2.16 billion).
- **Pradhan Mantri Karam Yogi Maandhan Scheme** (350 crore allocated for FY 2019-20 for 2% interest subvention (on fresh or incremental loans) to all GST-registered MSMEs, under the Interest Subvention Scheme for MSMEs.)
- Making Digital India reach every sector of the economy.



- **Payment platform for MSMEs** to be created to enable filing of bills and payment thereof, to eliminate delays in government payments
- High Level Empowered Committee (HLEC) recommendations to be implemented (for UDAY Yojana, power sector tariff, reform measures to promote rental housing)
- Measures to enhance the sources of capital for infrastructure financing (Credit Guarantee Enhancement Corporation to be set up in 2019-2020)
- Social stock exchange ( listing of social and voluntary organizations)
- Measures to make India a more attractive FDI destination
- Massive push given to all forms of physical connectivity through (PradhanMantri Gram SadakYojana., Bhartamala and Sagarmala projects, JalMarg Vikas and UDAN Schemes, Rs. 50 lakh crore investment needed in Railway Infrastructure during 2018-2030)
- Measures to make India a more attractive FDI destination
- Tax Simplification and Ease of living - making compliance easier by leveraging technology, Reduction in Direct Taxes for Companies and Direct tax benefits

### Indian Steel Industry Overview

#### India's steel industry: Journey so far

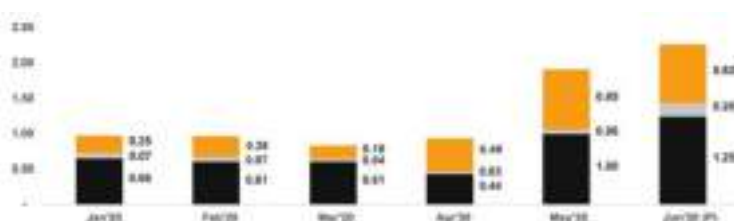
- 1875 - Bengal Iron and Steel Company in Barakar
- 1907 - Establishment of Tata Iron & Steel Company (TISCO)
- 1937 - Establishment of Steel Corporation of Bengal
- 1962 - Completion of Durgapur, Bhilai and Rourkela steel plants
- 1954 - Set-up of Hindustan Steel Pvt. Ltd
- 1973 - New model for managing the steel industry presented to the Parliament; set-up of SAIL
- 1991 - Government of India liberalizes the steel sector by removing iron and steel industries from the reserve list
- 2005 - India becomes one of the top 10 steel producers in the world
- 2018 - India becomes the world's second largest producer of crude steel

### Export-Import Scenario of Steel

In the month of April, when the country was in a complete lockdown mode, exports accounted for an all-time high of 28 per cent of finished steel production in the country. While Europe remains one of the major destinations for shipments out of India - it had a share of close to 20 per cent in FY

20 other markets like the UAE, Vietnam and China together contributed 64 per cent to the total finished steel exports in April. Given that the lockdown in India continued domestic steel demand is likely to remain shallow in the first half of FY21.

Mills have been gung-ho on overseas sales since the lockdown had begun in the third week of March and exports of finished flats, finished longs and semis had seen a sharp upswing from April till June. However, analysts SteelMint spoke to feel that the party for July till September can, if not exactly be rocking, enter a subdued phase. The main reason behind this could be the fact that domestic demand is trudging back. Usually, July-September is a period when mills get active on the exports front because the monsoon sets in and the domestic market becomes sluggish.



### Government initiatives

#### • ChintanShivir – Collaborative platform to identify key thrust areas for the industry

The Indian steel sector is a diverse and vibrant ecosystem comprising of a multitude of stakeholders across the value chain. Each stakeholder brings valuable inputs to the sector based on their rich experience. In order to leverage these experiences and ensure efficient operationalization of the envisioned initiatives, the Ministry regularly facilitates interaction with the various stakeholders. Along these lines, the ChintanShivir was organized on 23rd September 2019, as a collaborative platform to bring together all stakeholders of the Indian steel industry to address challenges, identify opportunities and arrive at tangible outcomes to steer the Indian steel industry on the path of sustainable growth. Over 900 stakeholders were part of this event. Over the course of the deliberations, 32 major challenges were identified. Additionally, 40 major suggestions were captured and 17 initiatives of the Ministry of Steel were discussed by the gathered participants.

#### • Make in Steel – Accelerating demand for steel: Committee of Secretaries note on increasing steel usage in construction and infrastructure

India's annual per capita steel consumption is 74 kg and is one-third the global average (224.5kg). India currently utilizes less steel intensive construction methodologies for buildings, roads and bridges and hence does not fully utilize the numer-

ous benefits of steel intensive construction. A transition to steel intensive construction will also support India's rise to a \$5 trillion economy by 2024-25. The Ministry of Steel held 50+ consultations with government agencies and private players to identify the various advantages of steel intensive construction and the measures required to bring about the transition

**• Make in India: Boost domestic manufacturing through the Domestically Manufactured Iron & Steel Products Policy (DMI& SP)**

Ministry of Steel has recently amended the Domestically Manufactured Iron & Steel Products Policy (DMI& SP) in order to increase domestic sourcing of iron & steel products by Central Government agencies. Through this DMI & SP policy, Steel imports worth more than Rs. 15,000 cr. have so far been avoided

**• Promotion of availability of quality steel**

To promote quality steel production by the steel industry, Ministry of Steel has made adoption of BIS Standards mandatory through regulations known as Quality Control Order. The Quality Control Order facilitates supply of quality steel for critical end-use applications such as infrastructure, construction, housing, engineering sector etc. and also the public at large. The Quality Control Order prohibits import, sale and distribution of substandard steel and steel products. Ministry of Steel is the leading Ministry with maximum coverage of products under the BIS certifications marks scheme. Ministry of Steel has notified the Steel Quality Control Order 2019 on 22nd July 2019 to include 13 additional steel products standards to take the overall steel products standards covered under Quality Control Order to 66.

**Financial Performance**

• The Standalone Gross Revenue from operations of the Com-

SWOT analysis			
Strengths	Weaknesses	Opportunities	Threats
Abundant availability of iron ore and coal	Unscientific mining and production	Unexplored rural market to boost consumption	Majors customers like automotive, construction, appliances and machinery industries are negatively affected by the general economic downturn
Low labour costs	Low productivity and energy inefficiencies	Growing domestic demand and growing demands in export	Technological obsolescence
Abundant manpower	Inadequate infrastructure	New industrial policy for private investment	China is a net of exporter in steel with offering low prices
Mature production base and supporting government policy	Regulatory hurdles	Government thrust on infrastructure development	Industry by nature is capital intensive and requires high capital

pany was went down by 15.83% to Rs. 811.97 Crores in FY 2019-20

- EBIDTA stood at Rs. 125.94 Crores compared to Rs. 182.30 Crores in the previous year
- Interest cost decreased to Rs. 10.22 Crores from 15.77 Crores in the previous year
- The net profit stood at Rs. 78.14 Crores comparing to Rs. 98.26 Crores in the previous year
- EPS of the Company for the FY 2019-20 stood at Rs. 40.78 as against Rs. 37.12 for the FY 2018-19

**Expansion of capacity to meet domestic demand**

The Company commissioned 2nd unit in Special Steel unit at Visakhapatnam with funding of Rs. 22 Crores with an annual capacity of 50,000 metric ton to cater to the demand in the automobile, engineering and railways segment. By the virtue of addressing product mix in the basket, your company will strengthen its customer's engagement that will translate into higher revenue visibility.

We have debottlenecked and modernized the Jamshedpur unit TMT manufacturing facility, effectively increasing annual output by 35000 metric ton. Further the Company has imported Tungsten Carbide rolls to speed up the manufacturing facility in the rolling mills for extended life in applications with high quality of products.

During the year under review, the Company has incorporated a 'Wholly Owned Subsidiary' company namely 'Beekay Utkal Steel Private Limited' which proposes to acquire 65 acres of industrial land at Kalingnagar Industrial Park in the district of Jajpur, Odisha. The Govt. of Odisha has given its nod to allot the required land to set up steel industry. This green field expansion has been initiated to set up a steel billet manufacturing-cum-rolling to meet domestic demand of the product in the state and also to generate employment opportunities in the state.

**Experienced Management Team**

The Company's Top and Senior Management are well and professionally qualified having rich exposure and experience in steel manufacturing arena. The managements endeavor to create a strong brand image by quality products. Overall, the strategies formulated by its management have played a key role in the Company's performance.

**Health & Safety**

The Company believes in creating a Safety culture among all employees through ethics, principles and effective management practices. A robust management system framework and a sound safety governance structure drive our health and safety measures.

**Risk Management**

The Company's activities expose it to a variety of risks viz. eco-



conomic risk, funding risk, credit risk, liquidity risk etc. The Company's Management is mainly focusing to minimize potential adverse effects of various risks on its financial performance as well as the risks associated to its business. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

*Economic Risk* – The slowdown in the economy, continuing lockdown due to COVID-19 pandemic following sluggish demand is affecting the steel industry. The Company is exercising due diligence, keeping an eye on your investments and paying attention to changes in government policy and business practices, as well as your own spending habits can minimize exposure to economic risk.

*Credit Risk*- The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. Credit risk is the risk of financial loss of the Company; if a customer or counter party to a financial instrument fails to meet its contractual obligations and it arises principally from the Company receivables from customers. The Company has no significant concentration of credit risk with any counterparty.

*Funding Risk*–One of the challenges that organize face is the funding and the budgeting of risk management. The risk associated with the impact on a project's cash flow from higher funding costs or lack of availability of funds. The Company may not be able to fund capex in a cost-effective manner. The Company optimized its debt-equity ratio to 0.06 in 2019-20 from 0.08 in 2018-19; interest cover was a robust at 12.32 as on March 31, 2020. Timely debt repayment and moderate gearing helped mobilize additional debt at a cost-effective rate.

*Liquidity risk* - Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

*Market Risk*- The ability of management to identify, measure, monitor, and control exposure to market risk given the institution's size, complexity, and risk profile. Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. Market risk is attributable to all market risk sensitive financial instruments including investments, receivables, payables and borrowings.

*Currency volatility risk*- Beekay Steel protected receivables through timely and effective hedging. Minimizing the impact

of currency volatility is a vital aspect of financial risk management. Understanding the risk, establishing the proper policy and accounting treatments, and applying the right hedges for your business are keys to a successful currency risk management program.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has put in place a proper and adequate system of internal controls, to ensure the safeguarding of assets and their usage, maintenance of proper records, adequacy and reliability of operational information is commensurate with the size, scale and complexity of its operations. The internal control is supplemented by an extensive audit by internal and external audit teams and periodic review by the top management, Audit Committee and Board of Directors. Internal audit department evaluates legal and compliance issues and supports in assessment of Internal Control Systems and identification of other important issues as a powerful tool for risk control and governance.

#### **HUMAN RESOURCES MANAGEMENT AND INDUSTRIAL RELATIONS**

Beekay Steel believes and continues to be a people focused organization continuously building cordial relationship in all activities. The Company continues to use innovative methods to embed behaviors led by value in the organization.

During the year, the Company maintained and enjoyed harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of the employees have enabled your company to remain at the forefront of the industry.

The Company has been proactive in providing its work-force with a of challenges and opportunities, learning platforms and leading positions, safe workplace along with professional attitude, goals and personal development

The organization has a mechanism to provide employees with feedback on a continuous basis. Based on the organization's strategic plan, HR planning processes map the capacity of the organization. The knowledge, skills and abilities of the employees are identified.

#### **Cautionary Statement**

The statements envisaged in this report are forward looking statements which reflect management's current expectations and are inherently uncertain. Actual results could differ materially for a variety of reasons, including, among others, economy of the country, political uncertainty, fluctuations in foreign exchange rates, changes in global economic conditions etc. The Company assumes no responsibility to amend, modify or revise any such statements. The Company disclaims any obligation to update these forward-looking statements except as may be required by law.

# Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Corporate Governance principles are based on the philosophy of accountability, integrity, transparency and value creation. Your Company, to achieve sustainable growth and value enhancement, has committed for a highest standard of ethics that leads to better Corporate Governance principles. Your Company is in compliance with the the Provisions stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as applicable, with regard to corporate governance.

The report containing the details of Corporate Governance systems, processes and compliance at **Beekay Steel Industries Ltd.**

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance depends on Corporate Principles and Practices adopted by the Company in its day to day business activities whose ultimatum is to increase the long term value of the shareholders. Your Company ensures better standard of Corporate Governance guidelines to protect the rights of shareholders and timely disclosure of adequate and accurate information regarding our financials and performance of the Company. The core philosophy of your Company is to create and enhance shareholders' value while being a responsible corporate citizen.

It is imperative that your Company is committed to maintain a highest standard of Corporate Governance practices with all the stakeholders such as shareholders, employees, customers, business partners and continues to follow the principles of Corporate Governance, by adopting fair, transparent and ethical governance practices. Corporate governance practice is the formation and improvement of long-term sustainable value for all stakeholders through accountability, transparency and ethically driven business process. The Company is committed to attain the highest standards of Corporate Governance viz to protect the rights of its shareholders, to achieve long term growth, to enhance shareholders value and also value of other stakeholders. It is also imperative that the Company discloses information timely, adequately and ac-

curately.

The Board of Directors of the Company has adopted strategy on board effectiveness and good ethical standards to govern the Company and deliberately creates a culture of leadership to provide a long-term vision to improve the quality of governance.

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is in charge to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

## Code of Conduct:

Your Company has framed Code of Conduct for the Directors (including Non-Executive and Independent Directors) and Senior Management Personnel and other Executives and Employees of the Company. The Directors and Senior Management Personnels have affirmed compliance of the said Code of Conduct as on 31st March, 2020. The Code is displayed on the Company's website: [www.beekaysteel.com](http://www.beekaysteel.com).

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted the revised Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ('Insider Trading Code').and entrusted the Audit Committee to monitor the compliance of the code.

## BOARD OF DIRECTORS

The Board of Directors of the Company comprises professionals drawn from diverse field. They bring with them wide range of skills and experience to the Board which enhance the quality of the Board's decision making process. The Board is at the core of our corporate governance practice and oversees and ensures that the Management serves and protects the long-term interests of all our stakeholders. The Board of Directors along with its Committees provides leadership and guidance to the Management and directs and supervises the

performance of the Company, thereby enhancing stakeholder value.

#### SIZE OF THE BOARD AS ON 31ST MARCH 2020

The policy of the Company is to have a perfect combination of Executive Directors, Non-Executive Directors and Independent Directors for proper functioning of governance and management.

The Board of Directors of the Company as on 31st March, 2020 comprised of 12 (Twelve) Directors having optimum combination of Executive and Non-Executive Directors and are in accordance with the Corporate Governance Practices.

The details of the total strength of the Board are as follows:-

Sl. No.	Name	Designation	Category (Whole-time / Non-executive / Independent)
1	Suresh Chand Bansal	Executive Chairman (EC)	Wholetime
2	Mukesh Chand Bansal	Managing Director (MD)	Wholetime
3	Vikas Bansal	Executive Director (ED)	Wholetime
4	Manav Bansal	Wholetime Director & CFO (WTD & CFO)	Wholetime
5	Gautam Bansal	Wholetime Director (WTD)	Wholetime
6	Vijay Kumar Bansal	Director	Non-Executive
7	Bhal Chandra Khaitan	Director	Independent
8	Bharat Kumar Nadhani *	Director	Independent
9	Ravishankar Sridharan	Director	Independent
10	Srikumar Banerjee	Director	Independent
11	Tapan Kumar Banerjee**	Director	Independent
12	Shyanthi Dasgupta	Director	Independent
13	Sudipto Jana***	Director	Independent

\*Appointed as an ID w.e.f. 29.04.2019

\*\* Ceased to be a Director of the Company w.e.f. 30.06.2019 (sudden death)

\*\*\* Appointed as an ID w.e.f. 30.09.2019

None of the Directors on the Board holds directorships in more than ten public companies.

Further, none of them is a Member of more than ten committees or Chairman of more than five Committees across all public companies in which he/she is a director. None of our Directors serve as Director in more than eight listed companies, as IDs in more than seven listed companies and none

of the EDs serve as IDs on any listed company. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of Listing Regulations, they have 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. The necessary disclosures regarding Committee positions have been made by the Directors.

The Directors of the Company are appointed by the shareholders at General Meetings. 1/3rd of such Directors are liable to retire by rotation, if eligible, generally offer themselves for re-election, in accordance with the provisions of Section 152 of the Companies Act, 2013 and that of the Articles of Association of the Company.

The Executive Directors on the Board serve in accordance with the terms of their contracts of service with the Company.

#### a) Composition and Category of Directors

The composition of Board of the Company is in conformity of Corporate Governance Code. All Directors possess relevant qualifications and experience in different fields with wide range of skills and expertise including general Corporate Management, Finance, Accounting, Banking, Insurance, Operation and other allied fields which enable them to efficiently and effectively contribute their knowledge in the decision making process of the Company in the capacity as Directors. The Chairman is executive and a Promoter of the Company. There are 6 (Six) Independent Directors in the Company, which is in compliance with the stipulated one half of the total number of Directors. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company. All Independent Directors meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and as per the SEBI LODR Regulations, 2015.

The Board has carried out performance evaluation of Independent Directors and recommended to continue the term of their appointment.

All the five executive Directors are related to each other and no other Director is related to any other Director on the Board in terms of the definition of "relative" as defined in Section 2(77) of the Companies Act, 2013.

**The details of composition of the Board as at 31.03.2020 are given as under:**

Name of Directors	DIN	Designation	Category	Relationship with other Directors
Suresh Chand Bansal	00103134	EC	<b>Promoters – Executive Directors</b>	Brother of Mukesh Chand Bansal & Father of Vikas Bansal & Manav Bansal
Mukesh Chand Bansal	00103098	MD		Brother of Suresh Chand Bansal & Father of Gautam Bansal
Vikas Bansal	00103065	ED		Son of Suresh Chand Bansal & Brother of Manav Bansal
Manav Bansal	00103024	WTD & CFO		Son of Suresh Chand Bansal & Brother of Vikas Bansal
Gautam Bansal	00102987	WTD		Son of Mukesh Chand Bansal
Vijay Kumar Bansal	03120944	Director	NED	<b>Not related to any one Director</b>
Bhal Chandra Khaitan	00343007	Director	Independent	
Bharat Kumar Nadhani *	01842863	Director	Independent	
Ravishankar Sridharan	03120944	Director	Independent	
Srikumar Banerjee	03504452	Director	Independent	
Tapan Kumar Banerjee **	07108739	Director	Independent	
Shyanthi Dasgupta	07139909	Director	Independent	
Sudipto Jana***	07066362	Director	Independent	

\*Appointed as an ID w.e.f. 29.04.2019,

\*\* Ceased to be a Director of the Company w.e.f. 30.06.2019 (sudden death ,

\*\*\* Appointed as an ID w.e.f. 30.09.2019.

The Independent Directors meet all the criteria's as provided in the Companies Act, 2013 and SEBI LODR Regulations, 2015. The appointment letters issued to every Independent Directors sets out their roles, responsibilities, fiduciary duties in the Company and the expectation of the Board from them along with other terms of their appointment. They have taken active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Board of Directors.

#### **Selection of New Directors and Board Membership Criteria**

The Nomination and Remuneration Committee ('NRC') works with the Board to determine the appropriate qualifications, positive attributes, characteristics, skills and experience required for the appointment of Directors in the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in various fields including business, government, education and social service.

b) Attendance of each Director at the Board meetings and the last Annual General Meeting (AGM) held on 21-09-2019 and Number of other Directorships and Membership/ Chairmanship of Committee of each Director in various Companies are mentioned in this report and also mentioned in the Notice of AGM.

#### **c) Number of Board Meetings held and dates on which held**

The Board meets at least once a quarter to review the quarterly financial results and other items on the agenda of the meeting. Additional meetings are held, whenever necessary. Committees of the Board of Directors usually meet in the same day before the Board meeting, or whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approval and noting.

During the Financial Year 2019-20, 7 (Seven) Board Meetings were held on 29.04.2019, 29.05.2019, 12.08.2019, 30.09.2019, 13.11.2019, 21.01.2020 & 13.02.2020. The maximum gap between two Board Meetings did not exceed one hundred and twenty days in terms of Regulation 17(2) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Standards and the provision of the Companies Act, 2013.

(i) Attendance details of Directors for the year ended March 31, 2020 are given below:

Name of the Director	Category	No. of Board Meetings held	No. of Meetings Attended	Attendance percentage (%)
Suresh Chand Bansal	EC	7	7	100
Mukesh Chand Bansal	MD	7	6	85
Vikas Bansal	ED	7	7	100
Manav Bansal	WTD	7	6	85
Gautam Bansal	WTD	7	6	85
Vijay Kumar Bansal	NED	7	2	30
Bhal Chandra Khaitan	ID	7	6	85
Ravishankar Sridharan	ID	7	5	70
Srikumar Banerjee	ID	7	5	70
Bharat Kumar Nadhani *	ID	7	6	85
Tapan Kumar Banerjee **	ID	7	2	30
Shyanthi Dasgupta	ID	7	7	100
Sudipto Jana***	ID	7	1	15

\* Appointed as an ID w.e.f. 29.04.2019,

\*\* Ceased to be a Director of the Company w.e.f. 30.06.2019 (sudden death),

\*\*\* Appointed as an ID w.e.f. 30.09.2019.

EC-Executive Chairman, MD-Managing Director, ED-Executive Director, WTD-Wholetime Director, NED – Non-Executive Director; ID – Independent Director.

### Expertise & Skills of the Board of Directors

The Board of Directors of the Company are required to uphold ethical standards of integrity and probity and are required to have expertise, experience and core knowledge in the sectors relevant for the growth of the Company.

The Board members of the Company are holding such skills,

expertise and competencies that allow them to make effective contribution to the Board and its Committees.

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

<b>Finance</b>	Leadership in Corporate/ business finance is an important and inevitable function and efficient financial management is crucial for success and sustenance. It results in proficiency in financial management, procurement and utilisation of funds and controlling the financial activities and management of financial resources of the Company.
<b>Strategy &amp; Planning</b>	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
<b>Global Business</b>	Understanding, of global business dynamics, across various geographical markets with an understanding of industry verticals, regulatory jurisdictions, economic conditions, cultures and a broad perspective on global market opportunities.
<b>Leadership</b>	Leadership experience leads to maximize efficiency and to achieve Company goals by understanding the opportunities and threats, processes, strategic planning and risk management and discussing the financial performance and long-term growth.
<b>Procurement, Sales &amp; Marketing</b>	Experience in procurement of raw materials, production aspects, marketing technical aspect of production, quality control, purchase management and developing strategies to grow sales and market share, build brand awareness and enhance Company reputation.
<b>Governance</b>	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements, driving corporate ethics and values and observing appropriate governance practices.
<b>Administration</b>	Leadership in administration of a Company, results in long-term growth by planning, organising, directing and controlling the operations, creating rules and regulations and making decisions towards achieving a common goal or objective of the Company.



#### d) Board Meetings, Board Committee Meetings & Procedures

The Board of Directors of the Company oversees the overall functioning of the Company. The Executive Chairman, Managing Director and other Executive Directors are entrusted with wide range of functions from Finance, Accounting, Operation, Marketing & Administration and duly assisted by the Company Secretary including Senior Managerial Personnel in overseeing the functional matters of the Company.

The Board of Directors has constituted Five Standing Committees, the position of the Committees as on 31.03.2020 are given hereunder :-

1. Audit Committee		
Mr. Bhal Chandra Khaitan	Independent Director	Chairman
Mr. Suresh Chand Bansal	Executive Chairman	Member
Mr. Srikumar Banerjee	Independent Director	Member

2. Stakeholders Relationship Committee:-		
Mr. Tapan Kumar Banerjee *	Independent Director	Chairman
Mr. Manav Bansal	Wholetime director & CFO	Member
Mrs. Shyanthi Dasgupta	Independent Woman Director	Member
Mr. Bharat Kumar Nadhani *	Independent Director	Chairman

\*Mr. Tapan Kumar Banerjee ceased to be a member of the Committee w.e.f. 30.06.2019 ( sudden death) and Mr. Bharat Kumar Nadhani appointed as a member in his place to the said Committee w.e.f. 12.08.2019.

3. Nomination & Remuneration Committee:-		
Mr. Bhal Chandra Khaitan	Independent Director	Chairman
Mr. Tapan Kumar Banerjee *	Independent Director	Member
Mr. Srikumar Banerjee	Independent Director	Member
Mr. Bharat Kumar Nadhani *	Independent Director	Member

\*Mr. Tapan Kumar Banerjee ceased to be a member of the Committee w.e.f. 30.06.2019 ( sudden death) and Mr. Bharat Kumar Nadhani appointed as a member in his place to the said Committee w.e.f. 12.08.2019.

4. Corporate Social Responsibility Committee :-		
Mr. Suresh Chand Bansal	Executive Chairman	Chairman
Mr. Manav Bansal	Wholetime Director	Member
Mr. Ravishankar Sridharan	Independent Director	Member

5. Share Transfer Committee :-		
Mr. Suresh Chand Bansal	Executive Chairman	Chairman
Mr. Vikas Bansal	Executive Director	Member
Mr. Gautam Bansal	Wholetime Director	Member

Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors alongwith the agenda items and necessary documents & information were provided to all Directors beforehand to make able the Board of Directors to take proper decision. The Wholetime Director & CFO, Mr. Manav Bansal makes presentation on the financial results as well as the future course of action of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the stakeholders are being served. After Board Meetings, the decision of the Board of Directors duly communicated to the

concerned departments & officials for implementation etc.

The meetings are usually held at the Company's Registered Office at "Lansdowne Towers", 4th Floor, 2/1A, Sarat Bose Road, Kolkata – 700 020. The Board is also provided with Audit Committee observations on the Internal audit findings and matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.

The Company Secretary records the minutes of the proceedings of each Board and Committee meetings. The final

minutes are entered in the Minutes Book within 30 days from conclusion of the meeting and are signed by the Chairman of the meeting/ Chairman of the next meeting. While preparing the Agenda, Notes on Agenda, Minutes etc. of the meeting(s), adequate care is taken to ensure adherence to all applicable laws and regulations including the Companies Act, 2013, read with the Rules made thereunder, Secretarial Standards and compliance thereof.

A strategy meet of the Board of Directors is generally held at appropriate intervals to formulate, evaluate and approve the business strategy of the Company. The Functional Heads give a brief presentation to the Board covering their respective areas of responsibility. The meeting focuses on strategic goals, financial management policies, management assurances and control aspects and the growth plan of the Company and compliance management.

#### **e) Separate Meeting of Independent Directors:**

The Independent Directors of the Company meet once in a year without the presence of Executive and Non- Executive Directors or management personnel. This meeting is conducted in an informal and flexible manner to enable the Independent Directors to discuss matters pertaining to the affairs of the Company and put forth their views to the Chairman and Managing Director. The Independent Directors of the Company meet once in a year formally through a Meeting called Independent Directors Meeting.

During the year under review all the Independent Directors met on 13th February, 2020, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

#### **Attendance of the Independent Directors at this meeting are as follows:-**

<b>Name</b>	<b>No. of Meetings Held / No. of Meetings Attended</b>
No. of Meetings attended	
Mr. Bhal Chandra Khaitan	1/1
Mr. Bharat Kumar Nadhani	1/1
Mr. Ravishankar Sridharan	1/1
Mr. Srikumar Banerjee	1/1
Mrs. Shyanthi Dasgupta	1/1
Mr. Sudipto Jana	1/1

#### **f) Familiarization program for Directors including Independent Directors**

The Company pursuant to the SEBI LODR Regulations, 2015, has taken initiatives to familiarize its Independent Directors (IDs) with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programs posted on the website of the Company: [www.beekaysteel.com](http://www.beekaysteel.com).

All new Directors (including Independent Directors) inducted to the Board are given a formal orientation. The familiarization programme for our Directors is customised to suit their individual interests and area of expertise. The Directors are encouraged to visit the plant and raw material locations of the Company and interact with members of Senior Management as part of the induction programme. The Senior Management make presentations giving an overview of the Company's strategy, operations, products, markets, group structure and subsidiaries, Board constitution and guidelines, matters reserved for the Board and the major risks and risk management strategy. This enables the Directors to get a deep understanding of the Company, its people, values and culture and facilitates their active participation in overseeing the performance of the Management.

The Independent Directors of the Company met once on 13th February, 2020 without the attendance of Non-Independent Directors and members of management to review the performance of Non-Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company, taking into account the views of Executive

Directors and Non-Executive Directors, assessment of flow of information between the management of the Company & the Board of Directors effective performance of duties.

An ongoing familiarization programme with respect to the business/ working of the Company for all Directors is a major contributor for meaningful Board level deliberations and sound business decisions.

By way of the familiarization programme undertaken by the Company, the Directors are shared with the nature of the industry in which the Company is presently functioning, the functioning of various business units, the Company's market share, the CSR activities which will be pursued by the Company and other relevant information pertaining to the Company's business.

The familiarization programme of the Company for its Independent Directors has been disclosed on the Company's website: [www.beekaysteel.com](http://www.beekaysteel.com).

The Board has carried out performance evaluation of Inde-

pendent Directors and recommended to continue the term of their appointment.

The Directors of the Company are made aware of the Company's operation, their role, responsibilities and liabilities. At the time of appointment the Company communicates to the Directors their role, responsibilities and liabilities. The Company holds regular Board & Committee Meetings at its Registered Office to discuss and decide upon the various strategic and operational matters and Directors have an opportunity to interact with the Senior Company personnel. In addition to the above the Directors have full access to all the information's within the Company.

The performance of the Chairperson of the Company, taking into account the views of executive Directors and non-executive Directors and the Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

**g) Details of Directors seeking appointment / re-appointment:**

The Details of Directors seeking appointment / re-appointment and the disclosure of relationships between directors inter se as required under SEBI (LODR), Regulations, 2015 and as per Secretarial Standard 2 as issued by the Institute of Company Secretaries of India is given in annexure to the notice which forms part of this Report.

The disclosure of relationships between directors inter se as required under SEBI (LODR), Regulations, 2015 and as per Secretarial Standard 2 as issued by the Institute of Company Secretaries of India are forms part of this report.

**h) Whistle Blower/ Vigil Mechanism Policy :**

As per the requirements of the Companies Act, 2013 and the SEBI LODR Regulations, 2015 the Company had established a mechanism for employees to report concerns for unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics. It also provides for adequate safeguards against the victimization of employees who avail the said mechanism. This policy also allows the direct access to the Chairperson of the Audit Committee. The Audit Committee is committed to ensure the flawless work environment by providing a platform to report any suspected or confirmed incident of fraud/ misconduct.

**BOARD COMMITTEES**

**Audit Committee:**

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's

financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. Audit Committee of the Board comprises three Directors. The Members possess adequate knowledge of Accounts, Audit, Finance, etc. The composition of the Audit Committee meets the requirements as per Section 177 of the Companies Act, 2013 and as per Regulation 18 (1) of SEBI LODR Regulations, 2015.

The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor and the cost auditor and notes the processes and safeguards employed by each of them. The Audit Committee is empowered to investigate any activities within its terms of reference, seek information from employees, obtain outside legal or other professional advice or secure attendance of outside experts of relevant field as and when necessitated. The Audit Committee also reviews such matters as referred to it by the Board.

Four (4) meetings of the Audit Committee were held during the financial year ended 31st March, 2020 on 29th May 2019, 12th August 2019, 13th November 2019 and 13th February 2020, as against the minimum requirement of four meetings.

**The composition and attendance details of the Committee for the year ended 31st March, 2020 are given here-under:**

Name of the Members	Category/ Designation	No. of Meetings held	No. of Meetings Attended	Attendance (%)
Mr. Bhal Chandra Khaitan	ID / Chairman	4	4	100
Mr. Suresh Chand Bansal	EC / Member	4	4	100
Mr. Srikumar Banerjee	ID / Member	4	4	100
EC-Executive Chairman, ID – Independent Director.				

The Company Secretary acts as the Secretary to the Committee. The internal auditor reports functionally to the Audit Committee. The Executive Directors and Senior Management of the Company also attend the meetings as invitees whenever required to address concerns raised by the Committee Members.

The terms of reference of Audit Committee are as per Section 177 of the Companies Act, 2013 and as per SEBI LODR Regulation, 2015.

The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor and the cost auditor and notes the processes and safeguards employed by each of them. The Committee further



**Terms of reference :**

The present terms of reference / scope and function of the Audit Committee are as follows:

1. 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;
2. Recommendation to the Board for appointment, re-appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with respect to accounting standards, listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. 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 utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, external and internal auditors, the adequacy of internal control systems ;
13. 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;
14. To review reports of Internal Auditors & discussion with internal auditors of any significant findings and follow up there on;
15. 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;
16. 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;
17. 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;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Examining the financial statement and the auditor's report thereon;
21. Monitoring the end use of funds raised through public offers and related matters;
22. Carrying out any other function as is mentioned in the terms of reference of the audit committee;
23. To review -
  - Management discussion and analysis of financial condition and results of operations;
  - Statement of significant related party transactions, submitted by management;

- Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
- The appointment, removal and terms of remuneration of the Internal Auditor
- Internal audit reports relating to internal control weaknesses, etc.
- Secretarial audit report relating to suspected fraud or irregularity or a failure of compliance of any legislation

#### **NOMINATION & REMUNERATION COMMITTEE:**

The terms of reference and constitution of the Nomination and Remuneration Committee ('NRC') are strictly in compliance with the provisions of Section 178 of the Companies Act, 2013 and pursuant to Regulation 19 and Part D of Schedule II of SEBI LODR Regulations, 2015 and amendments thereto. The purpose of the NRC is to oversee the Company's nomination process, assisting the Board of Directors for identifying persons qualified to serve Board Members. The Committee has formulated the Criteria for Evaluation of the Board and non-independent directors for the purpose of review of their performance at a separate meeting of the Independent Directors. The Committee's responsibilities includes framing of specific remuneration package of Executive Directors and commission / sitting fees for Non-Executive Directors etc. and approval of remuneration to the managerial personnel as per the Company's policy on the same.

a. The terms of reference of the Nomination & Remuneration Committee are as follows:

- To identify persons who are qualified to become Directors and who may be appointed in the Senior management in accordance with the criteria laid down and to recommend to the Board their appointment, terms of appointment and/or removal;
- To formulating a criteria for determining the qualification, positive attitudes, independence of a Director and evaluation of Independent Directors and the Board;
- To evaluate every Directors performance;
- To recommend to the Board a policy, relating to the remuneration for the Directors, key managerial persons and other employees;
- To ensure that the level of composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- To ensure that the relationship of remuneration to performance is clear and meets the appropriate performance benchmarks;
- To ensure that the remuneration to directors, key manage-

rial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals;

- To devise a policy on Board diversity.
  - To carry out any other function as is mandated by the Board of Directors of our Company or prescribed by the Listing Agreement, as amended, from time to time.
  - To invite any employee or such document as it may deem fit for exercising of its functions
  - To obtain such outside or professional advice as it may consider necessary to carry out its duties.
- b. The composition of the Nomination & Remuneration Committee as at March 31st, 2020:

Three (3) meetings of the NRC were held during the financial year ended 31st March, 2020 on 29th April, 2019, 12th August, 2019 & 30th September, 2019. The composition and attendance details of the Committee for the year ended 31st March, 2020 are given hereunder:

The Board decided and fixes the powers and roles of the Com-

<b>Name of the Members</b>	<b>Category/ Designation</b>	<b>No. of Meetings held</b>	<b>No. of Meetings Attended</b>	<b>Attendance (%)</b>
Mr. Bhal Chandra Khaitan	ID / Chairman	3	3	100
Mr. Bharat Kumar Nadhani *	ID / Member	3	2	100
Mr. Tapan Kumar Banerjee*	ID / Member	3	1	33.33
Mr. Srikumar Banerjee	ID / Member	3	3	100

#### **ID – Independent Director.**

\*Mr. Tapan Kumar Banerjee ceased to be a member of the Committee w.e.f. 12th August, 2019 and Mr. Bharat Kumar Nadhani appointed as a member in his place to the said Committee.

mittee from time to time. Mr. Rabindra Kumar Sahoo, Company Secretary is acting as Secretary of the Committee.

The Company follows the policy to fix remuneration of Managing Director & Whole Time Directors by taking into account the financial position of the Company, trend in the Industry, qualification, experience, past performance and past remuneration of the respective Directors in the manner to strike a balance between the interest of the Company and the Shareholders.

#### **c. Performance Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR Regulations, 2015, a Board Evaluation Policy has

been framed and approved by the NRC and by the Board. The Board carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

The Executive Directors (EDs) compensation is based on the appraisal system wherein their individual goals are linked to the organizational goals. EDs are paid compensation as per the agreements entered into between them and the Company, subject to the approval of the Board and of the members in General Meeting and such other approvals, as may be necessary. The present remuneration structure of EDs comprises of salary, perquisites, allowances and contribution to PF etc. alongwith performance bonus. The Non-Executive Directors are paid compensation by way of sitting fees. The sitting fees payable to the Non-Executive Directors is based on the number of meetings of the Board & other Committees of the Board attended by them.

#### **Policy for evaluation of Independent Directors and the Board :**

The following criteria may assist in determining how effective the performances of the Directors have been:

- Leadership & Managerial abilities.
- Contribution to the corporate objectives & plans.
- Communication of expectations & concerns clearly with subordinates.
- Obtaining adequate, relevant & timely information from external sources.
- Review & approval of strategic & operational plans of the Company, its objectives and budgets.
- Regular monitoring of corporate results against projection.
- Identification, monitoring & mitigation of significant corporate risks.
- Assessment of policies, structures & procedures followed in the Company and their significant contribution to the same.
- Direct, monitor & evaluate KMPs, senior officials.
- Regularity in attending meetings of the Company and inputs therein.
- Review & Maintenance of corporation's ethical conduct.

- Ability to work effectively with rest of the Board of Directors.
- Commitment to the promotion of equal opportunities, health and safety in the workplace .

#### **Remuneration to Directors:**

##### **(a) Remuneration Policy /Criteria**

*i. Executive Directors:* The Company follows the policy to fix remuneration to Managing / Whole Time Directors by taking into account the financial position of the Company, trend in the Industry, qualification, experience, past performance and past remuneration of the respective Directors in the manner to strike a balance between the interest of the Company and the Shareholders.

*ii. Non-Executive Directors:* The Non-executive Directors (including Independent Directors) are paid sitting fees on uniform basis.

The Non-Executive Directors are remunerated by way of sitting fees. The sitting fees payable to the Non-Executive Directors is based on the number of meetings of the Board & other Committees of the Board attended by them. Directors of the Company were paid a sitting fee as under during the Financial Year 2019-20 for each meeting of the Board and Committees attended by them

*iii. KMPs & Senior Management Personnel:* The motto of determining policy for payment of remuneration to the KMPs and Senior Management Personnel are to motivate and retain them for longer term for the better perspective and growth of the Company. The criteria also oversee the industry trend, quality and experience of the personnel. These factors not only contribute to the Company but make their job satisfaction.

##### **(b) Remuneration & Sitting Fees:**

The Non-Executive Directors are remunerated by way of sitting fees. The sitting fees payable to the Non-Executive Directors is based on the number of meetings of the Board & other Committees of the Board attended by them. Directors of the Company were paid a sitting fee as under during the Financial Year 2019-20 for each meeting of the Board and Committees attended by them:

Board	Rs. 5,000/-
Audit Committee	Rs. 2,000/-
Nomination & Remuneration Committee	
Stakeholders Relationship Committee	
Corporate Social Responsibility Committee	
Separate Meeting of the Independent Directors	

The details of remuneration paid /payable to the Executive Directors & Wholetime Directors and Sitting Fees paid/ payable to Non-Executive Directors as at 31.03.2020 are given hereunder:-

Name of Directors	Remuneration Paid/Payable for the year ended 31st March, 2020				Service Terms	
	Salary (Rs.)	Bonus	Benefits (Rs.)	Sitting Fees (Rs.)	Pay Scale per Month (Rs.)	Revised/ Effective From
Mr. Suresh Chand Bansal	14700000	30000000	-	-	1225000	01-04-2019
Mr. Mukesh Chand Bansal	7560000	12500000	-	-	630000	01-04-2019
Mr. Vikas Bansal	7020000	15000000	-	-	585000	01-04-2019
Mr. Manav Bansal	5712000	7500000	-	-	476000	01-04-2019
Mr. Gautam Bansal	5208000	5000000	-	-	434000	01-04-2019
Mr. Bhal Chand Khaitan	--	--	--	46,000	--	--
Mr. Vijay Kumar Bansal	--	--	--	10,000	--	--
Mr. Bharat Kumar Nadhani	--	--	--	42,000	--	--
Mr. Ravishankar Sridharan	--	--	--	35,000	--	--
Mr. Srikumar Banerjee	--	--	--	41,000	--	--
Mr. Tapan Kumar Banerjee	--	--	--	14,000	--	--
Ms. Shyanthi Dasgupta	--	--	--	45,000	--	--
Mr. Sudipto Jana	-	-	-	5,000	--	--

**Notes:**

1. The Directors were paid sitting fees as per the Policy of the Company.
2. The Company has not entered into any other pecuniary relationship or transactions with the Non-Executive Directors.
3. The Notice period and severance fees are not applicable to the Executive Director of the Company.

**Shares and convertible instruments are held by Non-executive Directors**

The shareholdings of Non-Executive Directors are given hereunder:-

Name of Directors	No. of Shares held as on 31-03-2020
Mr. Bhal Chandra Khaitan	Nil
Mr. Vijay Kumar Bansal	Nil
Mr. Bharat Kumar Nadhani	Nil
Mr. Ravishankar Sridharan	Nil
Mr. Srikumar Banerjee	Nil
Mr. Tapan Kumar Banerjee	Nil
Ms. Shyanthi Dasgupta	Nil

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

The terms of reference and constitution of the Stakeholders Relationship Committee are in compliance with the provisions of the Companies Act, 2013 and pursuant to Regulation 20 and Part D of Schedule II of SEBI LODR Regulations, 2015.

The main tasks of Stakeholders Relationship Committee (SRC) considers and resolves the shareholders' and investors grievances like transfer / transmission of Shares, dematerialisation & rematerialisation of shares, non-receipt of dividends/ interests, issue of new/duplicate certificates, non- receipt of Dividend, Balance Sheet and such other grievances as may be raised by the security holders from time to time. The Company has registered with SCORES of SEBI for Redressal of Inves-

tors' Grievances on-line.

The terms of reference of the Stakeholders Relationship Committee are as follows:

- 1) To review the reports submitted by the Registrars and Share Transfer Agents of the Company at Half yearly intervals.
- 2) To interact periodically and as & when required with the Registrars and Share Transfer Agents to ascertain and look into the quality of the Company's Shareholders/ Investors grievance redressal system and to review the report on the functioning of the said Investor grievances redressal system.
- 3) To consider and resolve the grievances of the security holders of the company.

- 4) To periodically report to the Board about serious concerns if any.
- 5) To follow-up on the implementation of suggestions for improvement.
- 6) Service standards adopted by the Company in respect of services rendered by our Registrars & Transfer Agent.
- 7) Measures and initiatives taken for reducing quantum of unclaimed dividends and ensuring timely receipt of dividend/ annual report/notices and other information by Shareholders.

Four (4) meetings of the SRC were held during the financial year ended 31st March, 2020 on 29th May 2019, 12th August 2019, 13th November 2019 and 13th February 2020. The composition and attendance details of the Committee for the year ended 31st March, 2020 are given hereunder:

Name of the Members	Category/ Designation	No. of Meetings held	No. of Meetings Attended	Attendance (%)
Mr. Bharat Kumar Nadhani *	ID / Chairman	4	3	75
Mr. Manav Bansal	WTD/ Member	4	4	100
Mr. Tapan Kumar Banerjee*	ID / Chairman	4	1	25
Mrs. Shayanthi Dasgupta	ID / Member	4	4	100

**ID – Independent Director. WTD\_ Wholtime Director**

\*Mr. Tapan Kumar Banerjee ceased to be a member of the Committee w.e.f. 30.06.2019 and Mr. Bharat Kumar Nadhani appointed as a member in his place to the said Committee w.e.f. 12th August, 2019.

Mr. Rabindra Kumar Sahoo, Company Secretary of the Company is acting as Secretary of the Committee. The Company Secretary is the Compliance Officer for complying with the requirements of SEBI Regulations and the Listing Agreement as entered with the Stock Exchanges in India and amended from time to time. His address and contact details are as given below:

Address : Lansdowne Towers, 4th Floor,  
2/1A, Sarat Bose Road, Kolkata-700020  
Phone : 033-4060 4444, Fax : 033-2283 3322  
Email : contact@beekaysteel.com / rksahoo@beekaysteel.com

**Investor Grievance Redressal/ Shareholders' Complaints**

The numbers of shareholders'/ investors' complaints received, resolved/ replied and pending during the year under review are as under :

Nature of complaints	Received	Resolved/ Replied	Pending
Non-receipt of share certificates	Nil	Nil	Nil
Non-receipt of dividend	Nil	Nil	Nil
Non-receipt of annual reports	Nil	Nil	Nil
Others	Nil	Nil	Nil
Total	Nil	Nil	Nil

No request for Share transfer remains pending for registration for more than 15 days except on technical difficulty on the instrument of transfer/transmission. No complaint / query is received by the Company during the financial year and no complaint is pending as on 31st March, 2020.

**Securities and Exchange Board of India ('SEBI') Complaints Redress System ("SCORES") :**

As per the SEBI directive, the investors desirous of making complaints pertaining to the listed Companies has to be made electronically and sent through SCORES and the Companies or their appointed Registrar & Share Transfer Agent (R&TA/ STA) are required to view the pending complaints and submit 'Action Taken Report' ('ATRs') along with necessary documents electronically in SCORES. Further, there is no need to file any physical ATRs with SEBI. The Company is already registered under SCORES to efficiently and effectively redress the investors/shareholders complaints in time.

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The purpose of our Corporate Social Responsibility (CSR) Committee is to formulate and recommend to the Board, a CSR Policy, which shall design the initiatives to be undertaken by the Company, recommend the amount of expenditure to incur CSR activities and to monitor from time to time the CSR activities and Policy of the Company. The CSR Committee is responsible for compliance of its scope mentioned in its term of reference in relation to CSR affairs and ensure orderly and efficient execution of the CSR project, programs or activities and issue necessary direction pertaining to it. The CSR Committee comprises of two executive Directors & One Independent Non-executive Director viz. Mr. Suresh Chand Bansal, Mr. Manav Bansal and Mr. Ravishankar Sridharan. Mr. Suresh Chand Bansal is the Chairman of the Committee.

Mr. Rabindra Kumar Sahoo is the Secretary of the Committee.

**The CSR policy is available on our website at [www.beekaysteel.com](http://www.beekaysteel.com)**

The terms of reference and constitution of the Corporate Social Responsibility Committee are in compliance with the provisions of the Companies Act, 2013 and rules made there under.

The broad terms of reference of CSR committee are as follows:



- Formulate and recommend to the board, a corporate social responsibility (CSR) policy which shall indicate a list of CSR projects or programs which a Company plans to undertake falling within the purview of the Schedule VII of the Companies Act, 2013, any other related provisions, if any, of the Companies Act, 2013 and the rules made there under and as may be amended;
- Recommend the amount of expenditure to be incurred on the activities within the purview of the Schedule VII of the Companies Act, 2013, as may be amended;
- Monitor the implementation of CSR policy of the Company from time to time;
- To institute a transparent monitoring mechanism for implementation of the CSR Projects or programs or activities undertaken by the Company.
- Oversee the Company's conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen; and
- Oversee activities impacting the quality of life of various stakeholders.
- To carry out such other functions as may from time to time, be authorized by the Board and/or required by any Statutory Authority, by the way of amendment and/or otherwise, as the case maybe, to be attended by this Committee.

Four (4) meetings of the CSR Committee were held during the financial year ended 31st March, 2020 on 29th May 2019, 12th August 2019, 13th November 2019 and 13th February 2020. The composition and attendance details of the Committee for the year ended 31st March, 2020 are given hereunder:

Name of the Members	Category/ Designation	No. of Meetings held	No. of Meetings Attended	Attendance (%)
Mr. Suresh Chand Bansal	EC / Chairman	4	4	100
Mr. Manav Bansal	WTD/ Member	4	4	100
Mr. Ravishankar Sridharan*	ID / Member	4	4	100

#### SHARE TRANSFER COMMITTEE

The Board has also modified the scope of the Committee to align it with the SEBI LODR Regulations, 2015 and in compliance with the provisions of the Companies Act, 2013. The functions of the Committee include approval of share transfers, transmissions, IEPF transfer of shares taking actions and any other matter(s) out of and incidental to these functions and such other acts assigned by the Board.

The Share Transfer Committee ( STC ) comprises of 3 Directors all of whom are Executive Directors. Six (6) meetings of the STC were held during the financial year ended 31st March, 2020 on 06.06.2019, 08.07.2019, 04.09.2019, 11.11.2019, 31.01.2020 & 13.02.2020. The composition and attendance details of the Committee for the year ended 31st March, 2020 are given hereunder:

Name of the Members	Category/ Designation	No. of Meetings held	No. of Meetings Attended	Attendance (%)
Mr. Suresh Chand Bansal	EC / Chairman	6	6	100
Mr. Vikas Bansal	ED / Member	6	6	100
Mr. Gautam Bansal	WTD/ Member	6	6	100

Generally, the meetings of the Committee are held whenever necessary for transfer / transmission of shares, issue of duplicate share certificates, change of name/status, transposition of names, sub-division/ consolidation of share certificates, de-materialisation/ re-materialisation of shares, etc. Mr. Rabindra Kumar Sahoo, Company Secretary of the Company is acting as Secretary of the Committee.

As at 31st March, 2020, 18166521 nos. of equity shares constitutes 95.25 % (previous year 18097119 nos. of equity shares – 94.89 %) of the Company's equity shares are held in dematerialized form.

#### GENERAL BODY MEETINGS

i. General Meetings:

a) Annual General Meetings (A.G.M.):

Date, Location and time of Annual General Meeting held in last three years :

Financial Year	Type of Meeting	Date & Time of Meeting	Venue of Meeting	If Special Resolution(s) Passed
2018-19	38th A.G.M.	21-09-2019 at 2.30 P.M.	'ROTARY SADAN', S.S. Hall, 94/2, Chowringhee Road, Kolkata – 700 020	Yes
2017-18	37th A.G.M.	28-09-2018 at 2.30 P.M.	'ROTARY SADAN', S.S. Hall, 94/2, Chowringhee Road, Kolkata – 700 020	Yes
2016-17	36th A.G.M.	15-09-2017 at 10.30 A.M.	'EPC India Conference Room', EEPICINDIA, Vanijya Bhavan, ITFC Building, Ground Floor, 1/1, Wood Street, Kolkata: 700 016.	Yes

### b) Extraordinary general meeting:

No extraordinary general meeting of the members was held during the years 2017-18, 2018-19 & 2019-20. No Special Resolution was passed through Postal Ballot Meeting during the financial year 2019-20. 10 (TEN) Special Resolutions were passed by the Company during the last three AGMs.

No special resolution proposed to be transacted at the ensuing Annual General Meeting is required to be passed by Postal Ballot in terms of Section 110 of the Companies Act, 2013 and Rules made thereunder in view of the amendment made in Section 110 by Companies (Amendment) Act, 2017 which inter-alia provides that 'any item proposed to be transacted by Postal Ballot may be transacted at the general meeting by a Company provided that the Company is providing facility of e-voting to its members under section 108 of the Companies Act, 2013'.

In compliance with section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (LODR) Regulations, 2015 Members of the Company were provided with the facility to cast their vote electronically through the e-voting services provided by CDSL, on all resolutions set forth in the Notice of 38th Annual General Meeting. Members were also given options to cast their vote physically in that Annual General Meeting.

## DISCLOSURES

i) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of listed entity at large :

All material transactions entered into with related parties as defined under the Act and SEBI LODR Regulations 2015 during the financial year were in the ordinary course of business. No related party transactions of materially significant nature were entered into by the Company with its promoters, the Directors or the management, their subsidiaries or relatives, etc. which could conflict with the interests of the Company.

None of the transactions with any of the related parties were in conflict with the interest of the Company.

ii) Details of non-compliance by the Listed Entity, penalties, strictures imposed on the Listed Entity by Stock Exchange(s) or Securities and Exchange Board of India or any Statutory Authority, on any matter related to the capital markets, during the last three years:

The Company has complied with various rules and regulations prescribed by the Stock Exchange, Securities and Exchange Board of India or any other Statutory Authority on any matter related to the capital markets during last three years. No penalty or strictures have been imposed by them on the Company during last three years.

iii) The Company has adopted the Whistle Blower Policy/ Vigil Mechanism Policy in line with Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI LODR Regulations, 2015, which is a mandatory requirement, to safeguard against victimization & unfair treatment of employees. Employees and directors to report concerns about unethical behavior to the Chairman of the Audit Committee. No person has been denied access to the chairman of the audit committee. The Whistle Blower Policy/ Vigil Mechanism has also been put up on the website of the Company.

iv) Risk Management: The Company has identified risk involved in respect to its products, quality, cost, location and finance. It has also adopted the procedures / policies to minimize the risk and the same are reviewed and revised as per the needs to minimize and control the risk. The report is also placed before the Board of Directors of the Company.

v) Reconciliation of share capital audit

A qualified Practicing Company Secretary has carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL. The report in compliance with regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996 was placed in the Board Meeting held subsequent to the report. The Audit Report is disseminated to the Stock Exchange on quarterly basis.

**Policy for determining 'material' Subsidiary** The Company does not have any material non-listed Indian Subsidiary as defined in Regulations 16 and 24 of SEBI (LODR), Regulations, 2015. The Company has one associate Company in terms of the provision of Section 2(26) of the Companies Act, 2013.

## MEANS OF COMMUNICATION

The quarterly, half yearly & yearly results of the Company are also published in the prescribed format within 48 hours of the conclusion of the meetings of the Board in both English and Bengali Newspapers.



The unaudited/audited quarterly & half yearly financial results as approved by the Board of Director at its meeting are furnished to the Stock Exchanges where the Company's shares are listed within the prescribed time-frame of the close of every quarter together with limited review report and yearly audited results alongwith Auditors Report as provided by the Auditors in compliance with the SEBI (LODR) Regulations, 2015 and are published in leading newspapers in India which include Financial Express & Business Standard and in leading regional/vernacular languages in Bengali within 48 hours of conclusion of Board Meeting. The results are also displayed on the Company's website "www.beekaysteel.com".

**Website:** The Company's web site is www.beekaysteel.com where the quarterly / annual results and other statutory & non-statutory information are displayed.

No presentation has been made to Institutional Investors or Analysts.

#### GENERAL INFORMATIONS FOR MEMBERS:

a. Annual General Meeting : Date: 29-09-2020

Day: Tuesday.

Time: 11.30A. M.

Venue: Deemed to be the registered office of the Company.

b. Dividend payment : A dividend of Re.1.00/- (10%) has been recommended by the Board of Directors for approval of the Members for the Financial Year ended on 31-03-2020.

#### DETAILS OF UNCLAIMED & UNPAID DIVIDEND

The last dates for claiming of unpaid and unclaimed dividend lying in the Unpaid Dividend Account for the respective years are as follows:

Year	AGM Date	Last Date for Claiming of Dividend	Due Date for Transfer to IEPF	Amount as on 31.03.2020 (Rs.)
2014-15	26.09.2015	25.09.2022	03.12.2022	7,02,024
2015-16	17.09.2016	16.09.2023	24.11.2023	4,46,771
2016-17	15.09.2017	14.09.2024	22.11.2024	4,29,822
2017-18	28.09.2018	27.09.2025	05.12.2025	1,81,670
2018-19	21.09.2019	20.09.2026	29.11.2026	3,25,062

**FILING OF UNCLAIMED DIVIDEND WITH MINISTRY:** As per the Investor Education & Protection Fund (IEPF) Rules, 2012, the detailed list of shareholders in respect of unpaid and unclaimed dividend are filed with the Ministry of Corporate Affairs ("MCA") every year within the due time period. The same has also been updated in the website of the Company for your reference.

#### c. Date of Book Closure

22.09.2020 to 29.09.2020 (Both days inclusive) - For AGM & payment of Dividend

#### d. Financial Year & Calendar

Financial Year 2020-21	April-March
Unaudited Results for the quarter ending 30th June, 2020	By middle of August, 2020
Unaudited Results for the quarter ending 30th Sept., 2020	By middle of November, 2020
Unaudited Results for the quarter ending 31st Dec., 2020	By middle of February, 2021
Audited Annual Accounts for 2020-21	By end of May, 2021
Annual General Meeting for the year Ending 31st March, 2021	Middle of Sept, 2021

#### e. Listing:

Equity Shares of your Company are listed with the BSE Ltd. No listing fees are due as on date to BSE Limited.

The shares of the Company have been delisted voluntarily from the Calcutta Stock Exchange Ltd. under the SEBI Delisting Regulation, 2009 with effect from 1st April, 2016. Vide SEBI exit notice to U.P. Stock Exchange, Kanpur on June, 2015, the U.P. Stock Exchange, Kanpur has stopped its operation as a Stock Exchange. The names and address of the Stock Exchange and the Company's Stock Code is given below.

--The BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.(Stock Code 539018).

#### f. Market price Data :

The equity shares of the Company were listed with BSE Ltd. on 25.03.2015 under direct listing route. Monthly High/ Low price during the last Financial Year 2019- 20 at the BSE Ltd.

Month	Share Price (Rs.)		Month	Share Price (Rs.)	
	High	Low		High	Low
April, 2019	354.00	315.00	October, 2019	299.95	241.10
May, 2019	320.00	270.00	November, 2019	275.00	230.00
June, 2019	305.00	255.00	December, 2019	269.90	193.10
July, 2019	292.00	202.20	January, 2020	364.95	260.00
August, 2019	259.90	200.00	February, 2020	320.00	235.05
September, 2019	319.80	217.60	March, 2020	276.00	142.00

### g. Performance in comparison

Share price performance in comparison to BSE Sensex for the financial year 2019-20.		
Month	BSE SENSEX (Closing)	Monthly Closing Price at BSE
April 2019	39,031.55	321.60
May 2019	39,714.20	295.00
June 2019	39,394.64	272.15
July 2019	37,481.12	235.00
August 2019	37,332.79	225.65
September 2019	38,667.33	289.75
October 2019	40,129.05	261.05
November 2019	40,793.81	235.10
December 2019	41,253.74	260.30
January 2020	40,723.49	299.90
February 2020	38,297.29	267.55
March 2020	29,468.49	164.35

depicting liquidity of the Equity Shares is given hereunder :

#### h. Registrar and Share Transfer Agent:

M/s. Maheshwari Datamatics Pvt. Ltd.,  
23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001.  
Phone Nos. 91-33-2243-5029/ 2248-2248  
Fax No. 91-33-2248-4787, E-Mail – mdpldc@yahoo.com  
Website : www.mdpl.in  
Contact Person:- Mr. Rajagopal./Mr. Choubey/Mr. Patra

#### i. Shares Transfer System:

Share Transfer process is delegated to the Registrars and

Share Transfer Agents. The Shares Transfer Committee is empowered to approve the Share transfers. Transfer Committee Meeting is held as and when required.

The Share Transfers, transmission, issue of duplicate certificate etc. are endorsed by Directors / Executives / Officers as may be authorised by the Transfer Committee. Requests for transfers received from members and miscellaneous correspondence are processed/ resolved by the Registrars within stipulated time.

#### j. Distribution of Shareholding as on 31st March, 2020

Share Limit Notional Value of (Rs.)		No of Live Accounts	Percentage to Live Accounts	Total No. of Shares	Percentage of Total Shares
From	To				
1	5000	1395	71.4652	158254	0.8298
5001	10000	205	10.5020	148297	0.7776
10001	20000	178	9.1189	243434	1.2764
20001	30000	45	2.3053	113971	0.5976
30001	40000	24	1.2295	82869	0.4345
40001	50000	16	0.8197	72379	0.3795
50001	100000	27	1.3832	187530	0.9833
100001	Above	62	3.1762	18065318	94.7214
<b>Grand Total</b>		1952	100.0000	19072052	100.0000

<b>k. Share Holding Pattern as on 31st March, 2020:</b>		
<b>Category</b>	<b>No. of Shares</b>	<b>Percentage of Holding</b>
Promoters & Associates	13197900	69.2002
Mutual Funds & UTI	0	0
Banks, Financial Institutions, Insurance Companies (Central/ State Govt, Institutions, Govt. Institutions)	0	0
FII's	0	0
Private Corporate Bodies	4085174	21.4197
Indian Public	1393068	8.0116
NRIs / OCBs	109560	0.5745
Investor Education & Protection Fund Authority, Ministry of Corporate Affairs	286350	1.5014
<b>Total</b>	<b>19072052</b>	<b>100.00</b>

**l. Dematerialisation of Shares:** 1,81,66,521 numbers of equity shares constitutes 95.25 % (previous year- 1,80,97,119 nos. of equity shares i.e., 94.89 %) of the total paid-up equity share capital are held in dematerialized form with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. as on 31-03-2020. The Company's ISIN No. is INE213D01015.

As such, there is no impact on Equity of the Company.

**n. Commodity Price Risk/ Hedging activities:** No commodity price risks on the hedging activities

**m. Outstanding Instruments:**

The Company has not issued any GDRs / ADRs / Warrants or any convertible Instrument.

**o. Plant Locations**

<b>Locations</b>	<b>Name &amp; Address of the Manufacturing Units</b>
Jamshedpur( Jharkhand)	<b>Beekay Steel Industries Ltd.</b> Large Scale Sector, Adityapur Industrial Area, Gamharia, Seraikela-Kharsawan, Jharkhand – 832 108
Chengalpet (Tamilnadu)	<b>Beekay Steel Industries Ltd. 10,</b> Kumarawadi Village, Madhuranthagam Taluk, Kancheepuram, Chengalpet: 603 107
Visakhapatnam (Andhra Pradesh)	<b>Radice Ispat India, Vizag</b> Plot No.194, Survey No.272, Vellanki Village, Anandapuram Mandal, Bheemlipatnam, Visakhapatnam: 531 163
	<b>Beekay Structural Steels,</b> Plot No. 19-21 & 24-26, Block-E, Autonagar, Visakhapatnam: 530 012
	<b>Venkatesh Steel &amp; Alloys,</b> Plot No.28, Block-E, Autonagar, Visakhapatnam: 5300012.
	<b>Beekay Special Steels</b> Survey No.231/3,4,7, Vellanki Village, Anandapuram Mondal, Visakhapatnam: 531153
	<b>Beekay Structural Steels (TMT Division),</b> Plot No. 67B/68B, Industrial Park, APIIC, Bonangi Village, Parwada, Visakhapatnam – 531 021, Andhra Pradesh
Howrah (West Bengal)	<b>Beekay Steel Industries Ltd.</b> 286, 287, G.T. Road,Salkia, Howrah 711 106

**p. Address for Correspondence:**

**Beekay Steel Industries Ltd.,'**  
Lansdowne Tower', 4th Floor,  
2/1A, Sarat Bose Road,  
Kolkata 700 020.  
Phone Nos. (033) 30514444, Fax No: (033) 2283 3322,  
e-mail:contact@beekaysteel.com

**q. Compliance Officer:**

**Mr. Rabindra Kumar Sahoo, Company Secretary,**  
**Beekay Steel Industries Ltd.**  
'Lansdowne Towers' 4th Floor,  
2/1A, Sarat Bose Road, Kolkata: 700 020,  
Phone Nos. (033) 4060 4444, Fax No: (033) 2283 3322  
E-mail: rksahoo@beekaysteel.com

## **OTHER DISCLOSURES:**

### **i) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of the Corporate Governance:**

The Company has complied with all the applicable mandatory requirements of the applicable Regulations of SEBI (LODR) Regulations, 2015 and has adopted the following non-mandatory requirements of the aforesaid clause:

**Reporting of Internal Auditor:** The Internal Auditors reports directly to the Audit Committee.

The Company has taken cognizance of other non-mandatory requirements as set out in applicable Regulations of SEBI (LODR) Regulations, 2015 and shall consider adopting the same at an appropriate time.

### **ii) Web link where policy on dealing with related party transactions:**

Policy on dealing with related party transaction is displayed at the website of the Company [www.beekaysteel.com](http://www.beekaysteel.com)

### **iii) Disclosures of commodity price risks and commodity hedging activities:**

There is no commodity price risk and commodity hedging activities

### **iv) Accounting Treatment in preparation of financial statement:**

The Company has followed the guidelines of accounting standards as prescribed by the Institute of Chartered Accountants of India in preparation of financial statement.

### **v) CEO/ CFO certification:**

The CEO/ CFO certification as required under Regulation 17(8) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto which forms part of this report.

### **vi) Management Discussion and Analysis Report:**

The Management Discussion and Analysis Report as required under Regulation 34(2)(e) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto which forms part of this report.

### **vii) Business Responsibility Report:**

The Business Responsibility Report as required under regulation 34(2)(f) of SEBI (LODR) regulations, 2015 is annexed hereto which forms part of this report.

### **viii) Certificate from Company Secretary in practice:**

As required under the provisions of Schedule V of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from a Company Secretary in Practice have been received stating 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 Board/ Ministry of Corporate Affairs or any such statutory authority.

### **DISCLOSURE OF NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS AS DETAILED ABOVE, WITH REASONS THEREOF:**

There is no non-compliance of any requirement of Corporate Governance Report of sub-paras as detailed above, thus no explanations need to be given.

### **DISCLOSURE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED**

- Office to Non-executive Chairperson : - Since the Company is headed by Executive Chairman, maintenance of separate office is not required.
- Your Company is under process of updating its system for sending a half-yearly declaration of financial performance including summary of the significant events in last six months to each household of shareholders.
- The financial statement of your Company is continued to be with unmodified audit opinion.
- Separate posts of Chairperson & CEO :- The Company has appointed separate persons as Chairperson and Managing Director or CEO. Presently Mr. Suresh Chand Bansal is the Chairperson (Executive Chairman) of the Company and Mr. Mukesh Chand Bansal is the Managing Director and CEO of the Company.
- The Internal Auditors reports directly to the Audit Committee.

### **DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

As on 31st March, 2020, there are no outstanding shares of the Company lying in the demat suspense/ unclaimed suspense account.

### **DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (b) TO (i) OF SUB – REGULATION (2) OF REGULATION 46 OF SEBI LODR REGULATIONS, 2015**

The Company has complied with the requirements of aforesaid Regulations.

# Annexure to the Directors' Report

## Certification by Managing Director (CEO) and Chief Financial Officer (CFO) of the Company

**The Board of Directors,  
Beekay Steel Industries Ltd.,**

'Lansdowne Tower', 2/1A, Sarat Bose Road,  
Kolkata - 700 020.

Dear Sirs,

In terms of Regulations 17 (8) of SEBI (LODR), Regulation, 2015, we, Mukesh Chand Bansal, Managing Director (CEO) and Manav Bansal, Wholetime Director & CFO, Certify that :

1. We have reviewed financial statements and the cash flow statements for the financial year 2019-20 and to our best of knowledge, belief and information –
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading ;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of knowledge, belief and information, no transaction entered into by the Company during the financial year 2019-20 are fraudulent, illegal, or violative of the Company's Code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls which we are aware and we have taken and propose to take requisite steps to rectify the deficiencies, if any.
4. We have indicated to the Auditors and the Audit Committee :
  - i) significant changes in internal control over financial reporting during the financial year;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and
  - iii) that we have not come across any instances of significant fraud and the involvement therein of the management or an employee having significant role in the Company's internal control system over financial reporting.

**For Beekay Steel Industries Ltd.**

**Sd/-  
Mukesh Chand Bansal**  
Managing Director  
(DIN: 00103098)

**Sd/-  
(Manav Bansal)**  
(Wholetime Director & CFO)  
(DIN:00103024)

**Place: Kolkata  
Date: 29th August, 2020**

# Annexure to the Directors' Report

## Declaration for Compliance with the Code of Conduct of the Company as per Regulations 26(3) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Mukesh Chand Bansal, Managing Director and Mr. Manav Bansal, Wholetime Director & CFO of Beekay Steel Industries Limited declare that as of 31st March, 2020 all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company.

**For Beekay Steel Industries Ltd.**

**Sd/-**

**Mukesh Chand Bansal**

Managing Director

(DIN: 00103098)

**Sd/-**

**(Manav Bansal)**

(Wholetime Director & CFO)

(DIN:00103024)

**Place: Kolkata**

**Date: 29th August, 2020**

# Annexure to the Directors' Report

## Certificate of Compliance of Corporate Governance as required under Regulation 34(3) read with Schedule v of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

**To The Members of M/s. Beekay Steel Industries Ltd.**

I have examined the Compliance of Corporate Governance by M/S. Beekay Steel Industries Limited for the financial year 2019-20, as stipulated in the applicable Regulations of SEBI (LODR) Regulations, 2015 and Listing Agreement entered into by the said Company with Stock Exchange.

The Compliance of conditions of Corporate Governance is responsibility of the Management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with conditions of the Corporate Governances. It is neither an audit nor an expres-

sion of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanation given to me, I certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**Signature: Sd/-**

**Name: Santosh Kumar Tibrewalla**

**Membership No: 3811**

**C.P. No.: 3982**

**UDIN: F003811B000631306**

**Place: Kolkata**

**Date: 29th August, 2020**



# Standalone Financial Statements

# Independent Auditor's Report

To the Members of Beekay Steel Industries Limited.

Report on the Audit of the Standalone Ind AS Financial Statements

## Opinion

We have audited the accompanying Standalone Ind AS Financial Statement of BEEKAY STEEL INDUSTRIES LIMITED, which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity, the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

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 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 Standalone state of affairs of the Company as at March 31, 2020, the Standalone profit, Standalone total comprehensive income, Standalone changes in equity and its Standalone cash flows for the year ended on that date.

## Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

## 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.

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

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

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

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for

ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 and its subsidiary companies which are companies incorporated in India, 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 ability of the Company 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.
- 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 Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the Statement of the Cash flows 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 Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of

the Company's internal financial controls over financial reporting."

- g) 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, as amended : 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.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements.
    - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ('the order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure B, a statement on the matters specified in the paragraph 3 and 4 of the Order.

**For LIHALA & CO**  
**Chartered Accountants**  
**Firm's Registration Number.315052E**

**Rajesh Lihala**  
**(Partner)**  
**Membership No. 052138**  
**UDIN No. 20052138AAAAA**

**Place: 11, Crooked Lane, Kolkata - 700 069**  
**Date: 29th day of June, 2020**

# Annexure - A to Independent Auditor's Report

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

1. We have audited the internal financial controls over financial reporting of BEEKAY STEEL INDUSTRIES LIMITED as of 31st March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

## 2. 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.

## 3. Auditors' Responsibility

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

4. 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 judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

5. 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.

## 6. 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:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (iii) 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 financial statements.

## 7. 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.

#### **8. Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial

reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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 Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place: 11, Crooked Lane, Kolkata - 700 069**  
**Date: 29th day of June, 2020**

**For LIHALA & CO**  
**Chartered Accountants**  
**Firm's Registration Number.315052E**

**Rajesh Lihala**  
**(Partner)**  
**Membership No. 052138**  
**UDIN No. 20052138AAAAAK8326**



# Annexure - B to Independent Auditor's Report

The Annexure referred to in Independent Auditors' Report to the members of BEEKAY STEEL INDUSTRIES LIMITED on the Standalone financial statements for the year ended 31st March, 2020, we report that :

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- 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 during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- (iii) There are Companies, firms, LLPs or other parties covered in the register to be maintained under section 189 of the Companies Act, 2013. However, the Company has not granted loan to such Companies, firms, LLPs or other parties.
- (iv) According to the information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013 in respect making investments as applicable.
- (v) The Company has not accepted any deposits from public within the meaning of sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain Cost records as specified under section 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, however not, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues, as applicable, with the appropriate authorities.
- b) According to the information and explanations given to us, there were disputed amount payable in respect of Income Tax relating to F.Y. 2010-11 amounting Rs. 11,56,430/- and Rs. 2,67,322/- relating to F.Y 2013-14 which have remained outstanding as at 31st March, 2020 for a period of more than six months from the date they become payable. However no undisputed dues is payable in respect of wealth-tax, sales-tax, value added tax, service tax, customs duty and excise duty which have remained outstanding as at 31.03.2020 for a period of more than six months from the date they became payable.
- c) According to the records of the Company, there are dues of sales tax, income tax, customs tax/wealth tax, value added tax, service tax, excise duty/ cess which have not been deposited on account of dispute.

Nature of Dues	Period to which the matter pertains	Forum where disputes is pending	Amount Involved (₹)
Excise Duty	1998-1999	Hon'ble High Court, Kolkata	831,204
-- Do --	1997-1998	Customs,Excise & Service Tax Appeallate Tribunal, Kolkata.	106,707,795
-- Do --	2009-2013	Customs,Excise & Service Tax Appeallate Tribunal, Kolkata.	45,651,910
-- Do --	2015-2017	Commissioner of Central Excise(Appeals), Hyderabad	1,023,322
-- Do --	2009-2014	Customs,Excise & Service Tax Appeallate Tribunal, Hyderabad.	8,978,682
-- Do --	2012-2015	Customs,Excise & Service Tax Appeallate Tribunal, Hyderabad.	1,727,151
-- Do --	2012-2016	Customs,Excise & Service Tax Appeallate Tribunal, Chennai	1,568,208
Sales Tax	2010-2011	West Bengal Taxation Tribunal & Appellate Board	1,061,100
-- Do --	2013-2014	The Appellate Deputy Commissioner, Vijayawada	466,714
-- Do --	2013-2015	Andhra Pradesh Value Added Tax Appellate Tribunal, Visakhapatnam	10,403,520
-- Do --	2011-2017	The Appellate Deputy Commissioner(CT), South Chennai	683,450
Income Tax	2011-2012	The Commissioner of Income Tax(Appeal-11), Kolkata	51,686,402
-- Do --	2014-2015	The Commissioner of Income Tax(Appeal-1), Kolkata	633,508
-- Do --	2015-2016	The Commissioner of Income Tax(Appeal-1), Kolkata	2,603,773

(viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date.

(ix) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

(x) During the course of our examination of the books and records of the Company, Carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such cases by the Management.

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

(xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly,

paragraph 3(xii) of the order are not applicable to the Company.

(xiii) The Company has entered into transactions with related parties in compliance with the provisions of sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Standalone financial statements as required under Indian Accounting Standards (Ind AS) 24, Related Party Disclosures.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the order are not applicable to the Company.

(xv) The Company has not entered into any non cash transactions with its directors or persons connected with them. Accordingly, paragraph 3(xv) of the order are 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, paragraph 3(xvi) of the order are not applicable to the company.

**For LIHALA & CO**  
**Chartered Accountants**  
**Firm's Registration Number.315052E**

**Rajesh Lihala**  
**(Partner)**  
**Membership No. 052138**  
**UDIN No. 20052138AAAAAJ8521**

**Place: 11, Crooked Lane, Kolkata - 700 069**  
**Date: 29th day of June, 2020**

## Standalone Balance Sheet as at 31 March 2020

	Note	Amount (In Rs) As at 31 March, 2020	Amount (In Rs) As at 31 March, 2019
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	4A	2,126,243,918	2,079,106,333
(b) Capital work-in-progress	4B	209,528,628	234,150,045
(c) Financial assets			
(i) Investments	5(i)	2,320,001	2,320,001
(ii) Other financial assets	6	19,761,233	14,618,229
(d) Other non-current assets	7	157,391,184	146,507,753
<b>Total Non-current assets</b>		<b>2,515,244,964</b>	<b>2,476,702,361</b>
<b>(2) Current assets</b>			
(a) Inventories	8	2,191,414,349	2,140,743,426
(b) Financial assets			
(i) Investments	5(ii)	350,191,728	-
(ii) Trade receivables	9	966,381,089	1,176,952,659
(iii) Cash and cash equivalents	10	45,073,081	27,687,997
(iv) Bank balances other than cash and cash equivalents	11	9,077,213	23,328,688
(v) Other financial assets	12	7,265,956	6,514,436
(c) Current Tax Asset(Net)	13	55,688,775	-
(d) Other current assets	14	264,178,599	271,744,702
<b>Total Current assets</b>		<b>3,889,270,790</b>	<b>3,646,971,908</b>
<b>TOTAL ASSETS</b>		<b>6,404,515,753</b>	<b>6,123,674,271</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	15	190,909,270	190,909,270
(b) Other equity	16	4,505,625,144	3,773,844,078
<b>Total Equity</b>		<b>4,696,534,414</b>	<b>3,964,753,348</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17(i)	264,223,999	297,425,775
(b) Provisions	18(i)	18,244,792	9,172,701
(c) Deferred tax liabilities (net)	19	225,931,101	333,027,444
(d) Other non-current liabilities	20	128,127,431	132,825,016
<b>Total Non-current liabilities</b>		<b>636,527,323</b>	<b>772,450,936</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17(ii)	612,909,933	904,132,261
(ii) Trade payables	21		
- Total Outstanding dues of Micro Enterprises and Small Enterprises		1,059,319	1,299,438
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		257,541,584	359,922,645
(iii) Other financial liabilities	22	32,639,621	35,724,171
(b) Other current liabilities	23	166,770,453	75,494,169
(c) Provisions	18(ii)	533,107	613,407
(d) Current Tax Liabilities (Net)	24	-	9,283,896
<b>Total Current liabilities</b>		<b>1,071,454,016</b>	<b>1,386,469,987</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,404,515,753</b>	<b>6,123,674,271</b>

As per our report of even date attached

**For LIHALA & CO**  
Chartered Accountants  
Firm's Registration Number.315052E

**Rajesh Lihala**  
(Partner)  
Membership No. 052138  
UDIN No.20052138AAAAAJ8521  
Place: 11, Crooked Lane, Kolkata - 700 069  
Date: 29th June 2020

For and on behalf of the Board of Directors  
sd/-

**Suresh Chand Bansal**  
Executive Chairman  
(DIN: 00103134)

**Mukesh Chand Bansal**  
Managing Director  
(DIN: 00103098)

**Manav Bansal**  
Full time Director & CFO  
(DIN: 00103024)

**Rabindra Kumar Sahoo**  
Company Secretary

## Standalone Statement of Profit and Loss for the year ended 31 March 2020

		Note	Amount (In Rs)	
			Year ended 31 March, 2020	Year ended 31 March, 2019
I	Revenue from operations	25	8,119,728,608	9,647,640,467
II	Other income	26	16,641,842	24,962,969
III	<b>Total income (I + II)</b>		<b>8,136,370,450</b>	<b>9,672,603,436</b>
IV	Expenses			
	Cost of materials consumed	27	4,841,266,494	5,759,546,348
	Purchase of stock-in-trade		285,310,883	280,740,671
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	(338,321,634)	(157,593,527)
	Employee benefits expense	29	287,109,530	247,806,730
	Finance costs	30	102,259,275	157,744,576
	Depreciation and amortisation expense	4A	230,564,801	163,710,491
	Other expenses	31	1,801,625,108	1,719,074,627
	<b>Total expenses (IV)</b>		<b>7,209,814,457</b>	<b>8,171,029,916</b>
V	<b>Profit/ (loss) before tax (III-IV)</b>		926,555,993	1,501,573,520
VI	<b>Tax expense:</b>			
	Current tax		251,000,000	511,000,000
	Deferred tax		(105,847,563)	7,969,299
VII	<b>Profit / (loss) for the year (V-VI)</b>		781,403,556	982,604,221
	<b>Other comprehensive income</b>			
	A. Items that will not be reclassified to profit or loss			
	(a) Remeasurements of defined benefit liability/ (asset)		(4,961,786)	1,085,144
	(b) Income taxes relating to items that will not be reclassified to profit or loss		1,248,782	(379,193)
	<b>Net other comprehensive income not to be reclassified subsequently to profit or loss</b>		<b>(3,713,004)</b>	<b>705,951</b>
	B. Items that will be reclassified to profit or loss		-	-
	<b>Net other comprehensive income to be reclassified subsequently to profit or loss</b>		-	-
VIII	<b>Other comprehensive income</b>		<b>(3,713,004)</b>	<b>705,951</b>
IX.	<b>Total comprehensive income for the year (VII+VIII)</b>		<b>777,690,552</b>	<b>983,310,172</b>
X.	<b>Earnings per equity share</b>			
	[Face value of equity share Rs. 10 each (previous year Rs. 10 each)]			
	- Basic		40.97	51.52
	- Diluted		40.97	51.52

As per our report of even date attached

**For LIHALA & CO**  
**Chartered Accountants**  
**Firm's Registration Number.315052E**

**Rajesh Lihala**  
**(Partner)**  
**Membership No. 052138**  
**UDIN No. 20052138AAAAAJ8521**  
Place: 11, Crooked Lane, Kolkata - 700 069  
Date: 29th June 2020

For and on behalf of the Board of Directors  
sd/-

**Suresh Chand Bansal**  
**Executive Chairman**  
**(DIN: 00103134)**

**Mukesh Chand Bansal**  
**Managing Director**  
**(DIN: 00103098)**

**Manav Bansal**  
**Full time Director & CFO**  
**(DIN: 00103024)**

**Rabindra Kumar Sahoo**  
**Company Secretary**

## Cash flow statement for the year ended 31st March 2020

Particulars	Year ended 31 March,2020		Year ended 31 March,2019	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>A. Cash flow from operating activities</b>		926,555,993		1,501,573,520
Net Profit / (Loss) before extraordinary items and tax				
Adjustments for:				
Depreciation and amortisation	230,564,801		163,710,491	
Dividend Received	(1,345,713)		-	
Sundry Balance W/Back	(385,833)		(936,408)	
Foreign Currency Exchange Fluctuation Gain	(26,127,597)		(4,905,943)	
(Profit)/Loss on sale of Fixed assets	(198,854)		3,640,087	
Bad Debt & Sundry Balance Written Off	783,701		1,453,027	
Finance costs	102,259,275		157,744,576	
		305,549,780		320,705,830
Operating profit / (loss) before working capital changes		<b>1,232,105,773</b>		<b>1,822,279,350</b>
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(50,670,923)		(416,417,616)	
Trade receivables	210,571,570		139,729,315	
Financial and Other Assets	5,039,623		295,543,940	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(102,621,180)		(293,746)	
Borrowings	(291,222,328)		(564,607,357)	
Financial and Other Liabilities	83,494,149		(212,677,610)	
Provisions	4,030,005		2,308,545	
		(141,379,085)		(756,414,529)
Cash generated from operations		<b>1,090,726,688</b>		<b>1,065,864,821</b>
Net income tax (paid) / refunds		(288,697,214)		(510,904,777)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>802,029,474</b>		<b>554,960,044</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets		(253,408,125)		(357,045,596)
Purchase of Current Investment		(350,191,728)		-
Proceeds from sale of fixed assets		325,995		2,089,971
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(603,273,858)</b>		<b>(354,955,625)</b>
<b>C. Cash flow from financing activities</b>				
Repayment of Non Current borrowings	(33,201,776)		(10,327,538)	
Dividend Paid (Including Dividend Tax)	(45,909,481)		(22,954,673)	
Unpaid Dividend Transferred to Investor Protection Fund	-		(259,857)	
Finance cost	(102,259,275)		(157,744,576)	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(181,370,532)</b>		<b>(191,286,644)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		17,385,084		8,717,775
Cash and cash equivalents at the beginning of the year		27,687,997		18,970,222
<b>Cash and cash equivalents at the end of the year</b>		<b>45,073,081</b>		<b>27,687,997</b>

### Notes:

- Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013.
- Figures in brackets indicate cash outflows.

As per our report of even date attached

**For LIHALA & CO**  
Chartered Accountants  
Firm's Registration Number.315052E

**Rajesh Lihala**  
(Partner)  
Membership No. 052138  
UDIN No. 20052138AAAAAJ8521  
Place: 11, Crooked Lane, Kolkata - 700 069  
Date: 29th June 2020

For and on behalf of the Board of Directors  
sd/-

**Suresh Chand Bansal**  
Executive Chairman  
(DIN: 00103134)

**Manav Bansal**  
Full time Director & CFO  
(DIN: 00103024)

**Mukesh Chand Bansal**  
Managing Director  
(DIN: 00103098)

**Rabindra Kumar Sahoo**  
Company Secretary

## Standalone Statement of Changes in Equity for the year ended 31 March 2020

<b>A. Equity share capital</b>		
<b>Particulars</b>	<b>Number</b>	<b>Amount</b>
<b>Balance as at 1st April 2019</b>	19,072,052	190,720,520
Changes in equity share capital during 2019-20	-	-
<b>Balance as at 31 March 2020</b>	<b>19,072,052</b>	<b>190,720,520</b>

<b>B. Other equity</b>						
<b>Particulars</b>	<b>Reserves and surplus</b>					<b>Total</b>
	<b>Capital reserve</b>	<b>Share Premium</b>	<b>Capital Redemption Reserve</b>	<b>General Reserve</b>	<b>Retained earnings</b>	
<b>Balance as at 1st April 2019</b>	30,142,208	328,846,550	30,000,000	483,433,983	2,901,421,337	3,773,844,078
Profit or Loss					781,403,556	781,403,556
Other comprehensive income (net of tax)					(3,713,004)	(3,713,004)
Dividend					(38,144,104)	(38,144,104)
Income tax on dividend paid					(7,765,377)	(7,765,377)
Other adjustments	-				-	-
Transfer from retained earnings						-
<b>Balance at 31 March 2020</b>	30,142,208	328,846,550	30,000,000	483,433,983	3,633,202,409	4,505,625,144

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

**For LIHALA & CO**  
**Chartered Accountants**  
**Firm's Registration Number.315052E**

**Rajesh Lihala**  
**(Partner)**  
**Membership No. 052138**  
**UDIN No.20052138AAAAAJ8521**  
 Place: 11, Crooked Lane, Kolkata - 700 069  
 Date: 29th June 2020

For and on behalf of the Board of Directors  
 sd/-

**Suresh Chand Bansal**      **Mukesh Chand Bansal**  
**Executive Chairman**      **Managing Director**  
**(DIN: 00103134)**      **(DIN: 00103098)**

**Manav Bansal**      **Rabindra Kumar Sahoo**  
**Full time Director & CFO**      **Company Secretary**  
**(DIN: 00103024)**



# Notes to the Standalone Financial Statements for the year ended 31 March 2020

## 1. COMPANY INFORMATION

“Beekay Steel Industries Limited (“the Company”) is a listed company incorporated in India on 28th March, 1981 having its registered office at 2/1A, Sarat Bose Road, Lansdowne Towers, 4 Floor, Kolkata-700020. The Company is principally engaged in the business of manufacturing of Hot Rolled Steel Sections, Bright Bars, Structural Items and TMT Bars.

The Company's equity shares are listed on the BSE Limited (nation-wide trading terminal) under direct listing route. The trading of shares have started w.e.f, 25th March, 2015.”

## 2. BASIS OF PREPARATION. MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation and Measurement

#### a) Compliance with Ind AS

“These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (“the Act”) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The accounting policies are applied consistently to all the periods presented in the financial statements.

#### b) Functional and presentation currency

The financial statements are presented in Indian Rupees (‘Rs’) which is Company's presentation currency. The functional currency of the Company is also Indian Rupees (‘Rs’).

#### c) Basis of measurement

The financial statements have been prepared on historical cost convention on the accrual basis, except for the following items:

- (i) Certain financial assets and financial liabilities measured at fair value;
- (ii) Employee's defined benefit plan as per actuarial valuation. Fair value is the price that would be received on the

sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.”

#### d) Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.”

#### e) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.”

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). active markets for identical assets or liabilities.

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## **2.2 Critical accounting judgments and key sources of estimation uncertainty : Key assumptions-**

### **(i) Useful lives of Property, plant and equipment:**

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

### **(ii) Fair value measurement of financial instruments:**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using certain valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

### **(iii) Defined benefit plans:**

The cost of the defined benefit plan includes gratuity and the present value of the gratuity obligation are determined using actuarial valuations using projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### **(iv) Recognition and measurement of provisions and contingencies:**

The certain key assumptions about the likelihood and magnitude of an outflow of resources. Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies, if any, in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for.

### **(v) Estimation of uncertainties relating to the global health pandemic from COVID-19(COVID-19):**

The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organisation with adverse impact on economy and business. Supply chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown from 25th March 2020 announced by the Indian Government, to stem the spread of COVID-19. Due to this the operations in all our manufacturing plants were affected.

In light of these circumstances, the Company has made initial assessment of the likely adverse impact on economic environment in general and operational and financial risk on account of COVID-19. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information such as our current contract terms, future volume estimates from the business etc. The Company is engaged in the business of Iron & Steel which are connected with activities fundamental to Indian Economy. The management believes that there may not be any significant impact of COVID-19 on financial position and performance of the Company and the Company will continue to closely monitor any material changes to future economic conditions.

## **3. Statement of Significant accounting policies**

### **a) Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

### **b) 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**

##### **Initial recognition and 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. Trade receivables are initially measured at transaction price. Regular way purchase and sale of financial assets are accounted for at trade date.

##### **Subsequent measurement**

For purposes of subsequent measurement, financial assets

are classified in three categories:

- Amortised cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL)

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.

#### **Financial assets at amortised cost**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect 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 on the principal amount outstanding.

The effective interest rate (EIR) amortisation is included in finance income in the profit or loss."

#### Financial assets at Fair value through other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI)."

#### Financial assets at Fair value through Profit & Loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit & Loss."

#### **Investment in Associates**

Investment in Associates is shown at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

#### **Other equity investments**

All other equity investments are measured at fair value, with

value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

#### **Derecognition**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

#### **ii. Financial liability**

##### **Initial recognition and measurement**

Financial liabilities are initially recognised at fair value plus any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at fair value through profit or loss which are initially measured at fair value.

##### **Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in following categories:

- Financial liabilities through profit or loss (FVTPL)
- Financial liabilities at amortised cost

##### **Financial liabilities through FVTPL**

A financial liability is classified as at 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.

##### **Financial liabilities at amortised cost**

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in profit or loss.

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments."

#### **Derecognition**

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### **iii. Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right

to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### **c) Property, Plant and Equipment**

#### **i. Recognition and measurement**

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalised.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment."

Assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and shown under 'Other current assets'.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress."

#### **ii. Subsequent expenditure**

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

#### **iii. Depreciation and amortisation**

Depreciation and amortisation for the year is recognised in the Statement of Profit and Loss.

Depreciation on fixed assets are provided on straight line method over the useful lives of assets, at the rates and in the manner specified in Part C of Schedule II of the Act.

Freehold land is not depreciated. Leasehold land (includes development cost) is amortised on a straight line basis over the period of respective lease, except land acquired on perpetual lease.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as appropriate."

### **d) Intangible Assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Estimated useful life of the Computer Software is 5 years.

#### **e) Inventories:**

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

#### **f) Impairment**

##### **i. Impairment of financial instruments: financial assets**

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss."

##### **ii. Impairment of non-financial assets**

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. If any such indication exists the recoverable amount of



an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount."

#### **g) Employee Benefits**

##### **i). Short-term employee benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

##### **ii). Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which the Company makes specified monthly contributions towards 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.

##### **iii). Defined benefit plans**

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The liability in respect of gratuity and other post-employment benefits is calculated by Actuaries using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income."

##### **h) Provisions (other than for employee benefits)**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost."

##### **i) Revenue Recognition**

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

Revenue is recognised to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from the sale of goods and services are recognised when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the amount due, associated costs or the possible return of goods."

##### **Other operating revenue-Export Incentives**

Export Incentives under various schemes are accounted in the year of export.

##### **j) Leases**

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet. Payments made under operating leases are recognized in the Statement of Profit or Loss on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with general inflation.

##### **k) Recognition of dividend income, interest income or expense**

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method."

##### **l) Segment reporting**

The Company is dealing in one segment only i.e. Rolling of

Iron & Steel and hence separate segment is not given in accordance with Ind AS-108 "Operating Segments" notified pursuant to Companies (Accounting Standard) Rules, 2015.

#### **m) Income tax**

Income tax expense comprises of current and deferred tax. Current tax and deferred tax is recognized in the statement of profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

#### **i). Current tax**

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.

#### **ii). Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets 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 end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period."

#### **n) Borrowing costs**

Borrowing costs are interest and other costs incurred in con-

nection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest."

#### **o) Earnings per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

#### **p) Recent accounting pronouncements**

Ministry of Corporate Affairs("MCA") notifies new standards or amendments to the existing standards. There is no such notifications which would have been applicable from April 1, 2020.



## Notes on standalone financial statements for the year ended 31st March, 2020

### Note: 4A FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2019	Additions during the Year	Sold/ Discarded or Adjustments	As on 31.03.2020	Upto 01.04.2019	For the Year	Adjustment /Sold/ Discarded	As on 31.03.2020	As on 31.03.2020	As on 31.03.2019
<b>4A Property, plant &amp; equipment :-</b>										
Land	144,897,195	223,852	-	145,121,047	-	-	-	-	145,121,047	144,897,195
Leasehold Land	7,337,847	-	-	7,337,847	570,000	-	-	570,000	6,767,847	6,767,847
Shed & Building	712,523,527	40,331,902	-	752,855,429	178,541,325	20,046,829	-	198,588,154	554,267,275	533,982,202
Flats	13,634,068	6,149,800	-	19,783,868	2,638,265	366,441	-	3,004,706	16,779,162	10,995,803
Leasehold Flats	554,810	-	-	554,810	140,278	-	-	140,278	414,532	414,532
Office Premises	30,502,147	-	-	30,502,147	5,890,814	472,581	-	6,363,395	24,138,752	24,611,333
Plant & Machineries	1,956,302,331	128,205,553	-	2,084,507,884	810,702,428	98,059,710	-	908,762,138	1,175,745,746	1,145,599,903
Electrical Installation	146,686,012	23,642,553	-	170,328,565	63,999,277	10,851,213	-	74,850,490	95,478,075	82,686,735
Laboratory Equipments	8,151,710	-	-	8,151,710	4,581,783	-	-	4,581,783	3,569,927	3,569,927
Rolls	553,476,150	66,409,664	-	619,885,814	475,226,970	92,380,109	-	567,607,079	52,278,735	78,249,180
Furniture & Fixtures	29,828,277	1,191,666	-	31,019,943	23,437,596	1,917,316	-	25,354,912	5,665,031	6,390,681
Computer	23,402,884	3,558,442	-	26,961,326	19,943,651	1,446,656	-	21,390,307	5,571,019	3,459,233
Office Equipments	6,242,916	859,911	-	7,102,827	4,876,264	472,989	-	5,349,253	1,753,574	1,366,652
Air Conditioner & Others	9,962,870	120,329	-	10,083,199	6,157,892	672,864	-	6,830,756	3,252,443	3,804,978
Motor Vehicles	56,558,147	7,335,871	989,387	62,904,631	24,248,010	4,017,116	801,247	27,463,879	35,440,752	32,310,137
<b>Total - Fixed Assets</b>	<b>3,700,060,890</b>	<b>278,029,543</b>	<b>989,387</b>	<b>3,977,101,047</b>	<b>1,620,954,557</b>	<b>230,703,824</b>	<b>801,247</b>	<b>1,850,857,134</b>	<b>2,126,243,918</b>	<b>2,079,106,333</b>
<b>Previous Year</b>										
Fixed Assets	3,331,204,740	376,358,625	7,502,475	3,700,060,890	1,460,075,734	163,772,693	2,893,871	1,620,954,556	2,079,106,333	-
(i) Certain property, plant and equipment are pledged against borrowings, the details relating to which has been described in Note 16 pertaining to borrowings.										
<b>NOTE: 4B Capital Work -in- Progress</b>										
<b>4B</b>										
Capital Work in Progress	234,150,045	24,443,309	49,064,727	209,528,628	-	-	-	-	209,528,628	234,150,045
Previous Year										
Capital Work in Progress	253,463,074	242,137,567	261,450,596	234,150,045	-	-	-	-	234,150,045	-

## Notes on standalone financial statements for the year ended 31st March, 2020

	Amount in Rs. 31 March 2020	Amount in Rs. 31 March 2019
<b>Note 5(i). Non-Current Investments</b>		
<b>Investments in Equity Instruments</b>		
<b>In Associates (carrying amount determined using the equity method of accounting)"</b>		
<b>Quoted:</b>		
11,60,000 (31st March 2019: 11,60,000) Equity Shares Rs. 10/- each fully paid up in A K C Steel Industries Limited	2,320,000	2,320,000
<b>In Others (at fair value through other comprehensive income)</b>		
<b>Quoted:</b>		
800 (31st March 2019: 800) Equity Shares of Rs. 10/- each fully paid up in Super Forging & Steels Limited	1	1
<b>(A)</b>	<b>2,320,001</b>	<b>2,320,001</b>
Aggregate Market value of quoted investments	2,320,001	2,320,001

	31 March 2020	31 March 2019
<b>Note 5(ii). Current Investments</b>		
<b>Investments in Mutual Funds (at fair value through Profit &amp; Loss)</b>		
<b>Quoted:</b>		
Aditya Birla Sun Life Low Duration Fund -Growth- Regular Plan - 55,000.665 Units (31st March 2019: Nil)	25,100,000	-
Axis Ultra Short Term Fund Growth - 2,354,337.160 Units (31st March 2019: Nil)	25,000,000	-
ICICI Prudential Ultra Short Term Fund Growth - 1,301,839.238 Units (31st March 2019: Nil)	25,000,000	-
HDFC Low Duration Fund Growth - 628,486.529 Units (31st March 2019: Nil)	25,000,000	-
ICICI Prudential Credit Risk Fund Growth - 4,825,097.679 Units (31st March 2019: Nil)	100,477,357	-
HDFC Credit Risk Fund Growth - 6,276,874.236 Units (31st March 2019: Nil)	100,000,000	-
Franklin India Short Term Income Plan - Growth - 10,873.925 Units (31st March 2019: Nil)	43,739,371	-
Franklin India Index Fund Nifty Plan - 72,623.12 Units (31st March 2019: Nil)	5,000,000	-
Franklin India Short Term Income Plan - Retail Plan - Segregated Portfolio -3 -(9.5% Yes Bank Ltd CO 23DEC21) - Growth - 12,212.704 Units (31st March 2019: Nil)	875,000	-
<b>(B)</b>	<b>350,191,728</b>	-
Aggregate book value of quoted investments	350,191,728	-
Aggregate market value of quoted investments	361,945,940	-

	31 March 2020	31 March 2019
<b>Note 6. Other non-current financial assets</b>		
Deposits with remaining maturity of more than 12 months*	19,761,233	14,618,229
	19,761,233	14,618,229
* Pledged with the banks against various credit facilities availed by the company (Refer note 16).		

	31 March 2020	31 March 2019
<b>Note 7. Other non-current assets</b>		
(Unsecured, considered good)		
Capital advances	55,973,282	60,759,189
Advances other than capital advances		
- Security and other deposits	91,874,153	75,485,667
- Other advances (including advances with statutory authorities)	9,543,749	10,262,897
	<b>157,391,184</b>	<b>146,507,753</b>

	31 March 2020	31 March 2019
<b>Note 8. Inventories</b>		
(Valued at the lower of cost and net realisable value)		
Raw materials	881,984,389	1,180,587,355
Finished goods	1,093,972,754	720,477,552
Stock-in-trade (goods acquired for trading)	45,859,799	40,585,142
Scrap and cuttings	84,430,409	123,751,205
Stores and spares	85,166,999	75,342,172
	<b>2,191,414,349</b>	<b>2,140,743,426</b>

- (i) The mode of valuation of inventories has been stated in Note 3(e).  
(ii) Inventories have been pledged as security against certain bank borrowings of the company as at 31 March, 2020 (Refer note 17).  
(iii) Cost of inventory recognised as an expense

## Notes on standalone financial statements for the year ended 31st March, 2020

Note 9. Trade receivables	31 March 2020	31 March 2019
Unsecured, Considered good		
Over Six Months	43,071,790	31,567,855
Others	923,309,299	1,145,384,804
	<b>966,381,089</b>	<b>1,176,952,659</b>

Trade Receivables have been given as collateral towards borrowings (refer note 17).

Note 10. Cash and cash equivalents#	31 March 2020	31 March 2019
Balances with banks		
- In cash credit and current accounts	19,277,038	8,704,031
- Deposit with original maturity of less than three months account	23,287,095	16,691,084
Cheques, drafts on hand	172,500	101,730
Cash on hand	2,336,448	2,191,152
	<b>45,073,081</b>	<b>27,687,997</b>

# Cash and cash equivalents (other than cash on hand) are pledged against borrowings, the details relating to which have been described in Note 17 pertaining to borrowings.

Note 11. Other bank balances *	31 March 2020	31 March 2019
Earmarked balances (on unclaimed dividend account)	2,085,349	1,846,863
In deposit account**	6,991,864	21,481,825
	<b>9,077,213</b>	<b>23,328,688</b>

\*Other Bank balances are pledged against borrowings, the details relating to which have been described in Note 17 pertaining to borrowings.  
\*\*Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

Note 12. Other current financial assets	31 March 2020	31 March 2019
Advances to employees	3,804,165	3,071,215
Interest accrued on deposits	3,461,791	3,443,221
	<b>7,265,956</b>	<b>6,514,436</b>

Note 13. Current tax Asset (Net)	31 March 2020	31 March 2019
Current tax (net of Payment)	55,688,775	-
	<b>55,688,775</b>	-

Note 14. Other current assets	31 March 2020	31 March 2019
Advances other than capital advances		
- Advance to suppliers	101,330,704	147,683,268
- Export incentive receivable (including duty drawback)	80,390,076	693,446
- Other statutory advances	68,513,235	114,976,651
- Other advances (including prepaid expenses, other receivables etc.)	13,944,584	8,391,337
	<b>264,178,599</b>	<b>271,744,702</b>

Note 15. Equity share capital	31 March 2020	31 March 2019
<b>Authorised</b>		
2,00,00,000 (March 31, 2019: 2,00,00,000) Equity Shares of Rs.10/- each	200,000,000	200,000,000
3,00,000 (March 31, 2019: 3,00,000) 15% Non-Convertible Redeemable Preference Shares of Rs. 100 each of 100/- each	30,000,000	30,000,000
	<b>230,000,000</b>	<b>230,000,000</b>
<b>Issued &amp; subscribed</b>		
1,93,71,652 (March 31, 2019: 1,93,71,652) Equity Shares of Rs.10/- each	190,909,270	190,909,270
<b>Paid up Capital</b>		
1,90,72,052 (March 31, 2019 1,90,72,052) Equity Shares of Rs.10/- each fully paid up	190,720,520	190,720,520
Add : Forfeited Shares	188,750	188,750
	<b>190,909,270</b>	<b>190,909,270</b>

## Notes on standalone financial statements for the year ended 31st March, 2020

Note -16 Other equity							
Components	Note	1 April 2019	Movement during the year	31 March 2020	1 April 2018	Movement during the year	31 March 2019
Capital reserve	a	30,142,208		30,142,208	30,142,208	-	30,142,208
Share premium	b	328,846,550		328,846,550	328,846,550		328,846,550
General reserve	d	483,433,983		483,433,983	483,433,983		483,433,983
Capital Redemption Reserve	e	30,000,000		30,000,000	30,000,000		30,000,000
Retained earnings	f	2,901,421,337	731,781,071	3,633,202,403	1,941,065,838	960,355,499	2,901,421,337
		<b>3,773,844,078</b>	<b>731,781,071</b>	<b>4,505,625,144</b>	<b>2,813,488,579</b>	<b>960,355,499</b>	<b>3,773,844,078</b>

The description, nature and purpose of each reserve within equity are as follows:

- (a) **Capital Reserve:** Capital reserve is utilised in accordance with provisions of the Act
- (b) **Securities Premium Account:** The amount received in excess of face value of the equity shares is recognised in Share Premium.
- (c) **General Reserve:** The Company has transferred a portion of the net profit of the company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.
- (d) **Capital Redemption Reserve:** The Company has recognised Capital Redemption Reserve on redemption of Preference Shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the Preference Shares redeemed.
- (e) **Retained earnings:** It comprise of accumulated profit/ (loss) of the Company. The movement is on account of following
  - (i) Rs. 77,76,90,557 (31st March 2019: Rs. 99,16,43,496) was on account of profit/ (loss) incurred by the Company.
  - (ii) Rs. 4,59,09,481 (31st March 2019: 2,29,54,673) was on account of dividend distribution (inclusive of dividend distribution tax).

## Notes on standalone financial statements for the year ended 31st March, 2020

A. Reconciliation of number of equity shares outstanding at the beginning and at the end of the period				
	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
Balance as at the beginning of the year	19,072,052	190,720,520	19,072,052	190,720,520
Add: Issued during the year	-	-	-	-
Balance as at the end of the year	<b>19,072,052</b>	<b>190,720,520</b>	<b>19,072,052</b>	<b>190,720,520</b>

### B. Rights, preferences and restrictions attaching to Equity Shares

The Company has equity shares having a par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share and in the event of liquidation, the shareholders of Equity shares of the company are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.

The Company has authorised Preference Share Capital which are non convertible redeemable of 100/- each. Such Shareholders have right to receive fixed preferential dividend. However no preferential shares are outstanding on the date of Balance Sheet.

C. Particulars of shareholders holding more than 5% shares of fully paid up equity shares				
Name of the Shareholder	31 March 2020		31 March 2019	
	Number	% of total shares in the class	Number	% of total shares in the class
Jyotirmoy Trading Pvt. Ltd.	<b>2,457,678</b>	12.89%	2,457,678	12.89%
Concast Steels & Alloys Ltd.	<b>2,129,754</b>	11.17%	2,129,754	11.17%
Suresh Chand Bansal	<b>2,013,854</b>	10.56%	2,013,854	10.56%
Manav Bansal	<b>1,258,196</b>	6.60%	1,258,196	6.60%
Mukesh Chand Bansal	<b>1,193,374</b>	6.26%	1,193,374	6.26%
Century Vision Pvt. Ltd.	<b>1,060,938</b>	5.56%	1,060,938	5.56%
Vikas Bansal	<b>953,998</b>	5.00%	953,998	5.00%

Note 17. Borrowings		31 March 2020	31 March 2019
<b>17(ii) Non-current borrowings</b>			
<b>Secured Term loans</b>			
<b>From banks</b>			
- Bank of Baroda		1,267,269	2,774,494
- Yes Bank		2,978,320	5,670,803
- Kotak Mahindra Bank		793,162	17,996
- ICICI Bank		1,053,414	-
- HDFC Bank		162,527	2,869,434
<b>(A)</b>		<b>6,254,692</b>	<b>11,332,727</b>
<b>Unsecured Loans</b>			
Bodies Corporate		257,969,307	286,093,048
<b>(B)</b>		257,969,307	286,093,048
<b>(A+B)</b>		<b>264,223,999</b>	<b>297,425,775</b>

Nature of Security and Terms of Payments for Long Term Borrowings	
Nature of Security	Terms of Repayment
1. Term Loan from Bank of Baroda: Represents term loan amounting Rs. 12,67,269/- (31st March 2019 Rs. 27,74,494/-) is secured on Vehicle.	(i) Repayable in 10 months from April 2021 to Jan 2022, Interest is payable at the rate of 8.90%
2. Term Loan from Yes Bank: Represents term loan amounting Rs. 29,78,320/- (31st March 2019 Rs. 56,70,803/-) is secured on vehicles.	(i) Repayable in 12 months from April 2021 to March 2022, Interest is payable at the rate of 9.05% (ii) Repayable in 11 months from April 2021 to Feb 2022, Interest is payable at the rate of 9.05% (iii) Repayable in 10 months from April 2021 to Jan 2022, Interest is payable at the rate of 8.90%
3. Term Loan from Kotak Mahindra Bank: Represents term loan amounting Rs. 7,93,162/- (31st March 2019 Rs. 17,996/-) is secured on vehicles.	(i) Repayable in 18 months from April 2021 to Sep' 2022, Interest is payable at the rate of 8.70%
4. Term Loan from ICICI Bank: Represents term loan amounting Rs. 10,53,414/- (31st March 2019 Rs. Nil) is secured on vehicles.	(i) Repayable in 23 months from April 2021 to Feb'2023, Interest is payable at the rate of 8.70%
5. Term Loan from HDFC Bank: Represents term loan amounting Rs. 1,62,527/- (31st March 2019 Rs. 28,69,434/-) is secured on vehicles.	(i) Repayable in 2 months from April 2021 to May' 2021, Interest is payable at the rate of 8.90%. (ii) Repayable in 5 months from April 2021 to Aug '2021, Interest is payable at the rate of 8.90%

## Notes on standalone financial statements for the year ended 31st March, 2020

Current Maturities of Non-Current Borrowings [disclosed under the head Other Financial Liabilities - Current (Refer note 22)]		
	31 March 2020	31 March 2019
HDFC Bank	1,545,852	1,193,280
Bank of Baroda	1,860,252	1,860,252
Yes Bank	3,687,684	3,687,684
Kotak Mahindra	663,860	215,940
ICICI Bank	681,864	-
	8,439,512	6,957,156

Note 17(ii) Current borrowings		
	31 March 2020	31 March 2019
<b>Secured</b>		
<b>Working Capital Loans</b>		
Allahabad bank	96,728,755	228,075,326
State Bank of India	376,729,272	498,418,308
Bank of Baroda	127,342,012	100,248,481
Punjab National Bank	12,391,250	48,480,126
Yes Bank	(281,356)	18,856,931
State Bank of India (IBD)	-	10,053,089
	612,909,933	904,132,261

### Nature of security and other terms

Working Capital Loan are secured by first hypothecation on entire current assets of the Company including stocks, book debts and other Current Assets of all the units both present and future ranking pari-passu basis with working capital lending Banks under consortium and Personal guarantee of promoter directors and second charge on fixed assets (movable and immovable) of the Company.

### Secured loan - terms of repayment

- Allahabad Bank:** Working capital loan amounting to Rs. 9,67,28,755/- (31st March 2019: Rs. 22,80,75,326/-). Interest is payable at the rate of (MCLR+0.95%).
- State Bank of India:** Working capital loan amounting to Rs. 37,67,29,272/- (31st March 2019: Rs.49,84,18,308/-). Interest is payable at the rate of (MCLR+0.95%).
- Bank of Baroda:** Working capital amounting to Rs. 12,73,42,012/- (31st March 2019: Rs. 10,02,48,481/-). Interest is payable at the rate of (MCLR+0.85%).
- Punjab National Bank:** Working capital amounting to Rs. 1,23,91,250/- (31st March 2019: Rs. 4,84,80,126/-). Interest is payable at the rate of (MCLR+1.00%).
- Yes Bank:** Working capital amounting to Rs. (-)2,81,356/- (31st March 2019: Rs. 1,88,56,931/-). Interest is payable at the rate of (MCLR+0.40%)
- State Bank of India (IBD):** Amounting to Rs. Nil (31st March 2019: Rs. 1,00,53,089/-).

Note 18. Provisions		
	31 March 2020	31 March 2019
<b>Note 18(i) Non-Current</b>		
<b>Provisions for employee benefits</b>		
- Provision for leave encashment	5,243,563	4,827,808
- Provision for gratuity (refer note 34)	13,001,229	4,344,893
	18,244,792	9,172,701
<b>18(ii) Current</b>		
<b>Provisions for employee benefits</b>		
Provision for Leave Encashment	533,107	613,407
	533,107	613,407



## Notes on standalone financial statements for the year ended 31st March, 2020

Note 19. Income and Deferred Taxes (net)	31 March 2020	31 March 2019
<b>Deferred Tax Liabilities (net)</b>		
<b>Deferred tax liability</b>	<b>231,771,732</b>	<b>335,853,560</b>
<b>Less: Deferred tax asset</b>	<b>5,840,631</b>	<b>2,826,116</b>
	<b>225,931,101</b>	<b>333,027,444</b>
<b>Income taxes</b>		
<b>A. Amount recognised in profit or loss</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
Current tax		
Current period	<b>251,000,000</b>	<b>511,000,000</b>
	<b>251,000,000</b>	<b>511,000,000</b>
<b>Deferred tax</b>		
Attributable to-		
Origination and reversal of temporary differences	<b>(105,847,563)</b>	<b>7,969,299</b>
	<b>(105,847,563)</b>	<b>7,969,299</b>
Tax expense reported in the Standalone Statement of Profit and Loss [(A)+(B)]	<b>145,152,437</b>	<b>518,969,299</b>
<b>B. Income tax recognised in other comprehensive income</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
<b>Deferred tax</b>		
On items that will not be reclassified to profit or loss		
- Remeasurements of defined benefit plans	<b>1,248,782</b>	<b>(379,193)</b>
Income tax expense reported in the Standalone Statement of Profit and Loss	<b>1,248,782</b>	<b>(379,193)</b>
<b>C. Reconciliation of effective tax rate for the year ended 31 March 2020</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
Profit/(Loss) before tax (a)	<b>926,555,993</b>	<b>1,501,573,520</b>
Income tax rate as applicable (b)	<b>25.168%</b>	<b>34.944%</b>
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	<b>233,195,612</b>	<b>524,709,851</b>
<b>Permanent tax differences due to:</b>		
Effect of expenses that are not deductible in determining taxable profit	<b>2,129,345</b>	<b>2,504,310</b>
	<b>235,324,957</b>	<b>527,214,161</b>
<b>Tax effect of:</b>		
Adjustments in prior year taxes	-	-
Tax allowances and concession	<b>(250,443)</b>	<b>(499,191)</b>
Others	<b>10,683,014</b>	<b>(7,745,671)</b>
	<b>245,757,529</b>	<b>518,969,299</b>

**Impact of tax rate change:** The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly the Company has re-measured Deferred Tax Assets basis the rate prescribed in the said section.

D. Recognised deferred tax assets and liabilities				
	Balance as on 1 April 2019	(Charged) / credited to profit or loss	(Charged) / credited to OCI	"Balance as on 31 March 2020"
Property, plant and equipment	<b>(335,853,560)</b>	<b>104,081,828</b>	-	<b>(231,771,732)</b>
Provisions	<b>2,826,116</b>	<b>1,765,733</b>	<b>1,248,782</b>	<b>5,840,631</b>
Items allowed on payment basis		-	-	
	<b>(333,027,444)</b>	<b>105,847,563</b>	<b>1,248,782</b>	<b>(225,931,101)</b>

### Note:

- (a) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- (b) During the year ended March 31, 2020 the Company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax (DDT) to the taxation authorities. The Company believes that DDT represents additional payment to taxation authority on behalf of the shareholders. Hence, DDT paid is charged to equity.

## Notes on standalone financial statements for the year ended 31st March, 2020

Note 20. Other non-current liabilities	31 March 2020	31 March 2019
Security and other deposits	128,127,431	132,825,016
	<b>128,127,431</b>	132,825,016

Note 21. Trade payables	31 March 2020	31 March 2019
Dues to Micro And Small Enterprises (as per the intimation received from vendors)		
a. Principal and interest amount remaining unpaid	<b>1,059,319</b>	1,299,438
b. Interest due thereon remaining unpaid	-	-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-
<b>(A)</b>	<b>1,059,319</b>	<b>1,299,438</b>

Disclosures of payables to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006) is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

Dues to others	31 March 2020	31 March 2019
Trade payables		
- For goods	16,398,993	51,312,529
- For Stores	106,708,628	148,069,898
- For expenses	134,433,963	160,540,218
<b>(B)</b>	257,541,584	359,922,645
<b>(A+B)</b>	<b>258,600,903</b>	<b>361,222,083</b>

Trade payables are non interest bearing and are generally settled with 30 to 90 days' payment terms.

Note 22. Other financial liabilities	31 March 2020	31 March 2019
Current		
Current maturities of finance lease obligations	8,439,512	6,957,156
Unpaid dividends	2,085,349	1,846,863
Creditors for project expenditure	5,064,229	5,091,446
Cheques overdrawn	63,312	1,905,850
Others*	16,987,219	19,922,856
	<b>32,639,621</b>	<b>35,724,171</b>

\*Others includes bonus payable to employees etc

Note 23. Other current liabilities	31 March 2020	31 March 2019
Advance received from customers	43,656,544	31,331,978
Other Creditors*	82,831,371	-
Statutory dues	40,282,538	44,162,191
	<b>166,770,453</b>	<b>75,494,169</b>

\*Includes Rs 8,28,31,371, on takeover the various branches of M/s Durable Ispat & Alloys Pvt Ltd as per agreement dated 29.01.2020 executed between the above Companies with a view to integration and enlarge customer base and to reach retail segment for Companies Product.

Note 24. Current tax liabilities (Net)		
Current tax (net of payment)	-	9,283,896
	-	<b>9,283,896</b>

## Notes on standalone financial statements for the year ended 31st March, 2020

Note 25. Revenue from operations	Year ended 31 March 2020 "	Year ended 31 March 2019 "
<b>Sale of products &amp; services</b>		
Sale of products	5,961,501,976	7,682,533,102
Sale of services	1,585,675,256	1,382,573,938
<b>Total (a)</b>	<b>7,547,177,232</b>	<b>9,065,107,040</b>
Other operating revenues		
- Scrap and coal fines sales	480,709,503	513,853,876
- Export incentives	31,265,525	24,753,992
- Sale of MEIS License	27,986,631	33,889,197
- Handling Charges on Sales	6,462,120	5,130,419
- Foreign Exchange fluctuation Income	26,127,597	4,905,943
<b>Total (b)</b>	<b>572,551,376</b>	<b>582,533,427</b>
<b>Total (a+b)</b>	<b>8,119,728,608</b>	<b>9,647,640,467</b>

Note 26. Other income	31 March 2020	31 March 2019
Interest income earned on financial assets that are not designated as FVTPL		
	10,915,919	7,853,703
Other non-operating income		
- Rent	3,316,950	4,761,817
- Dividend	1,345,713	-
- Profit on sale of fixed asset	198,954	129,971
- Miscellaneous income *	864,306	12,217,478
	<b>16,641,842</b>	<b>24,962,969</b>

\*Miscellaneous income includes discount received, miscellaneous receipts, Sundry balances and Provisions written back.

Note 27. Cost of materials consumed	Year ended 31 March 2020 "	Year ended 31 March 2019 "
Inventory of raw materials at the beginning of the year (refer note 8)	1,180,587,355	938,404,719
Add: Purchases	4,542,663,528	6,001,728,984
	<b>5,723,250,883</b>	<b>6,940,133,703</b>
Less: Inventory of raw materials at the end of the year (refer note 8)	881,984,389	1,180,587,355
Cost of materials consumed	<b>4,841,266,494</b>	<b>5,759,546,348</b>

Note 28. Change in inventories of finished goods and work-in-progress	31 March 2020	31 March 2019
<b>Inventories at the beginning of the year (refer note 8)</b>		
Finished goods	720,477,552	617,102,040
Stock-in-Trade	40,585,142	26,152,187
Scrap, cuttings and coal fines	124,938,133	85,153,073
<b>Total (A)</b>	<b>886,000,827</b>	<b>728,407,300</b>
<b>Inventories at the end of the year (refer note 8)</b>		
Finished goods	1,093,972,754	720,477,552
Stock-in-Trade	45,859,799	40,585,142
Scrap, cuttings and coal fines	84,489,908	124,938,133
<b>Total (B)</b>	<b>1,224,322,461</b>	<b>886,000,827</b>
<b>(A-B)</b>	<b>(338,321,634)</b>	<b>(157,593,527)</b>

Note 29. Employee benefits expense	Year ended 31 March 2020	Year ended 31 March 2019
Salaries and wages (including managerial remuneration)	251,604,084	215,551,719
Contribution to provident and other funds (refer note 34)	20,052,179	17,529,154
Staff welfare expenses	15,453,267	14,725,857
	<b>287,109,530</b>	<b>247,806,730</b>

## Notes on standalone financial statements for the year ended 31st March, 2020

Note 30. Finance costs	31 March 2020	31 March 2019
Interest expense:		
- on finance liabilities measured at amortized cost	68,155,235	121,105,550
- on finance lease	1,307,484	793,092
- others	25,497,441	27,359,937
Other borrowing costs	7,299,115	8,485,997
	<b>102,259,275</b>	<b>157,744,576</b>

Note 31. Other expenses	Year ended 31 March 2020	Year ended 31 March 2019
<b>Manufacturing expenses:</b>		
Rolling charges & material cutting charges	179,551,459	181,933,535
Stores and spare parts consumed	195,261,087	117,134,060
Furnace oil consumed	285,797,280	387,001,810
Oxygen and gas consumed	5,179,615	4,908,191
Coal consumed	263,962,194	224,174,584
Electricity charges	406,029,814	390,849,126
PGP operation charges	13,122,549	11,726,408
Processing charges	2,324,812	3,247,368
Repair and maintenance:		
- Plant and machinery and electrical	12,078,077	6,856,521
- Shed and building	3,882,131	3,833,348
Freight, carriage and octroi charges	126,161,810	108,028,591
Machinery hire charges	9,021,062	8,256,837
Testing, effluent and inspection charges	351,929	540,259
<b>A</b>	<b>1,502,723,819</b>	<b>1,448,490,638</b>
<b>Establishment expenses</b>		
Electricity expenses	2,226,690	2,127,816
Insurance charges	5,125,235	3,355,279
Repair and maintenance-others	12,156,354	11,486,220
Rent paid	16,632,847	13,095,744
License, rates and taxes	7,023,473	7,010,299
Legal and professional charges	14,331,804	9,603,534
Security service charges	11,642,398	9,822,728
Bad debt written off	783,701	16,938,766
Computer maintenance expenses	849,793	1,077,708
Printing and stationery	1,068,185	1,344,736
Loss on sale of fixed assets	298	3,770,058
Loss on Sale of Mutual Fund	93,701	-
Travelling and conveyance expenses	10,973,085	11,564,634
Vehicle maintenance	5,391,387	5,468,734
Telephone, Mobile & Internet Expenses	2,924,981	3,018,792
Corporate social responsibility	15,620,526	12,779,639
Payment to Auditors:		
- Audit fees	570,000	570,000
- Tax audit	-	55,000
- Reimbursement of expenses	212,203	141,584
Miscellaneous expenses	13,744,793	18,927,459
<b>B</b>	<b>121,371,454</b>	<b>132,158,730</b>
<b>Selling and Distribution Expenses:</b>		
Advertisement expenses	6,998,161	11,346,615
Commission on sales	12,975,101	12,738,484
Sales promotion expenses	6,716,867	7,227,392
Freight on export	92,597,207	50,912,009
Freight, carriage and octroi charges	54,616,424	47,163,579
Other selling and distribution expenses	3,626,075	9,037,180
	<b>177,529,835</b>	<b>138,425,259</b>
<b>C</b>		
<b>Total (A+B+C)</b>	<b>1,801,625,108</b>	<b>1,719,074,627</b>

## Notes on standalone financial statements for the year ended 31st March, 2020

### Note 32. Earnings/ (loss) per share (EPS)

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

(i) Profit/ (loss) attributable to equity shareholders (basic and diluted)	Year ended 31 March 2020	Year ended 31 March 2019
Profit/ (loss) for the year, attributable to the equity holders	781,403,556	982,604,221
(ii) Weighted average number of equity shares (basic and diluted)		
At the beginning of the year	19,072,052	19,072,052
Impact of new issue of equity shares	-	-
Weighted average number of equity shares (basic and diluted) for the year	19,072,052	19,072,052
<b>Basic and diluted earnings/ (loss) per share [(i)/ (ii)]</b>	<b>40.97</b>	51.52

Note 33. Contingent liability and commitments (Ind AS 37)	31 March 2020	31 March 2019
(to the extent not provided for)		
a) Claim against the Company not acknowledged as debt		
(i) Excise /Service Tax matters in dispute/under appeal	166,488,272	165,868,995
(ii) Sales Tax/VAT matters in dispute/under appeal	12,614,784	14,383,341
(iii) Income Tax matters in dispute/under appeal	54,923,683	100,885,365
b) Capital and other commitments		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	5,263,580	7,896,789
c) Guarantee outstanding		
Bank guarantee issued on behalf of the Company to secure the financial assistance and business contract	413,091,000	435,039,000

Note 34. Assets and Liabilities relating to employee benefits (Ind AS 19)	31 March 2020	31 March 2019
Statement of Assets and Liabilities for defined benefit obligation		
Net defined benefit asset - Gratuity Plan	11,580,953	13,940,269
Net defined benefit obligation - Gratuity Plan	(24,582,182)	(18,285,162)
Total employee benefit liabilities	<b>(13,001,229)</b>	<b>(4,344,893)</b>
Non-current	<b>(13,001,229)</b>	(4,344,893)
Current	-	-
Defined contribution		
Contribution to Defined Contribution Plan, recognized as expense for the period is as under:		
	31 March 2020	31 March 2019
Employer's Contribution to Provident and Other Funds	20,052,179	17,529,154

### Defined benefits - Gratuity

The Company's gratuity benefit scheme for its employees in India is a defined benefit plan (funded).

The Company provides for gratuity from 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. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimation of expected gratuity payments.

These defined benefit plans expose the Company to actuarial risks, such as currency risk, interest risk and market (investment) risk.

The Company expects to pay Rs 40,09,788 /- in contribution to its defined benefit plans during the year 2020-21

### Inherent risk

The plan is defined benefit in nature which is sponsored by the Company. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

The following tables analyse present value of defined benefit obligations, expense recognised in Consolidated Statement of Profit and Loss, actuarial assumptions and other information.

## Notes on standalone financial statements for the year ended 31st March, 2020

<b>Reconciliation of the net defined benefit (asset)/ liability:</b>		
<b>(i) Reconciliation of present value of defined benefit obligation</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
(a) Balance at the beginning of the year	18,285,162	17,069,305
(b) Current service cost	2,150,555	2,326,017
(c) Past service cost - plan amendments	-	-
(d) Interest cost	1,329,035	1,264,203
(e) Acquisition (credit)/cost	1,213,784	-
(f) Actuarial (gains)/ losses recognised in other comprehensive income		
- financial assumptions	2,311,413	194,235
- experience adjustment	887,940	(1,266,441)
(g) Benefits paid	(1,595,707)	(1,302,157)
Balance at the end of the year	<b>24,582,182</b>	<b>18,285,162</b>
<b>(ii) Reconciliation of present value of plan assets</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
(a) Balance at the beginning of the year	13,940,269	14,187,206
(b) Interest income	998,824	1,042,282
(c) Actual return on plan asset less interest on plan asset	(1,762,433)	12,938
(d) Contributions by the employer	-	-
(e) Benefits paid	(1,595,707)	(1,302,157)
Balance at the end of the year	11,580,953	13,940,269
<b>(iii) Net asset/ (liability) recognised in the Balance Sheet</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
Present value of defined benefit obligation	(24,582,182)	(18,285,162)
Fair value of plan assets	11,580,953	13,940,269
Net defined benefit obligations in the Balance Sheet	<b>(13,001,229)</b>	<b>(4,344,893)</b>
<b>(iv) Expense recognised in Profit or Loss</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
Current service cost	2,150,555	2,326,017
Past service cost - plan amendments	-	-
Interest cost	330,211	221,921
Expected return on plan assets	-	-
Amount charged to Profit or Loss	2,480,766	2,547,938
<b>(v) Remeasurements recognised in Other Comprehensive Income</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
(a) Actuarial loss/ (gain) arising on defined benefit obligation from		
- demographic assumptions	-	-
- financial assumptions	2,311,413	194,235
- experience adjustment	887,940	(1,266,441)
(b) Actual return on plan asset less interest on plan asset	1,762,433	(12,938)
Amount recognised in Other Comprehensive Income	4,961,786	(1,085,144)
<b>(vi) Maturity profile of defined benefit obligation</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
Within the next 12 months	1,820,695	2,087,552
Between 1 and 5 years	5,879,528	4,853,074
Between 5 and 10 years	11,952,678	10,899,175
More than 10 years	70,373,841	7,384,000
<b>(vi) Sensitivity analysis</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
Defined benefit obligation on discount rate plus 100 basis points	2,835,432	1,794,181
Defined benefit obligation on salary growth rate plus 100 basis points	3,416,437	2,143,329
Defined benefit obligation on discount rate minus 100 basis points	3,458,406	2,151,801
Defined benefit obligation on salary growth rate minus 100 basis points	2,855,141	1,819,143



## Notes on standalone financial statements for the year ended 31st March, 2020

<b>(vii) Actuarial assumptions</b>		
<b>Principal actuarial assumptions at the reporting date (expressed as weighted averages)</b>		
	<b>31 March 2020</b>	<b>31 March 2019</b>
Discount rate	6.80%	7.60%
Expected rate of salary increase	7.00%	7.00%
Retirement age (years)	58	58
Attrition rate based on different age group of employees		
- 20 to 25 years	0.50%	0.50%
- 25 to 30 years	0.30%	0.30%
- 30 to 35 years	0.20%	0.20%
- 35 to 50 years	0.10%	0.10%
- 50 to 55 years	0.20%	0.20%
- 55 to 60 years	0.30%	0.30%
Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2006-08).		
	<b>31 March 2020</b>	<b>31 March 2019</b>
<b>(viii) Weighted average duration of defined benefit obligation</b>	13 years	12 years

### Note 35 Related Party Disclosures under Ind AS 24

#### 1. Relationship:-

##### (A) List of related parties where control exists

<b>Particulars</b>	<b>Related Parties</b>	<b>Country of Incorporation</b>
Associate	A K C Steel Industries Limited	India

##### (B) List of other related parties

<b>Name of the related parties</b>	<b>Relationship</b>
Mr. Suresh Chand Bansal, Executive Chairman	Key Management Personnel(KMP)
Mr. Mukesh Chand Bansal, Managing Director	Key Management Personnel(KMP)
Mr. Vikas Bansal, Executive Director	Key Management Personnel(KMP)
Mr. Manav Bansal, Whole time Director & CFO	Key Management Personnel(KMP)
Mr. Gautam Bansal, Whole time Director	Key Management Personnel(KMP)
Mrs. Indu Bansal	Relative of KMPs (wife of Mr. Suresh Chand Bansal)
Mrs. Aruna Bansal	Relative of KMPs (wife of Mr. Mukesh Chand Bansal)

##### (C) Other related parties over which Key Management Personnel to its relatives have its interest

###### Associate Company

B.P.Spring & Engineering Co (Pvt) Ltd  
 Century Vision Private Ltd  
 Emerald Suppliers Private Ltd  
 Beekay Associates Pvt Ltd  
 Metropolis Estates Pvt Ltd  
 Pleasant Holdings Pvt Ltd

###### Associate Enterprises

B.L.Bansal & Sons (HUF)  
 Thirupathy Bright Industries

## Notes on standalone financial statements for the year ended 31st March, 2020

2. The following transactions were carried out with related parties in the ordinary course of business:

Name of Related Party	Nature of Transactions	Amount (Rs.)	
		31/3/2020	31/3/2019
AKC Steel Industries Limited	Purchase of Goods	-	24,996,525
AKC Steel Industries Limited	Sale of Goods	244,926	322,794
Thirupathy Bright Industries	Purchase of Goods	7,171,478	3,860,747
Thirupathy Bright Industries	Sale of Goods	31,713,616	5,683,702
AKC Steel Industries Limited	Rent & Electricity	12,438,058	12,278,719
Emerald suppliers Private Limited	Rent, Electricity & Maintenance	3,884,244	356,196
Beekay Associates Pvt Ltd	Rent, Electricity & Maintenance	157,662	200,532
Metropolis Estates Pvt Ltd	Rent, Electricity & Maintenance	166,903	178,052
Pleasant Holdings Pvt Ltd	Rent, Electricity & Maintenance	175,554	280,289
B.L.Bansal & Sons (HUF)	Rent, Electricity & Maintenance	27,000	36,000
Gautam Bansal	Rent, Electricity & Maintenance	314,177	466,774
Aruna Bansal	Rent, Electricity & Maintenance	402,000	402,000
Indu Bansal	Rent, Electricity & Maintenance	240,000	240,000
Mukesh Chand Bansal	Rent, Electricity & Maintenance	135,000	180,000
Manav Bansal	Rent, Electricity & Maintenance	135,000	180,000
Vikas Bansal	Rent, Electricity & Maintenance	162,000	162,000
AKC Steel Industries Limited	Machining Charges	7,981,002	10,209,518
Century Vision Private Limited	Interest on Unsecured Loan	1,127,732	1,284,862
Suresh Chand Bansal	Managerial Remuneration	44,700,000	41,170,000
Mukesh Chand Bansal	Managerial Remuneration	20,060,000	18,170,000
Vikas Bansal	Managerial Remuneration	22,020,000	17,450,000
Manav Bansal	Managerial Remuneration	13,212,000	11,850,000
Gautam Bansal	Managerial Remuneration	10,208,000	8,720,000

### 3. Balances with related parties referred in 1 above, in ordinary course of business:

Balance Outstanding at the end of the year:	Amount (Rs.)	
	31/3/2020	31/3/2019
<b>Nature of Transactions</b>		
<b>Purchase of Goods</b>		
AKC Steel Industries Limited (Dr. Balance)	1,681,408	19,710,257
Thirupathy Bright Industries(Dr Balance)	171,478	-
<b>Sale of Goods</b>		
AKC Steel Industries Limited (Dr. Balance)	-	-
Thirupathy Bright Industries(Dr Balance)	4,944,044	6,287,665
<b>Rent, Electricity &amp; Maintenance</b>		
AKC Steel Industries Limited (Cr. Balance)	2,783,606	4,676,108
Beekay Associates Private Limited (Cr. Balance)	7,966	34,469
Pleasant Holdings Pvt Ltd (Cr. Balance)	10,151	36,798
Metropolis Estates Pvt Ltd ( Cr. Balance)	12,777	40,166
Emerald Suppliers Private Limited(Cr. Balance)	-	83,049
B.L.Bansal & Sons(HUF)(Cr. Balance)	-	9,000
Gautam Bansal (Cr. Balance)	-	107,236
Mukesh Chand Bansal (Cr. Balance)	-	40,500
Manav Bansal(Cr. Balance)	-	40,500
Aruna Bansal (Cr. Balance)	40,500	54,000
Indu Bansal (Cr. Balance)	-	54,000
Vikas Bansal (Cr. Balance)	40,500	-
<b>Other Income(Rent &amp; Electricity)</b>		
B.P.Spring & Engg Co (Pvt) Limited(Dr. Balance)	72,101	72,101
Emerald Suppliers Private Limited(Dr. Balance)	100,000	100,000
<b>Interest on unsecured loan</b>		
Century Vision Private Limited(Cr. Balance)	1,014,959	1,156,375
<b>Remuneration</b>		
Suresh Chand Bansal(Cr. Balance)	3,530,743	21,008,181
Mukesh Chand Bansal(Cr. Balance)	3,272,085	7,596,781
Vikas Bansal(Cr. Balance)	337,623	7,457,172
Manav Bansal(Cr. Balance)	279,112	4,820,852
Gautam Bansal (Cr. Balance)	256,566	3,390,634

## Notes on standalone financial statements for the year ended 31st March, 2020

Compensation of Key Management Personnel of the Company		
Key management personnel compensation comprised the following :		
Nature of transaction	Year ended 31 March 2020	Year ended 31 March 2019
Short-term employee benefits	110,200,000	97,360,000
Other long-term benefits (Refer Note below)	*	*
Total Compensation paid to key management personnel	<b>110,200,000</b>	<b>97,360,000</b>

\* As the future liability for gratuity and compensated encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable and, therefore, not included above.

All decisions relating to the remuneration of the directors are taken by the board of directors of the Company, in accordance with shareholder approval, wherever necessary.

### Terms and conditions of transactions with related parties

The purchase from related party are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

### Note 36 Accounting classifications and fair values (Ind AS 107)

#### 36.1 Fair values vs carrying amounts

The following table shows fair values of financial assets and liabilities, including their levels in financial hierarchy, together with the carrying amounts shown in the statement of financial position. The table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note No.	As at 31st March 2020		As at 31st March 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
			Level 3		Level 3
<b>A. Financial assets:</b>					
<b>a) Measured at amortised cost</b>					
Trade receivables	9	966,381,089	-	1,176,952,659	-
Cash and cash equivalents	10	45,073,081	-	27,687,997	-
Bank balances other than cash and cash equivalents	11	9,077,213	-	23,328,688	-
Other financial assets	6,12	27,027,189	-	21,132,665	-
<b>b) Measured at fair value through profit or loss</b>					
Investments	5	1	1	1	1
<b>B. Financial liabilities:</b>					
<b>a) Measured at amortised cost</b>					
Borrowings	16	877,133,932	-	1,201,558,036	-
Trade payables	20	258,600,903	-	361,222,083	-
Other financial liabilities	21	32,639,621	-	35,724,171	-

#### 36.2 Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchange in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted (adjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

## Notes on standalone financial statements for the year ended 31st March, 2020

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company 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.

The management assessed that trade receivables, cash and cash equivalent, other bank balances, trade payable and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial instruments is determined using net asset value at the respective reporting date

### 36.2 Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categorises the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

**Level 1:** The hierarchy uses quoted (adjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company 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. The management assessed that trade receivables, cash and cash equivalent, other bank balances, trade payable and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial instruments is determined using net asset value at the respective reporting date.

### 36.3 Financial risk management

(1) The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

#### Risk management framework

The Company's principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

#### (i) Credit risk

Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company receivables from customers and loans. Credit arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank. The Company has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure.

## Notes on standalone financial statements for the year ended 31st March, 2020

### Trade receivable

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

### Exposure to credit risks

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. Details of concentration percentage of revenue generated from top customer and top five customers are stated below :

Particulars	Year ended 31 March 2020		Year ended 31 March 2019"	
	%	Amount	%	Amount
Revenue from top customer	13.55%	1,100,066,521	11.39%	1,098,863,321
Revenue from top five customers	41.44%	3,365,051,488	43.82%	4,227,212,331

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk.

### (ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

### Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments

31 March 2020	Less than 1 year	1-5 years	> 5 years	Total
Borrowings	612,909,933	264,223,999	-	877,133,932
Trade payables	258,600,903	-	-	258,600,903
Other financial liabilities	32,639,621	-	-	32,639,621
31 March 2019	Less than 1 year	1-5 years	> 5 years	Total
Borrowings	904,132,261	297,425,775	-	1,201,558,036
Trade payables	361,222,083	-	-	361,222,083
Other financial liabilities	35,724,171	-	-	35,724,171

### (iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, receivables, payables and borrowings.

## Notes on standalone financial statements for the year ended 31st March, 2020

### (a) 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 exposure to the risk of changes in market interest rates related primarily to the Company's borrowings with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

### Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	31 March 2020	31 March 2019
<b>Fixed rate instruments</b>		
Financial assets	50,040,192	52,791,138
Financial liabilities	(272,663,511)	(304,382,931)
	<b>(222,623,319)</b>	<b>(251,591,793)</b>
<b>Variable rate instruments</b>		
Financial assets	-	-
Financial liabilities	(604,470,421)	(897,175,105)
	<b>(604,470,421)</b>	<b>(897,175,105)</b>

### Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

### Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>31 March 2020</b>				
Variable rate instruments	(6,044,704)	6,044,704	(4,523,373)	4,523,373
<b>Cash flow sensitivity (net)</b>	<b>(6,044,704)</b>	<b>6,044,704</b>	<b>(4,523,373)</b>	<b>4,523,373</b>
<b>31 March 2019</b>				
Variable rate instruments	(8,971,751)	8,971,751	(5,836,662)	5,836,662
<b>Cash flow sensitivity (net)</b>	<b>(8,971,751)</b>	<b>8,971,751</b>	<b>(5,836,662)</b>	<b>5,836,662</b>

### (b) Equity price risk

The Company is not exposed to equity risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

### (c) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to import of raw materials and spare parts, capital expenditure, exports of finished goods. The currency in which these transaction are primarily denominated as USD.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures.

### Exposure to currency risk

The Company's exposure to foreign currency are at the end of the reporting period are as follows:

Particulars	In original currency (USD)	In Rupees
<b>31 March 2020</b>		
Trade receivables	141,535	10,181,694
Net exposure in respect of recognised financial assets and liabilities	141,535	10,181,694
<b>Particulars</b>	<b>In original currency (USD)</b>	<b>In Rupees</b>
31 March 2019		
Trade receivables	700,782	48,233,912
Net exposure in respect of recognised financial assets and liabilities	700,782	48,233,912



## Notes on standalone financial statements for the year ended 31st March, 2020

### Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and JPY against Indian rupee at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>31 March 2020</b>				
USD (5% Movement)	509,085	(509,085)	380,958	(380,958)
<b>31 March 2019</b>				
USD (5% Movement)	2,411,696	(2,411,696)	1,568,953	(1,568,953)

### Note 37 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company's objective when managing capital are to: (a) to maximise shareholders value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity holders.

The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

Particulars		31 March 2020	31 March 2019
Total debt (Bank and other borrowings)	A	877,133,932	1,201,558,036
Equity	B	4,696,534,414	3,964,753,348
Liquid investments including bank deposits	C	45,073,081	27,687,997
<b>Debt to Equity (A / B)</b>		<b>0.19</b>	0.30
<b>Debt to Equity (net) [(A-C) / B]</b>		<b>0.18</b>	0.30

In addition the Company has financial covenants relating to the banking facilities that it has taken from all the lenders like interest service coverage ratio, Debt to EBITDA, current ratio etc. which is maintained by the Company.

### Note 38 Leases: Company as lessee

The Company has entered into agreements in the nature of lease/leave and license agreement with different lessors/licensors for the purpose of establishment of office premises/residential accommodations etc. These are generally in the nature of operating lease/leave and license. Period of agreements are generally up to three years and renewable at the option of the lessee.

Lease rentals charged to revenue (included under the head Other Expenses in Note 31) for right to use the following assets are:

Particulars	For the year ended 31 March	
	2020	2019
Office premises, residential flats, plant and equipment etc.	16,632,847	13,095,744

38.1 Details of Corporate Social Responsibility (CSR) Expenditure:	Amount in Lacs	
Particulars	Year ended 31st March 2020	Year ended 31st March 2019
Amount required to be spent as per Section 135 of the Companies Act	210.01	129.66
Amount spent during the year on:		
(i) Construction/Acquisition of an assets	-	-
(ii) on purpose other than above(i)	160.90	128.36
<b>Total</b>	<b>160.90</b>	<b>128.36</b>

### Note 39 Events occurred after the Balance Sheet date

The Board of Directors has recommended Equity Dividends of Rs. 1/- per Share (Previous year Rs. 2/-) for the financial year 2019-20

**Note 40** The Financial statements were authorized for issue by the Directors on 29th June, 2020

# Consolidated Financial Statements

# Independent Auditor's Report

To the Members of Beekay Steel Industries Limited.

Report on the Audit of the Consolidated Ind As Financial Statements

## Opinion

We have audited the accompanying Consolidated Ind AS Financial Statement of BEEKAY STEEL INDUSTRIES LIMITED, which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity, the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

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 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 Company as at March 31, 2020, the Consolidated profit, Consolidated total 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 of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

## 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.

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

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

Our opinion on the Consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent;

and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 and its subsidiary companies which are companies incorporated in India, 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- 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 the entities or business activities within the Group to express an opinion on the consolidated financial statements.

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 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 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**

1. As required by Section 143 (3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the Statement of the Cash flows dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 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 A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting."
- g) 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, as amended : 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.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements.
  - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For LIHALA & CO**  
**Chartered Accountants**  
**Firm's Registration Number.315052E**

**Rajesh Lihala**  
**(Partner)**  
**Membership No. 052138**  
**UDIN No.20052138AAAAAJ8521**  
Place: 11, Crooked Lane, Kolkata - 700 069  
Date: 29th June 2020

# Annexure - A to Independent Auditor's Report

## **1. Report on the Internal Financial Controls under Clause (i) Of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of BEEKAY STEEL INDUSTRIES LIMITED as of 31st March, 2020 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

### **2. 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.

### **3. Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls

system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated 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.

### **4. 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:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (iii) 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 financial statements.

### **5. 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.

#### **6. Opinion**

In our opinion, the Company has, in all material respects, an

adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For LIHALA & CO**  
**Chartered Accountants**  
**Firm's Registration Number.315052E**

**Rajesh Lihala**  
**(Partner)**  
**Membership No. 052138**  
**UDIN No.20052138AAAAAJ8521**  
Place: 11, Crooked Lane, Kolkata - 700 069  
Date: 29th June 2020

# Consolidated Balance Sheet as at 31 March 2020

Amount (In Rs)

	Note	As at 31 March, 2020	As at 31 March, 2019
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	4A	2,126,243,913	2,079,106,334
(b) Capital work-in-progress	4B	209,528,628	234,150,046
(c) Financial assets			
(i) Investments	5(i)	19,230,601	15,432,181
(ii) Other financial assets	6	19,761,233	14,618,229
(d) Other non-current assets	7	157,391,184	146,507,753
<b>Total Non-current assets</b>		<b>2,532,155,559</b>	<b>2,489,814,543</b>
<b>(2) Current assets</b>			
(a) Inventories	8	2,191,414,349	2,140,743,426
(b) Financial assets			
(i) Investments	5(ii)	350,191,728	-
(ii) Trade receivables	9	966,381,089	1,176,952,659
(iii) Cash and cash equivalents	10	45,073,081	27,687,997
(iv) Bank balances other than cash and cash equivalents	11	9,077,213	23,328,688
(v) Other financial assets	12	7,265,956	6,514,436
(c) Current Tax Asset (Net)	13	55,688,775	-
(d) Other current assets	14	264,178,599	271,744,702
<b>Total Current assets</b>		<b>3,889,270,790</b>	<b>3,646,971,908</b>
<b>TOTAL ASSETS</b>		<b>6,421,426,349</b>	<b>6,136,786,451</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	15	190,909,270	190,909,270
(b) Other equity	16	4,522,535,740	3,786,956,258
<b>Total Equity</b>		<b>4,713,445,010</b>	<b>3,977,865,528</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17(i)	264,223,999	297,425,775
(b) Provisions	18(i)	18,244,792	9,172,701
(c) Deferred tax liabilities (net)	19	225,931,101	333,027,444
(d) Other non-current liabilities	20	128,127,431	132,825,016
<b>Total Non-current liabilities</b>		<b>636,527,323</b>	<b>772,450,936</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17(ii)	612,909,933	904,132,261
(ii) Trade payables	21		
- Total Outstanding dues of Micro Enterprises and Small Enterprises		1,059,319	1,299,438
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		257,541,584	359,922,645
(iii) Other financial liabilities	22	32,639,621	35,724,171
(b) Other current liabilities	23	166,770,453	75,494,169
(c) Provisions	18(ii)	533,107	613,407
(d) Current Tax Liabilities (Net)	24	-	9,283,896
<b>Total Current liabilities</b>		<b>1,071,454,016</b>	<b>1,386,469,987</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,421,426,349</b>	<b>6,136,786,451</b>

Significant accounting policies

3

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

**For LIHALA & CO**  
Chartered Accountants  
Firm's Registration Number.315052E

**Rajesh Lihala**  
(Partner)

Membership No. 052138

UDIN No.20052138AAAAAJ8521

Place: 11, Crooked Lane, Kolkata - 700 069

Date: 29th June 2020

For and on behalf of the Board of Directors  
sd/-

**Suresh Chand Bansal**  
Executive Chairman  
(DIN: 00103134)

**Mukesh Chand Bansal**  
Managing Director  
(DIN: 00103098)

**Manav Bansal**  
Full time Director & CFO  
(DIN: 00103024)

**Rabindra Kumar Sahoo**  
Company Secretary

# Consolidated Statement of Profit and Loss for the year ended 31 March 2020

Amount (In Rs)

	Note	Year ended 31 March, 2020	Year ended 31 March, 2019
<b>I Revenue from operations</b>	25	8,119,728,608	9,647,640,467
<b>II Other income</b>	26	16,641,842	24,962,969
<b>III Total income (I + II)</b>		<b>8,136,370,450</b>	<b>9,672,603,436</b>
<b>IV Expenses</b>			
Cost of materials consumed	27	4,841,266,494	5,759,546,348
Purchase of stock-in-trade		285,310,883	280,740,671
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	(338,321,634)	(157,593,527)
Employee benefits expense	29	287,109,530	247,806,730
Finance costs	30	102,259,275	157,744,576
Depreciation and amortisation expense	4A	230,564,801	163,710,491
Other expenses	31	1,801,625,108	1,719,074,627
<b>Total expenses (IV)</b>		<b>7,209,814,457</b>	<b>8,171,029,916</b>
<b>V Profit/ (loss) before tax (III-IV)</b>		926,555,993	1,501,573,520
<b>VI Tax expense:</b>			
Current tax		251,000,000	511,000,000
Deferred tax		(105,847,563)	7,969,299
<b>VII Profit / (loss) for the year (V-VI)</b>		781,403,556	982,604,221
<b>VIII Share of profit / (loss) from an associate</b>		3,798,420	8,333,324
<b>IX Total Profit / (loss) for the year (VII + VIII)</b>		<b>785,201,976</b>	<b>990,937,545</b>
<b>X Other comprehensive income</b>			
<b>A. Items that will not be reclassified to profit or loss</b>			
(a) Remeasurements of defined benefit liability/ (asset)		(4,961,786)	1,085,144
(b) Income taxes relating to items that will not be reclassified to profit or loss		1,248,782	(379,193)
Net other comprehensive income not to be reclassified subsequently to profit or loss		<b>(3,713,004)</b>	<b>705,951</b>
<b>B. Items that will be reclassified to profit or loss</b>		-	-
<b>Net other comprehensive income to be reclassified subsequently to profit or loss</b>		-	-
<b>XI Other comprehensive income</b>		<b>(3,713,004)</b>	<b>705,951</b>
<b>Total comprehensive income for the year (IX+X)</b>		<b>781,488,972</b>	<b>991,643,496</b>
XI. Earnings per equity share [Face value of equity share <b>Rs. 10 each</b> (previous year Rs. 10 each)]			
- Basic		<b>41.17</b>	<b>51.96</b>
- Diluted		<b>41.17</b>	<b>51.96</b>

Significant accounting policies 3

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

**For LIHALA & CO**  
Chartered Accountants  
Firm's Registration Number.315052E

**Rajesh Lihala**  
(Partner)

Membership No. 052138  
UDIN No.20052138AAAAAJ8521

Place: 11, Crooked Lane, Kolkata - 700 069

Date: 29th June 2020

For and on behalf of the Board of Directors

sd/-

**Suresh Chand Bansal**  
Executive Chairman  
(DIN: 00103134)

**Manav Bansal**  
Full time Director & CFO  
(DIN: 00103024)

**Mukesh Chand Bansal**  
Managing Director  
(DIN: 00103098)

**Rabindra Kumar Sahoo**  
Company Secretary

# Cash Flow Statement for the year ended 31st March 2020

Amount (In Rs)

Particulars	Year ended 31 March,2020		Year ended 31 March,2019	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>Cash flow from operating activities</b>		930,354,413		1,509,906,844
Net Profit / (Loss) before extraordinary items and tax				
Adjustments for:				
Depreciation and amortisation	230,564,801		163,710,491	
Dividend Received	(1,345,713)		-	
Sundry Balance W/Back	(385,833)		(936,408)	
Foreign Currency Exchange Fluctuation Gain	(26,127,597)		(4,905,943)	
(Profit)/Loss on sale of Fixed assets	(198,854)		3,640,087	
Bad Debt & Sundry Balance Written Off	783,701		1,453,027	
Finance costs	102,259,275		157,744,576	
		305,549,780		320,705,830
Operating profit / (loss) before working capital changes		<b>1,235,904,193</b>		<b>1,830,612,674</b>
<b>A. Changes in working capital:</b>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(50,670,923)		(416,417,616)	
Trade receivables	210,571,570		139,729,315	
Financial and Other Assets	5,039,623		295,543,940	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(102,621,180)		(293,746)	
Borrowings	(291,222,328)		(564,607,357)	
Financial and Other Liabilities	83,494,149		(212,677,610)	
Provisions	4,030,005		2,308,545	
		(141,379,085)		(756,414,529)
Cash generated from operations		<b>1,094,525,108</b>		<b>1,074,198,145</b>
Net income tax (paid) / refunds		(288,697,214)		(510,904,777)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>805,827,894</b>		<b>563,293,368</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets		(253,408,125)		(357,045,596)
Change in Value of Investment		(3,798,420)		(8,333,324)
Purchase of Current Investment		(350,191,728)		-
Proceeds from sale of fixed assets		325,995		2,089,971
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(607,072,278)</b>		<b>(363,288,949)</b>
<b>C. Cash flow from financing activities</b>				
Repayment of Non Current borrowings	(33,201,776)		(10,327,538)	
Dividend Paid (Including Dividend Tax)	(45,909,481)		(22,954,673)	
Unpaid Dividend Transferred to Investor Protection Fund	-		(259,857)	
Finance cost	(102,259,275)		(157,744,576)	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(181,370,532)</b>		<b>(191,286,644)</b>
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		17,385,084		8,717,775
Cash and cash equivalents at the beginning of the year		27,687,997		18,970,222
<b>Cash and cash equivalents at the end of the year</b>		<b>45,073,081</b>		<b>27,687,997</b>

## Notes:

- Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013.
- Figures in brackets indicate cash outflows.

As per our report of even date attached

**For LIHALA & CO**  
Chartered Accountants  
Firm's Registration Number.315052E

**Rajesh Lihala**  
(Partner)  
Membership No. 052138  
UDIN No.20052138AAAAAJ8521  
Place: 11, Crooked Lane, Kolkata - 700 069  
Date: 29th June 2020

For and on behalf of the Board of Directors  
sd/-

**Suresh Chand Bansal**  
Executive Chairman  
(DIN: 00103134)

**Mukesh Chand Bansal**  
Managing Director  
(DIN: 00103098)

**Manav Bansal**  
Full time Director & CFO  
(DIN: 00103024)

**Rabindra Kumar Sahoo**  
Company Secretary

## Consolidated Statement of Changes in Equity for the year ended 31 March 2020

Amount (In Rs)

A. Equity share capital		
Particulars	Number	Amount
Balance as at 1st April 2019	19,072,052	190,720,520
Changes in equity share capital during 2019-20	-	-
<b>Balance as at 31 March 2020</b>	<b>19,072,052</b>	<b>190,720,520</b>

B. Other equity						
Particulars	Reserves and surplus					Total
	Capital reserve	Share Premium	Capital Redemption Reserve	General Reserve	Retained earnings	
<b>Balance as at 1st April 2019</b>	30,142,208	328,846,550	30,000,000	483,433,983	2,914,533,517	3,786,956,258
Profit or Loss	-	-	-	-	785,201,976	785,201,976
Other comprehensive income (net of tax)	-	-	-	-	(3,713,004)	(3,713,004)
Dividend	-	-	-	-	(38,144,104)	(38,144,104)
Income tax on dividend paid	-	-	-	-	(7,765,377)	(7,765,377)
<b>Balance at 31 March 2020</b>	<b>30,142,208</b>	<b>328,846,550</b>	<b>30,000,000</b>	<b>483,433,983</b>	<b>3,650,112,999</b>	<b>4,522,535,740</b>

The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date attached

**For LIHALA & CO**  
Chartered Accountants  
Firm's Registration Number.315052E

**Rajesh Lihala**  
(Partner)  
Membership No. 052138  
UDIN No.20052138AAAAAJ8521  
Place: 11, Crooked Lane, Kolkata - 700 069  
Date: 29th June 2020

For and on behalf of the Board of Directors

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**Suresh Chand Bansal**  
Executive Chairman  
(DIN: 00103134)

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(DIN: 00103098)

**Manav Bansal**  
Full time Director & CFO  
(DIN: 00103024)

**Rabindra Kumar Sahoo**  
Company Secretary

# Notes to the Consolidated Financial Statements for the year ended 31st March 2020

## 1. Reporting entity

"Beekay Steel Industries Limited (the Company) is a listed company incorporated in India on 28th March, 1981 having its registered office at 2/1A, Sarat Bose Road, Lansdowne Towers, 4 Floor, Kolkata-700020. The Company is principally engaged in the business of manufacturing of Hot Rolled Steel Sections, Bright Bars, Structural Items and TMT Bars.

The Company's equity shares are listed on the BSE Limited (nation-wide trading terminal) under direct listing route. The trading of shares have started w.e.f, 25th March, 2015."

## 2. Significant Accounting Policies followed by the Company

### a) Compliance with Ind AS

"These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter."

The accounting policies are applied consistently to all the periods presented in the financial statements.

### b) Basis of consolidation

#### (i) Business combination

"Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets."

#### (ii) Investment in associates

"An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate."

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after re-assessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

"After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or



when the investment is classified as held for sale. When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group."

**c) Functional and presentation currency**

The financial statements are presented in Indian Rupees ('Rs') which is Company's presentation currency. The functional currency of the Company is also Indian Rupees ('Rs').

**d) Basis of measurement**

"The financial statements have been prepared on historical cost convention on the accrual basis, except for the following items:

- (i) Certain financial assets and financial liabilities measured at fair value;
- (ii) Employee's defined benefit plan as per actuarial valuation.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date."

**e) Use of estimates and judgements**

"In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively."

**Critical accounting judgements and key sources of estimation uncertainty: Key assumptions-**

**(i) Useful lives of Property, plant and equipment:**

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

**(ii) Fair value measurement of financial instruments:**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured

using certain valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

**(iii) Defined benefit plans:**

The cost of the defined benefit plan includes gratuity and the present value of the gratuity obligation are determined using actuarial valuations using projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**(iv) Recognition and measurement of provisions and contingencies:**

The certain key assumptions about the likelihood and magnitude of an outflow of resources. Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies, if any, in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for.

**f) Measurement of fair values**

"A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments."

"Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows."

Level 1: quoted prices(unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). active markets for identical assets or liabilities.

Level 3: inputs for the assets or liability that are not based on observable market data(unobservable inputs).

"When measuring the fair value of an asset or a liability, the

Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred."

### **3. Statement of Significant accounting policies**

#### **a) Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

#### **b) 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**

###### **Initial recognition and 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. Trade receivables are initially measured at transaction price. Regular way purchase and sale of financial assets are accounted for at trade date.

###### **Subsequent measurement**

"For purposes of subsequent measurement, financial assets are classified in three categories:

- Amortised cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL) 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."

###### Financial assets at amortised cost

"A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect 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 on the principal amount outstanding.

The effective interest rate (EIR) amortisation is included in finance income in the profit or loss."

###### Financial assets at Fair value through other Comprehensive Income (FVTOCI)

"A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI)."

###### Financial assets at Fair value through Profit & Loss (FVTPL)

"A financial asset which is not classified in any of the above categories are measured at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit & Loss."

###### **Other equity investments**

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

###### **Derecognition**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

##### **ii. Financial liability**

###### **Initial recognition and measurement**

Financial liabilities are initially recognised at fair value plus any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at fair value through profit or loss which are initially measured at fair value.

###### **Subsequent measurement**

"For purposes of subsequent measurement, financial liabilities are classified in following categories:

- Financial liabilities through profit or loss (FVTPL)
- Financial liabilities at amortised cost"

###### Financial liabilities through FVTPL

A financial liability is classified as at 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 mea-

sured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

#### *Financial liabilities at amortised cost*

“Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in profit or loss.

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.”

#### **Derecognition**

A financial liability (or a part of a financial liability) is derecognized from the Company’s Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### **iii. Offsetting of financial instruments**

“Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.”

#### **c) Property, Plant and Equipment**

##### **i. Recognition and measurement**

“Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalised.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.”

“Assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and shown under ‘Other current assets’.

A fixed asset is eliminated from the financial statements on

disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.”

#### **ii. Subsequent expenditure**

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

#### **iii. Depreciation and amortisation**

“Depreciation and amortisation for the year is recognised in the Statement of Profit and Loss.

Depreciation on fixed assets are provided on straight line method over the useful lives of assets, at the rates and in the manner specified in Part C of Schedule II of the Act. Freehold land is not depreciated. Leasehold land (includes development cost) is amortised on a straight line basis over the period of respective lease, except land acquired on perpetual lease.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.”

#### **d) Intangible Assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Estimated useful life of the Computer Software is 5 years.

#### **e) Inventories:**

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

#### **f) Impairment**

##### **i. Impairment of financial instruments: financial assets**

“Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets

in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss."

#### **ii. Impairment of non-financial assets**

"The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount."

#### **g) Employee Benefits**

##### **i. Short-term employee benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

##### **ii. Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which the Company makes specified monthly

contributions towards 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.

##### **iii. Defined benefit plans**

"The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The liability in respect of gratuity and other post-employment benefits is calculated by Actuaries using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income."

##### **h) Provisions (other than for employee benefits)**

"Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost."

##### **i) Revenue Recognition**

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

"Revenue is recognised to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from the sale of goods and services are recognised when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the amount due, associated costs or the possible return of goods."

##### **Other operating revenue-Export Incentives**

Export Incentives under various schemes are accounted in the year of export.

##### **j) Leases**

"Leases of property, plant and equipment that transfer to the



Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet. Payments made under operating leases are recognized in the Statement of Profit or Loss on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with general inflation."

#### **k) Recognition of dividend income, interest income or expense**

"Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method."

#### **l) Segment reporting**

The Company is dealing in one segment only i.e. Rolling of Iron & Steel and hence separate segment is not given in accordance with Ind AS-108 "Operating Segments" notified pursuant to Companies (Accounting Standard) Rules, 2015.

#### **m) Income tax**

"Income tax expense comprises of current and deferred tax. Current tax and deferred tax is recognized in the statement of profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI."

##### **i. Current tax**

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.

##### **ii. Deferred tax**

"Deferred tax is recognised on temporary differences be-

tween the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets 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 end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period."

#### **n) Borrowing costs**

"Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest."

#### **o) Earnings per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

#### **p) Recent accounting pronouncements**

Ministry of Corporate Affairs("MCA") notifies new standards or amendments to the existing standards. There is no such notifications which would have been applicable from April 1, 2020.

## Notes on consolidated Financial Statements for the year ended 31st March, 2020

### NOTE: 4A FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2019	Additions during the Year	Sold/ Discarded or Adjustments	As on 31.03.2020	Upto 01.04.2019	For the Year	Adjustment / Sold/ Discarded	As on 31.03.2020	As on 31.03.2019	
<b>4A Property, plant &amp; equipment :-</b>										
Land	144,897,195	223,852	-	145,121,047	-	-	-	145,121,047	144,897,195	
Leasehold Land	7,337,847	-	-	7,337,847	570,000	-	-	6,767,847	6,767,847	
Shed & Building	712,523,527	40,331,902	-	752,855,429	178,541,325	20,046,829	-	554,267,274	533,982,201	
Flats	13,634,068	6,149,800	-	19,783,868	2,638,265	366,441	-	16,779,162	10,995,803	
Leasehold Flats	554,810	-	-	554,810	140,278	-	-	414,532	414,532	
Office Premises	30,502,147	-	-	30,502,147	5,890,814	472,581	-	24,138,752	24,611,333	
Plant & Machineries	1,956,302,331	128,205,553	-	2,084,507,884	810,702,428	98,059,710	-	1,175,745,746	1,145,599,903	
Electrical Installation	146,686,012	23,642,553	-	170,328,565	63,999,277	10,851,213	-	95,478,075	82,686,735	
Laboratory Equipments	8,151,710	-	-	8,151,710	4,581,783	-	-	3,569,927	3,569,927	
Rolls	553,476,150	66,409,664	-	619,885,814	475,226,970	92,380,109	-	52,278,735	78,249,180	
Furniture & Fixtures	29,828,277	1,191,666	-	31,019,943	23,437,596	1,917,316	-	5,665,031	6,390,681	
Computer	23,402,884	3,558,442	-	26,961,326	19,943,651	1,446,656	-	5,571,019	3,459,233	
Office Equipments	6,242,916	859,911	-	7,102,827	4,876,264	472,989	-	1,753,574	1,366,652	
Air Conditioner & Others	9,962,870	120,329	-	10,083,199	6,157,892	672,864	-	3,252,443	3,804,978	
Motor Vehicles	56,558,147	7,335,871	989,387	62,904,631	24,248,010	4,017,116	801,247	35,440,752	32,310,137	
<b>Total - Fixed Assets</b>	<b>3,700,060,890</b>	<b>278,029,543</b>	<b>989,387</b>	<b>3,977,101,046</b>	<b>1,620,954,556</b>	<b>230,703,824</b>	<b>801,247</b>	<b>2,126,243,913</b>	<b>2,079,106,334</b>	
<b>Previous Year</b>										
<b>Fixed Assets</b>	3,331,204,740	376,358,625	7,502,475	3,700,060,890	1,460,075,734	163,772,693	2,893,871	2,079,106,334	-	
<b>(i) Certain property, plant and equipment are pledged against borrowings, the details relating to which has been described in Note 16 pertaining to borrowings.</b>										
<b>NOTE: 4B Capital Work-in-Progress</b>										
<b>4B Capital Work in Progress</b>	234,150,045	24,443,309	49,064,727	209,528,627	-	-	-	209,528,628	234,150,046	
<b>Previous Year</b>										
Capital Work In Progress	253,463,074	242,137,567	261,450,596	234,150,045	-	-	-	234,150,046	-	



## Notes on consolidated Financial Statements for the year ended 31st March, 2020 (Continued)

Amount (In Rs)

	Amount in Rs.	Amount in Rs.
Note 5(i). Non-Current Investments	31st March, 2020	31st March, 2019
<b>Investments in Equity Instruments</b>		
<b>"In Associates (carrying amount determined using the equity method of accounting)"</b>		
<b>Quoted:</b>		
11,60,000 (31st March 2019: 11,60,000) Equity Shares Rs. 10/- each fully paid up in A K C Steel Industries Limited	2,320,000	2,320,000
Add: Share of profit/ (loss)	16,910,600	13,112,180
	19,230,600	15,432,180
<b>In Others (at fair value through other comprehensive income)</b>		
<b>Quoted:</b>		
800 (31st March 2019: 800) Equity Shares of Rs. 10/- each fully paid up in Super Forging & Steels Limited	1	1
<b>(A)</b>	<b>19,230,601</b>	<b>15,432,181</b>
Aggregate Market value of quoted investments	<b>19,230,601</b>	<b>15,432,181</b>

Note 5(ii). Current Investments		
Investments in Mutual Funds (at fair value through Profit & Loss)		
Quoted:	31st March, 2020	31st March, 2019
Aditya Birla Sun Life Low Duration Fund -Growth- Regular Plan - 55,000.665 Units (31st March 2019: Nil)	25,100,000	-
Axis Ultra Short Term Fund Growth - 2,354,337.160 Units (31st March 2019: Nil)	25,000,000	-
ICICI Prudential Ultra Short Term Fund Growth - 1,301,839.238 Units (31st March 2019: Nil)	25,000,000	-
HDFC Low Duration Fund Growth - 628,486.529 Units (31st March 2019: Nil)	25,000,000	-
ICICI Prudential Credit Risk Fund Growth - 4,825,097.679 Units (31st March 2019: Nil)	100,477,357	-
HDFC Credit Risk Fund Growth - 6,276,874.236 Units (31st March 2019: Nil)	100,000,000	-
Franklin India Short Term Income Plan - Growth - 10,873.925 Units (31st March 2019: Nil)	43,739,371	-
Franklin India Index Fund Nifty Plan - 72,623.12 Units (31st March 2019: Nil)	5,000,000	-
Franklin India Short Term Income Plan - Retail Plan - Segregated Portfolio -3 -(9.5% Yes Bank Ltd CO 23DEC21) - Growth - 12,212.704 Units (31st March 2019: Nil)	875,000	-
<b>(B)</b>	<b>350,191,728</b>	-
Aggregate book value of quoted investments	350,191,728	-
Aggregate market value of quoted investments	361,945,940	-

Note 6. Other non-current financial assets	31st March, 2020	31st March, 2019
Deposits with remaining maturity of more than 12 months*	19,761,233	14,618,229
	<b>19,761,233</b>	<b>14,618,229</b>

\* Pledged with the banks against various credit facilities availed by the company (Refer note 17).

Note 7. Other non-current assets	31st March, 2020	31st March, 2019
(Unsecured, considered good)		
Capital advances	55,973,282	60,759,189
Advances other than capital advances		
- Security and other deposits	91,874,153	75,485,667
- Other advances (including advances with statutory authorities)	9,543,749	10,262,897
	<b>157,391,184</b>	<b>146,507,753</b>

## Notes on consolidated Financial Statements for the year ended 31st March, 2020

Amount (In Rs)

Note 8. Inventories	31st March, 2020	31st March, 2019
(Valued at the lower of cost and net realisable value)		
	<b>31 March 2020</b>	31 March 2019
Raw materials	881,984,389	1,180,587,355
Finished goods	1,093,972,754	720,477,552
Stock-in-trade (goods acquired for trading)	45,859,799	40,585,142
Scrap and cuttings	84,430,409	123,751,205
Stores and spares	85,166,999	75,342,172
	<b>2,191,414,349</b>	<b>2,140,743,426</b>

(i) The mode of valuation of inventories has been stated in Note 3(e).

(ii) Inventories have been pledged as security against certain bank borrowings of the company as at 31 March 2020 (Refer note 17).

(iii) Cost of inventory recognised as an expense

Note 9. Trade receivables	31 March 2020	31 March 2019
Unsecured, Considered good		
Over Six Months	43,071,790	31,567,855
Others	923,309,299	1,145,384,804
	<b>966,381,089</b>	<b>1,176,952,659</b>

Trade Receivables have been given as collateral towards borrowings (refer note 17).

Note 10. Cash and cash equivalents#	31 March 2020	31 March 2019
Balances with banks		
- In cash credit and current accounts	19,277,038	8,704,031
- Deposit with original maturity of less than three months account	23,287,095	16,691,084
Cheques, drafts on hand	172,500	101,730
Cash on hand	2,336,448	2,191,152
	<b>45,073,081</b>	<b>27,687,997</b>

# Cash and cash equivalents (other than cash on hand) are pledged against borrowings, the details relating to which have been described in Note 17 pertaining to borrowings.

Note 11. Other bank balances *	31 March 2020	31 March 2019
Earmarked balances (on unclaimed dividend account)	2,085,349	1,846,863
In deposit account**	6,991,864	21,481,825
	<b>9,077,213</b>	<b>23,328,688</b>

\* Other Bank balances are pledged against borrowings, the details relating to which have been described in Note 17 pertaining to borrowings.

\*\* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

Note 12. Other current financial assets	31 March 2020	31 March 2019
Advances to employees	3,804,165	3,071,215
Interest accrued on deposits	3,461,791	3,443,221
	<b>7,265,956</b>	6,514,436

Note 13. Current tax Asset (Net)	31 March 2020	31 March 2019
Current tax (net of Payment)	55,688,775	-
	<b>55,688,775</b>	-

Note 14. Other current assets	31 March 2020	31 March 2019
Advances other than capital advances		
- Advance to suppliers	101,330,704	147,683,268
- Export incentive receivable (including duty drawback)	80,390,076	693,446
- Other statutory advances	68,513,235	114,976,651
- Other advances (including prepaid expenses, other receivables etc.)	13,944,584	8,391,337
	<b>264,178,599</b>	<b>271,744,702</b>

# Notes on consolidated Financial Statements for the year ended 31st March, 2020

Amount (In Rs)

Note 15. Equity share capital	31st March, 2020	31st March, 2019
<b>Authorised</b>		
2,00,00,000 (March 31, 2019: 2,00,00,000) Equity Shares of Rs.10/- each	200,000,000	200,000,000
3,00,000 (March 31, 2019: 3,00,000) 15% Non-Convertible Redeemable Preference Shares of Rs. 100 each of 100/- each	30,000,000	30,000,000
	<b>230,000,000</b>	<b>230,000,000</b>
<b>Issued &amp; subscribed</b>		
1,93,71,652 (March 31, 2019: 1,93,71,652) Equity Shares of Rs.10/- each	190,909,270	190,909,270
<b>Paid up Capital</b>		
1,90,72,052 (March 31, 2019: 1,90,72,052) Equity Shares of Rs.10/- each fully paid up	190,720,520	190,720,520
Add : Forfeited Shares	188,750	188,750
	<b>190,909,270</b>	<b>190,909,270</b>

A. Reconciliation of number of equity shares outstanding at the beginning and at the end of the period				
	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
Balance as at the beginning of the year	19,072,052	190,720,520	19,072,052	190,720,520
Add: Issued during the year	-	-	-	-
Balance as at the end of the year	19,072,052	190,720,520	19,072,052	190,720,520

## B. Rights, preferences and restrictions attaching to Equity Shares

The Company has equity shares having a par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share and in the event of liquidation, the shareholders of Equity shares of the company are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.

The Company has authorised Preference Share Capital which are non convertible redeemable of 100/- each. Such Shareholders have right to receive fixed preferential dividend. However no preferential shares are outstanding on the date of Balance Sheet.

C. Particulars of shareholders holding more than 5% shares of fully paid up equity shares				
Name of the Shareholder	31 March 2020		31 March 2019	
	Number	% of total shares in the class	Number	% of total shares in the class
Jyotirmoy Trading Pvt. Ltd.	2,457,678	12.89%	2,457,678	12.89%
Concast Steels & Alloys Ltd.	2,129,754	11.17%	2,129,754	11.17%
Suresh Chand Bansal	2,013,854	10.56%	2,013,854	10.56%
Manav Bansal	1,258,196	6.60%	1,258,196	6.60%
Mukesh Chand Bansal	1,193,374	6.26%	1,193,374	6.26%
Century Vision Pvt. Ltd.	1,060,938	5.56%	1,060,938	5.56%
Vikas Bansal	953,998	5.00%	953,998	5.00%

Note 16: Other Equality							
Components	Note	1 April 2019	Movement during the year	31st March, 2020	1 April 2018	Movement during the year	31st March, 2019
Capital reserve	a	30,142,208		30,142,208	30,142,208	-	30,142,208
Share premium	b	328,846,550		328,846,550	328,846,550		328,846,550
General reserve	d	483,433,983		483,433,983	483,433,983		483,433,983
Capital Redemption Reserve	e	30,000,000		30,000,000	30,000,000		30,000,000
Retained earnings	f	2,914,533,517	735,579,491	3,650,112,999	1,945,844,694	968,688,823	2,914,533,517
		<b>3,786,956,258</b>	<b>735,579,491</b>	<b>4,522,535,740</b>	<b>2,818,267,435</b>	<b>968,688,823</b>	<b>3,786,956,258</b>

The description, nature and purpose of each reserve within equity are as follows:

(a) **Capital Reserve:** Capital reserve is utilised in accordance with provisions of the Act

(b) **Securities Premium Account:** The amount received in excess of face value of the equity shares is recognised in Share Premium.

## Notes on consolidated Financial Statements for the year ended 31st March, 2020

- (c) **General Reserve:** The Company has transferred a portion of the net profit of the company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.
- (d) **Capital Redemption Reserve:** The Company has recognised Capital Redemption Reserve on redemption of Preference Shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the Preference Shares redeemed.
- (e) **Retained earnings:** It comprise of accumulated profit/ (loss) of the Company. The movement is on account of following
- (i) Rs. 78,14,88,543 (31st March, 2019: Rs. 99,16,43,496) was on account of profit/ (loss) incurred by the Company.
- (ii) Rs. 4,59,09,481 (31st March, 2019: 2,29,54,673) was on account of dividend distribution (inclusive of dividend distribution tax).

Note 17. Borrowings	31 March 2020	31 March 2019
<b>17(i). Non-current borrowings</b>		
<b>Secured Term loans</b>		
<b>From banks</b>		
- Bank of Baroda	1,267,269	2,774,494
- Yes Bank	2,978,320	5,670,803
- Kotak Mahindra Bank	793,162	17,996
- ICICI Bank	1,053,414	-
- HDFC Bank	162,527	2,869,434
<b>(A)</b>	<b>6,254,692</b>	<b>11,332,727</b>
<b>Unsecured Loans</b>		
Bodies Corporate	257,969,307	286,093,048
<b>(B)</b>	<b>257,969,307</b>	<b>286,093,048</b>
<b>(A+B)</b>	<b>264,223,999</b>	<b>297,425,775</b>

Nature of Security and Terms of Payments for Long Term Borrowings	
Nature of Security	Terms of Repayment
1. Term Loan from Bank of Baroda: Represents term loan amounting Rs. 12,67,269/- (31st March 2019 Rs. 27,74,494/-) is secured on Vehicle.	(i) Repayable in 10 months from April 2021 to Jan 2022, Interest is payable at the rate of 8.90%
2. Term Loan from Yes Bank: Represents term loan amounting Rs. 29,78,320/- (31st March 2019 Rs. 56,70,803/-) is secured on vehicles.	(i) Repayable in 12 months from April 2021 to March 2022, Interest is payable at the rate of 9.05% (ii) Repayable in 11 months from April 2021 to Feb 2022, Interest is payable at the rate of 9.05% (iii) Repayable in 10 months from April 2021 to Jan 2022, Interest is payable at the rate of 8.90%
3. Term Loan from Kotak Mahindra Bank: Represents term loan amounting Rs. 7,93,162/- (31st March 2019 Rs. 17,996/-) is secured on vehicles.	(i) Repayable in 18 months from April 2021 to Sep' 2022, Interest is payable at the rate of 8.70%
4. Term Loan from ICICI Bank: Represents term loan amounting Rs. 10,53,414/- (31st March 2019 Rs. Nil) is secured on vehicles.	(i) Repayable in 23 months from April 2021 to Feb'2023, Interest is payable at the rate of 8.70%
5. Term Loan from HDFC Bank: Represents term loan amounting Rs. 1,62,527/- (31st March 2019 Rs. 28,69,434/-) is secured on vehicles.	(i) Repayable in 2 months from April 2021 to May' 2021, Interest is payable at the rate of 8.90%. (ii) Repayable in 5 months from April 2021 to Aug '2021, Interest is payable at the rate of 8.90%

## Notes on consolidated Financial Statements for the year ended 31st March, 2020

Amount (In Rs)

Current Maturities of Non-Current Borrowings [disclosed under the head Other Financial Liabilities - Current (Refer note 21)]		
	31 March 2020	31 March 2019
HDFC Bank	1,545,852	1,193,280
Bank of Baroda	1,860,252	1,860,252
Yes Bank	3,687,684	3,687,684
Kotak Mahindra	663,860	215,940
ICICI Bank	681,864	-
	<b>8,439,512</b>	<b>6,957,156</b>

Note 17(ii). Current borrowings	31 March 2020	31 March 2019
<b>Secured</b>		
<b>Working Capital Loans</b>		
Allahabad bank	96,728,755	228,075,326
State Bank of India	376,729,272	498,418,308
Bank of Baroda	127,342,012	100,248,481
Punjab National Bank	12,391,250	48,480,126
Yes Bank	(281,356)	18,856,931
State Bank of India (IBD)	-	10,053,089
	<b>612,909,933</b>	<b>904,132,261</b>

### Nature of security and other terms

Working Capital Loan are secured by first hypothecation on entire current assets of the Company including stocks, book debts and other Current Assets of all the units both present and future ranking pari-passu basis with working capital lending Banks under consortium and Personal guarantee of promoter directors and second charge on fixed assets (movable and immovable) of the Company."

### Secured loan - terms of repayment

- Allahabad Bank:** Working capital loan amounting to Rs. 9,67,28,755/- (31st March 2019: Rs. 22,80,75,326/-). Interest is payable at the rate of (MCLR+0.95%).
- State Bank of India:** Working capital loan amounting to Rs. 37,67,29,272/- (31st March 2019: Rs.49,84,18,308/-). Interest is payable at the rate of (MCLR+0.95%).
- Bank of Baroda:** Working capital amounting to Rs. 12,73,42,012/- (31st March 2019: Rs. 10,02,48,481/-). Interest is payable at the rate of (MCLR+0.85%).
- Punjab National Bank:** Working capital amounting to Rs. 1,23,91,250/- (31st March 2019: Rs. 4,84,80,126/-). Interest is payable at the rate of (MCLR+1.00%).
- Yes Bank:** Working capital amounting to Rs. (-)2,81,356/- (31st March 2019: Rs. 1,88,56,931/-). Interest is payable at the rate of (MCLR+0.40%)
- State Bank of India (IBD):** Amounting to Rs. Nil (31st March 2019: Rs. 1,00,53,089/-).

Note 18. Provisions		
18(i). Non-Current	31 March 2020	31 March 2019
<b>Provisions for employee benefits</b>		
- Provision for leave encashment	5,243,563	4,827,808
- Provision for gratuity (refer note 34)	13,001,229	4,344,893
	<b>18,244,792</b>	<b>9,172,701</b>
18(ii). Current	31 March 2020	31 March 2019
Provisions for employee benefits		
Provision for Leave Encashment	533,107	613,407
	<b>533,107</b>	<b>613,407</b>

## Notes on consolidated Financial Statements for the year ended 31st March, 2020

Note 19. Income and Deferred Taxes (net)	31 March 2020	31 March 2019
Deferred Tax Liabilities (net)		
Deferred tax liability	231,771,732	335,853,560
Less: Deferred tax asset	5,840,631	2,826,116
	<b>225,931,101</b>	<b>333,027,444</b>

Income Tax			
A. Amount recognised in profit or loss		31 March 2020	31 March 2019
<b>Current tax</b>			
Current period		251,000,000	511,000,000
	A	251,000,000	511,000,000
<b>Deferred tax</b>			
Attributable to-			
Origination and reversal of temporary differences		(105,847,563)	7,969,299
	B	(105,847,563)	7,969,299
<b>Tax expense reported in the Consolidated Statement of Profit and Loss [(A)+(B)]</b>		<b>145,152,437</b>	<b>518,969,299</b>

B. Income tax recognised in other comprehensive income		31 March 2020	31 March 2019
<b>Deferred tax</b>			
On items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit plans		1,248,782	(379,193)
<b>Income tax expense reported in the Standalone Statement of Profit and Loss</b>		<b>1,248,782</b>	<b>(379,193)</b>

C. Reconciliation of effective tax rate for the year ended 31 March 2020			
	31 March 2020	31 March 2019	
Profit/(Loss) before tax (a)	926,555,993	1,501,573,520	
Income tax rate as applicable (b)	25.168%	34.944%	
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	233,195,612	524,709,851	
<b>Permanent tax differences due to:</b>			
Effect of expenses that are not deductible in determining taxable profit	2,129,345	2,504,310	
	235,324,957	527,214,161	
<b>Tax effect of:</b>			
Adjustments in prior year taxes	-	-	
Tax allowances and concession	(250,443)	(499,191)	
Others	10,683,014	(7,745,671)	
	<b>245,757,528</b>	<b>518,969,299</b>	

**Impact of tax rate change:** The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly the Company has re-measured Deferred Tax Assets basis the rate prescribed in the said section.

D. Recognised deferred tax assets and liabilities				
	Balance as on 1 April 2019	(Charged) / credited to profit or loss	(Charged) / credited to OCI	"Balance as on 31 March 2020"
Property, plant and equipment	(335,853,560)	104,081,828	-	(231,771,732)
Provisions	2,826,116	1,765,733	1,248,782	5,840,631
Items allowed on payment basis	-	-	-	-
	<b>(333,027,444)</b>	<b>105,847,563</b>	<b>1,248,782</b>	<b>(225,931,101)</b>

### Note:

- (a) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- (b) During the year ended March 31, 2020 the Company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax (DDT) to the taxation authorities. The Company believes that DDT represents additional payment to taxation authority on behalf of the shareholders. Hence, DDT paid is charged to equity.



## Notes on consolidated Financial Statements for the year ended 31st March, 2020

Note 20. Other non-current liabilities	31 March 2020	31 March 2019
Security and other deposits	128,127,431	132,825,016
	<b>128,127,431</b>	<b>132,825,016</b>

Note 21. Trade payables	31 March 2020	31 March 2019
<b>Dues to Micro And Small Enterprises</b> (as per the intimation received from vendors)		
a. Principal and interest amount remaining unpaid	<b>1,059,319</b>	1,299,438
b. Interest due thereon remaining unpaid	-	-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-
<b>(A)</b>	<b>1,059,319</b>	<b>1,299,438</b>

Disclosures of payables to vendors as defined under the " Micro, Small and Medium Enterprise Development Act, 2006) is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

Dues to others		
Trade payables		
- For goods	16,398,993	51,312,529
- For Stores	106,708,628	148,069,898
- For expenses	134,433,963	160,540,218
<b>(B)</b>	257,541,584	359,922,645
<b>(A+B)</b>	<b>258,600,903</b>	<b>361,222,083</b>

Trade payables are non interest bearing and are generally settled with 30 to 90 days' payment terms.

Note 22. Other financial liabilities	31 March 2020	31 March 2019
<b>Current</b>		
Current maturities of finance lease obligations	8,439,512	6,957,156
Unpaid dividends	2,085,349	1,846,863
Creditors for project expenditure	5,064,229	5,091,446
Cheques overdrawn	63,312	1,905,850
Others*	16,987,219	19,922,856
*Others includes bonus payable to employees etc	<b>32,639,621</b>	<b>35,724,171</b>

Note 23. Other current liabilities	31 March 2020	31 March 2019
Advance received from customers	43,656,544	31,331,978
Other Creditors*	82,831,371	-
Statutory dues	40,282,538	44,162,191
	<b>166,770,453</b>	<b>75,494,169</b>

\* Includes Rs 8,28,31,371, on takeover the various branches of M/s Durable Ispat & Alloys Pvt Ltd as per agreement dated 29.01.2020 executed between the above Companies with a view to integration and enlarge customer base and to reach retail segment for Companies Product.

Note 24. Current tax liabilities (Net)	31 March 2020	31 March 2019
Current tax (net of payment)	-	9,283,896
	-	<b>9,283,896</b>

## Notes on consolidated Financial Statements for the year ended 31st March, 2020

Note 25. Revenue from operations	Year ended 31 March 2020	Year ended 31 March 2019
<b>Sale of products &amp; services</b>		
Sale of products	5,961,501,976	7,682,533,102
Sale of services	1,585,675,256	1,382,573,938
<b>Total (a)</b>	<b>7,547,177,232</b>	<b>9,065,107,040</b>
<b>Other operating revenues</b>		
- Scrap and coal fines sales	480,709,503	513,853,876
- Export incentives	31,265,525	24,753,992
- Sale of MEIS License	27,986,631	33,889,197
- Handling Charges on Sales	6,462,120	5,130,419
- Foreign Exchange fluctuation Income	26,127,597	4,905,943
<b>Total (b)</b>	<b>572,551,376</b>	<b>582,533,427</b>
<b>Total (a+b)</b>	<b>8,119,728,608</b>	<b>9,647,640,467</b>

Note 26. Other income	31 March 2020	31 March 2019
Interest income earned on financial assets that are not designated as FVTPL		
- Deposits with banks	10,915,920	7,853,703
Other non-operating income		
- Rent	3,316,950	4,761,817
- Dividend	1,345,713	
- Profit on sale of fixed asset	198,954	129,971
- Miscellaneous income *	864,306	12,217,478
	<b>16,641,842</b>	<b>24,962,969</b>

\*Miscellaneous income includes discount received, miscellaneous receipts, Sundry balances and Provisions written back.

Note 27. Cost of materials consumed	Year ended 31 March 2020	Year ended 31 March 2019
Inventory of raw materials at the beginning of the year (refer note 8)	1,180,587,355	938,404,719
Add: Purchases	4,542,663,528	6,001,728,984
	<b>5,723,250,883</b>	<b>6,940,133,703</b>
Less: Inventory of raw materials at the end of the year (refer note 8)	881,984,389	1,180,587,355
Cost of materials consumed	<b>4,841,266,494</b>	<b>5,759,546,348</b>

Note 28. Change in inventories of finished goods and work-in-progress	31 March 2020	31 March 2019
<b>Inventories at the beginning of the year (refer note 8)</b>		
Finished goods	720,477,552	617,102,040
Stock-in-Trade	40,585,142	26,152,187
Scrap, cuttings and coal fines	124,938,133	85,153,073
<b>Total (A)</b>	<b>886,000,827</b>	<b>728,407,300</b>
<b>Inventories at the end of the year (refer note 8)</b>		
Finished goods	1,093,972,754	720,477,552
Stock-in-Trade	45,859,799	40,585,142
Scrap, cuttings and coal fines	84,489,908	124,938,133
<b>Total (B)</b>	<b>1,224,322,461</b>	<b>886,000,827</b>
<b>(A-B)</b>	<b>(338,321,634)</b>	<b>(157,593,527)</b>

Note 29. Employee benefits expense	31 March 2020	31 March 2019
Salaries and wages (including managerial remuneration)	251,604,084	215,551,719
Contribution to provident and other funds (refer note 34)	20,052,179	17,529,154
Staff welfare expenses	<b>15,453,267</b>	<b>14,725,857</b>
	<b>287,109,530</b>	<b>247,806,730</b>

## Notes on consolidated Financial Statements for the year ended 31st March, 2020

Note 30. Finance costs	Year ended 31 March 2020	Year ended 31 March 2019
Interest expense:		
- on finance liabilities measured at amortized cost	68,155,235	121,105,550
- on finance lease	1,307,484	793,092
- others	25,497,441	27,359,937
Other borrowing costs	7,299,115	8,485,997
	<b>102,259,275</b>	<b>157,744,576</b>

Note 31. Other expenses	Year ended 31 March 2020	Year ended 31 March 2019
<b>Manufacturing expenses:</b>		
Rolling charges & material cutting charges	179,551,459	181,933,535
Stores and spare parts consumed	195,261,087	117,134,060
Furnace oil consumed	285,797,280	387,001,810
Oxygen and gas consumed	5,179,615	4,908,191
Coal consumed	263,962,194	224,174,584
Electricity charges	406,029,814	390,849,126
PGP operation charges	13,122,549	11,726,408
Processing charges	2,324,812	3,247,368
Repair and maintenance:		
- Plant and machinery and electrical	12,078,077	6,856,521
- Shed and building	3,882,131	3,833,348
Freight, carriage and octroi charges	126,161,810	108,028,591
Machinery hire charges	9,021,062	8,256,837
Testing, effluent and inspection charges	351,929	540,259
<b>A</b>	<b>1,502,723,819</b>	<b>1,448,490,638</b>
<b>Establishment expenses</b>		
Electricity expenses	2,226,690	2,127,816
Insurance charges	5,125,235	3,355,279
Repair and maintenance-others	12,156,354	11,486,220
Rent paid	16,632,847	13,095,744
License, rates and taxes	7,023,473	7,010,299
Legal and professional charges	14,331,804	9,603,534
Security service charges	11,642,398	9,822,728
Bad debt written off	783,701	16,938,766
Computer maintenance expenses	849,793	1,077,708
Printing and stationary	1,068,185	1,344,736
Loss on sale of fixed assets	298	3,770,058
Loss on Sale of Mutual Fund	93,701	-
Travelling and conveyance expenses	10,973,085	11,564,634
Vehicle maintenance	5,391,387	5,468,734
Telephone, Mobile & Internet Expenses	2,924,981	3,018,792
Corporate social responsibility	15,620,526	12,779,639
Payment to Auditors:		
- Audit fees	570,000	570,000
- Tax audit	-	55,000
- Reimbursement of expenses	212,203	141,584
Miscellaneous expenses	13,744,793	18,927,459
<b>B</b>	<b>121,371,454</b>	<b>132,158,730</b>
<b>Selling and Distribution Expenses:</b>		
Advertisement expenses	6,998,161	11,346,615
Commission on sales	12,975,101	12,738,484
Sales promotion expenses	6,716,867	7,227,392
Freight on export	92,597,207	50,912,009
Freight, carriage and octroi charges	54,616,424	47,163,579
Other selling and distribution expenses	3,626,075	9,037,180
<b>C</b>	<b>177,529,836</b>	<b>138,425,259</b>
<b>Total (A+B+C)</b>	<b>1,801,625,108</b>	<b>1,719,074,627</b>

## Notes on consolidated Financial Statements for the year ended 31st March, 2020

### Note 32 Earnings/ (loss) per share (EPS)

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

(i) Profit/ (loss) attributable to equity shareholders (basic and diluted)	Year ended 31 March 2020	Year ended 31 March 2019
Profit/ (loss) for the year, attributable to the equity holders	785,201,976	990,937,545
(ii) Weighted average number of equity shares (basic and diluted)		
At the beginning of the year	19,072,052	19,072,052
Impact of new issue of equity shares	-	-
Weighted average number of equity shares (basic and diluted) for the year	19,072,052	19,072,052
<b>Basic and diluted earnings/ (loss) per share [(i)/ (ii)]</b>	41.17	51.96

Note 33. Contingent liability and commitments (Ind AS 37)	31 March 2020	31 March 2019
(to the extent not provided for)		
a) Claim against the Company not acknowledged as debt		
(i) Excise /Service Tax matters in dispute/under appeal	166,488,272	165,868,995
(ii) Sales Tax/VAT matters in dispute/under appeal	12,614,784	14,383,341
(iii) Income Tax matters in dispute/under appeal	54,923,683	100,885,365
b) Capital and other commitments		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	5,263,580	7,896,789
c) Guarantee outstanding		
Bank guarantee issued on behalf of the Company to secure the financial assistance and business contract	413,091,000	435,039,000

Note 34. Assets and Liabilities relating to employee benefits (Ind AS 19)	31 March 2020	31 March 2019
Statement of Assets and Liabilities for defined benefit obligation		
Net defined benefit asset - Gratuity Plan	11,580,953	13,940,269
Net defined benefit obligation - Gratuity Plan	(24,582,182)	(18,285,162)
Total employee benefit liabilities	(13,001,229)	(4,344,893)
Non-current	(13,001,229)	(4,344,893)
Current	-	-
Defined contribution		
Contribution to Defined Contribution Plan, recognized as expense for the period is as under:		
	31 March 2020	31 March 2019
<b>Employer's Contribution to Provident and Other Funds</b>	20,052,179	17,529,154

### Defined benefits - Gratuity

The Company's gratuity benefit scheme for its employees in India is a defined benefit plan (funded).

The Company provides for gratuity from 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. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimation of expected gratuity payments.

These defined benefit plans expose the Company to actuarial risks, such as currency risk, interest risk and market (investment) risk.

The Company expects to pay Rs 40,09,788 /- in contribution to its defined benefit plans during the year 2020-21

## Notes on consolidated Financial Statements for the year ended 31st March, 2020

### Inherent risk

The plan is defined benefit in nature which is sponsored by the Company. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

The following tables analyse present value of defined benefit obligations, expense recognised in Consolidated Statement of Profit and Loss, actuarial assumptions and other information.

### Reconciliation of the net defined benefit (asset)/ liability:

(i) Reconciliation of present value of defined benefit obligation	31 March 2020	31 March 2019
(a) Balance at the beginning of the year	18,285,162	17,069,305
(b) Current service cost	2,150,555	2,326,017
(c) Past service cost - plan amendments	-	-
(d) Interest cost	1,329,035	1,264,203
(e) Acquisition(credit)/cost	1,213,784	
(f) Actuarial (gains)/ losses recognised in other comprehensive income		
- financial assumptions	2,311,413	194,235
- experience adjustment	887,940	(1,266,441)
(g) Benefits paid	(1,595,707)	(1,302,157)
<b>Balance at the end of the year</b>	<b>24,582,182</b>	<b>18,285,162</b>
(ii) Reconciliation of present value of plan assets	31 March 2020	31 March 2019
(a) Balance at the beginning of the year	13,940,269	14,187,206
(b) Interest income	998,824	1,042,282
(c) Actual return on plan asset less interest on plan asset	(1,762,433)	12,938
(d) Contributions by the employer	-	-
(e) Benefits paid	(1,595,707)	(1,302,157)
<b>Balance at the end of the year</b>	<b>11,580,953</b>	<b>13,940,269</b>
(iii) Net asset/ (liability) recognised in the Balance Sheet	31 March 2020	31 March 2019
Present value of defined benefit obligation	(24,582,182)	(18,285,162)
Fair value of plan assets	11,580,953	13,940,269
<b>Net defined benefit obligations in the Balance Sheet</b>	<b>(13,001,229)</b>	<b>(4,344,893)</b>
(iv) Expense recognised in Profit or Loss	31 March 2020	31 March 2019
Current service cost	2,150,555	2,326,017
Past service cost - plan amendments	-	-
Interest cost	330,211	221,921
Expected return on plan assets	-	-
<b>Amount charged to Profit or Loss</b>	<b>2,480,766</b>	<b>2,547,938</b>
(v) Remeasurements recognised in Other Comprehensive Income	31 March 2020	31 March 2019
(a) Actuarial loss/ (gain) arising on defined benefit obligation from		
- demographic assumptions	-	-
- financial assumptions	2,311,413	194,235
- experience adjustment	887,940	(1,266,441)
(b) Actual return on plan asset less interest on plan asset	1,762,433	(12,938)
<b>Amount recognised in Other Comprehensive Income</b>	<b>4,961,786</b>	<b>(1,085,144)</b>

## Notes on consolidated Financial Statements for the year ended 31st March, 2020

<b>(vi) Maturity profile of defined benefit obligation</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
Within the next 12 months	1,820,695	2,087,552
Between 1 and 5 years	5,879,528	4,853,074
Between 5 and 10 years	11,952,678	10,899,175
More than 10 years	70,373,841	7,384,000
<b>(vi) Sensitivity analysis</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
Defined benefit obligation on discount rate plus 100 basis points	2,835,432	1,794,181
Defined benefit obligation on salary growth rate plus 100 basis points	3,416,437	2,143,329
Defined benefit obligation on discount rate minus 100 basis points	3,458,406	2,151,801
Defined benefit obligation on salary growth rate minus 100 basis points	2,855,141	1,819,143
<b>(vii) Actuarial assumptions</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
Principal actuarial assumptions at the reporting date (expressed as weighted averages)		
	<b>31 March 2020</b>	<b>31 March 2019</b>
Discount rate	7.60%	7.60%
Expected rate of salary increase	7.00%	7.00%
Retirement age (years)	58	58
Attrition rate based on different age group of employees		
- 20 to 25 years	<b>0.50%</b>	0.50%
- 25 to 30 years	<b>0.30%</b>	0.30%
- 30 to 35 years	<b>0.20%</b>	0.20%
- 35 to 50 years	<b>0.10%</b>	0.10%
- 50 to 55 years	<b>0.20%</b>	0.20%
- 55 to 60 years	<b>0.30%</b>	0.30%
Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2006-08).		
<b>(viii) Weighted average duration of defined benefit obligation</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
	<b>13 years</b>	12 years

### Note 35 Related Party Disclosures under Ind AS 24

#### 1. Relationship:-

##### (A) List of related parties where control exists

<b>Particulars</b>	<b>Related Parties</b>	<b>Country of Incorporation</b>
Associate	A K C Steel Industries Limited	India

##### (B) List of other related parties

<b>Name of the related parties</b>	<b>Relationship</b>
Mr. Suresh Chand Bansal, Executive Chairman	Key Management Personnel(KMP)
Mr. Mukesh Chand Bansal, Managing Director	Key Management Personnel(KMP)
Mr. Vikas Bansal, Executive Director	Key Management Personnel(KMP)
Mr. Manav Bansal, Whole time Director & CFO	Key Management Personnel(KMP)
Mr. Gautam Bansal, Whole time Director	Key Management Personnel(KMP)
Mrs. Indu Bansal	Relative of KMPs (wife of Mr. Suresh Chand Bansal)
Mrs. Aruna Bansal	Relative of KMPs (wife of Mr. Mukesh Chand Bansal)

##### (C) Other related parties over which Key Management Personnel to its relatives have its interest

<b>Associate Company</b>	Beekay Associates Pvt Ltd
B.P.Spring & Engineering Co (Pvt) Ltd	Metropolis Estates Pvt Ltd
Century Vision Private Ltd	Pleasant Holdings Pvt Ltd
Emerald Suppliers Private Ltd	



## Notes on consolidated Financial Statements for the year ended 31st March, 2020

### Associate Enterprises

B.L.Bansal & Sons (HUF)

Thirupathy Bright Industries

#### 2. The following transactions were carried out with related parties in the ordinary course of business:

Name of Related Party	Nature of Transactions	Amount (Rs.)	Amount (Rs.)
Thirupathy Bright Industries	Purchase of Goods	7,171,478	3,860,747
Thirupathy Bright Industries	Sale of Goods	31,713,616	5,683,702
Emerald suppliers Private Limited	Rent, Electricity & Maintenance	3,884,244	356,196
Beekay Associates Pvt Ltd	Rent, Electricity & Maintenance	157,662	200,532
Metropolis Estates Pvt Ltd	Rent, Electricity & Maintenance	166,903	178,052
Pleasant Holdings Pvt Ltd	Rent, Electricity & Maintenance	175,554	280,289
B.L.Bansal & Sons (HUF)	Rent, Electricity & Maintenance	27,000	36,000
Gautam Bansal	Rent, Electricity & Maintenance	314,177	466,774
Aruna Bansal	Rent, Electricity & Maintenance	402,000	402,000
Indu Bansal	Rent, Electricity & Maintenance	240,000	240,000
Mukesh Chand Bansal	Rent, Electricity & Maintenance	135,000	180,000
Manav Bansal	Rent, Electricity & Maintenance	135,000	180,000
Vikas Bansal	Rent, Electricity & Maintenance	162,000	162,000
Century Vision Private Limited	Interest on Unsecured Loan	1,127,732	1,284,862
Suresh Chand Bansal	Managerial Remuneration	44,700,000	41,170,000
Mukesh Chand Bansal	Managerial Remuneration	20,060,000	18,170,000
Vikas Bansal	Managerial Remuneration	22,020,000	17,450,000
Manav Bansal	Managerial Remuneration	13,212,000	11,850,000
Gautam Bansal	Managerial Remuneration	10,208,000	8,720,000

#### 3. Balances with related parties referred in 1 above, in ordinary course of business:

Balance Outstanding at the end of the year:	Amount (Rs.)	Amount (Rs.)
	31 March 2020	31 March 2019
<b>Nature of Transactions</b>		
<b>Purchase of Goods</b>		
Thirupathy Bright Industries(Dr Balance)	171,478	-
<b>Sale of Goods</b>		
Thirupathy Bright Industries(Dr Balance)	4,944,044	6,287,665
<b>Rent, Electricity &amp; Maintenance</b>		
Beekay Associates Private Limited (Cr. Balance)	7,966	34,469
Pleasant Holdings Pvt Ltd (Cr. Balance)	10,151	36,798
Metropolis Estates Pvt Ltd ( Cr. Balance)	12,777	40,166
Emerald Suppliers Private Limited(Cr. Balance)	-	83,049
B.L.Bansal & Sons(HUF)(Cr. Balance)	-	9,000
Gautam Bansal (Cr. Balance)	-	107,236
Mukesh Chand Bansal (Cr. Balance)	-	40,500
Manav Bansal(Cr. Balance)		40,500
Aruna Bansal (Cr. Balance)	40,500	54,000
Indu Bansal (Cr. Balance)	-	54,000
Vikas Bansal (Cr. Balance)	40,500	-
<b>Other Income(Rent &amp; Electricity)</b>		
B.P.Spring & Engg Co (Pvt) Limited(Dr. Balance)	72,101	72,101
Emerald Suppliers Private Limited(Dr. Balance)	100,000	100,000
<b>Interest on unsecured loan</b>		
Century Vision Private Limited(Cr. Balance)	1,014,959	1,156,375
<b>Remuneration</b>		
Suresh Chand Bansal(Cr. Balance)	3,530,743	21,008,181
Mukesh Chand Bansal(Cr. Balance)	3,272,085	7,596,781
Vikas Bansal(Cr. Balance)	337,623	7,457,172
Manav Bansal(Cr. Balance)	279,112	4,820,852
Gautam Bansal (Cr. Balance)	256,566	3,390,634

# Notes on consolidated Financial Statements for the year ended 31st March, 2020

## Compensation of Key Management Personnel of the Company

Key management personnel compensation comprised the following:

Nature of transaction	Year ended 31 March 2020	Year ended 31 March 2019
Short-term employee benefits	110,200,000	97,360,000
Other long-term benefits (Refer Note below)	*	*
Total Compensation paid to key management personnel	<b>110,200,000</b>	<b>97,360,000</b>

\* As the future liability for gratuity and compensated encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable and, therefore, not included above.

All decisions relating to the remuneration of the directors are taken by the board of directors of the Company, in accordance with shareholder approval, wherever necessary.

### Terms and conditions of transactions with related parties

The purchase from related party are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

## Accounting Classifications and fair values (Ind AS107)

### Note 35.1 Fair values vs carrying amounts

The following table shows fair values of financial assets and liabilities, including their levels in financial hierarchy, together with the carrying amounts shown in the statement of financial position. The table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note No.	As at 31st March 2020		As at 31st March 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
			Level 3		Level 3
<b>A. Financial assets:</b>					
<b>a) Measured at amortised cost</b>					
Trade receivables	9	966,381,089	-	1,176,952,659	-
Cash and cash equivalents	10	45,073,081	-	27,687,997	-
Bank balances other than cash and cash equivalents	11	9,077,213	-	23,328,688	-
Other financial assets	6,12	27,027,189	-	21,132,665	-
<b>b). Measured at fair value through profit or loss</b>					
Investments	5	1	1	1	1
<b>B. Financial liabilities:</b>					
<b>a) Measured at amortised cost</b>					
Borrowings	16	877,133,932	-	1,201,558,036	-
Trade payables	20	258,600,903	-	361,222,083	-
Other financial liabilities	21	32,639,621	-	35,724,171	-

### Note 35.2 Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchange in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted (adjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company 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.

The management assessed that trade receivables, cash and cash equivalent, other bank balances, trade payable and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of there instruments.

The fair value of the financial instruments is determined using net asset value at the respective reporting date.

## Notes on consolidated Financial Statements for the year ended 31st March, 2020

### Note 35.3 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

#### Risk management framework

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

#### (i) Credit risk

Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company receivables from customers and loans. Credit arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank. The Company has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure.

#### Trade receivable

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's

review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

#### Exposure to credit risks

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. Details of concentration percentage of revenue generated from top customer and top five customers are stated below:

Particulars	Year ended 31 March 2020		Year ended 31 March 2019"	
	%	Amount	%	Amount
Revenue from top customer	13.55%	1,100,066,521	11.39%	1,098,863,321
Revenue from top five customers	41.44%	3,365,051,488	43.82%	4,227,212,331

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk.

#### (ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

#### Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments

## Notes on consolidated Financial Statements for the year ended 31st March, 2020

31 March 2020	Less than 1 year	1-5 years	> 5 years	Total
Borrowings	612,909,933	264,223,999	-	877,133,932
Trade payables	258,600,903	-	-	258,600,903
Other financial liabilities	32,639,621	-	-	32,639,621
31 March 2019	Less than 1 year	1-5 years	> 5 years	Total
Borrowings	904,132,261	297,425,775	-	1,201,558,036
Trade payables	361,222,083	-	-	361,222,083
Other financial liabilities	35,724,171	-	-	35,724,171

### (iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, receivables, payables and borrowings.

### (a) 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 exposure to the risk of changes in market interest rates related primarily to the Company's borrowings with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

### Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	31 March 2020	31 March 2019
<b>Fixed rate instruments</b>		
Financial assets	50,040,192	52,791,138
Financial liabilities	(272,663,511)	(304,382,931)
	<b>(222,623,319)</b>	<b>(251,591,793)</b>
<b>Variable rate instruments</b>		
Financial assets	-	-
Financial liabilities	(604,470,421)	(897,175,105)
	<b>(604,470,421)</b>	<b>(897,175,105)</b>

### Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

### Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>31 March 2020</b>				
Variable rate instruments	(6,044,704)	6,044,704	(4,523,373)	4,523,373
Cash flow sensitivity (net)	<b>(6,044,704)</b>	<b>6,044,704</b>	<b>(4,523,373)</b>	<b>4,523,373</b>
<b>31 March 2019</b>				
Variable rate instruments	(8,971,751)	8,971,751	(5,836,662)	5,836,662
Cash flow sensitivity (net)	(8,971,751)	8,971,751	(5,836,662)	5,836,662

## Notes on consolidated Financial Statements for the year ended 31st March, 2020

### (b) Equity price risk

The Company is not exposed to equity risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

### (c) Currency risk

Foreign currency risk is the risk impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to import of raw materials and spare parts, capital expenditure, exports of finished goods. The currency in which these transaction are primarily denominated as USD.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures.

### Exposure to currency risk

The Company's exposure to foreign currency are at the end of the reporting period are as follows:

Particulars	In original currency (USD)	In Rupees
<b>31 March 2020</b>		
Trade receivables	141,535	10,181,694
Net exposure in respect of recognised financial assets and liabilities	141,535	10,181,694

Particulars	In original currency (USD)	In Rupees
<b>31 March 2019</b>		
Trade receivables	700,782	48,233,912
Net exposure in respect of recognised financial assets and liabilities	700,782	48,233,912

### Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and JPY against Indian rupee at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>31 March 2020</b>				
USD (5% Movement)	509,085	(509,085)	380,958	(380,958)
<b>31 March 2019</b>				
USD (5% Movement)	2,411,696	(2,411,696)	1,568,953	(1,568,953)

### Note 36. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company's objective when managing capital are to: (a) to maximise shareholders value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity holders.

The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

## Notes on consolidated Financial Statements for the year ended 31st March, 2020

Particulars		31 March 2020	31 March 2019
Total debt (Bank and other borrowings)	A	877,133,932	1,201,558,036
Equity	B	4,713,445,010	3,977,865,528
Liquid investments including bank deposits	C	45,073,081	27,687,997
Debt to Equity (A / B)		0.19	0.30
Debt to Equity (net) [(A-C) / B]		0.18	0.30

In addition the Company has financial covenants relating to the banking facilities that it has taken from all the lenders like interest service coverage ratio, Debt to EBITDA, current ratio etc. which is maintained by the Company.

### Note 37. Leases: Company as lessee

The Company has entered into agreements in the nature of lease/leave and license agreement with different lessors/licensors for the purpose of establishment of office premises/residential accommodations etc. These are generally in the nature of operating lease/leave and license. Period of agreements are generally up to three years and renewable at the option of the lessee.

Lease rentals charged to revenue (included under the head Other Expenses in Note 31) for right to use the following assets are:

Particulars	31st March, 2020	31st March, 2019
Office premises, residential flats, plant and equipment etc.	16,632,847	13,095,744

### Note 38. Details of Corporate Social Responsibility (CSR) Expenditure:

Amount in lacks

Particulars	31st March, 2020	31st March, 2019
Amount required to be spent as per Section 135 of the Companies Act	210.01	129.66
Amount spent during the year on:		
(i) Construction/Acquisition of an assets	-	-
(ii) on purpose other than above(i)	160.90	128.36
<b>Total</b>	<b>160.90</b>	<b>128.36</b>

### Note 39. Events occurred after the Balance Sheet date

The Board of Directors has recommended Equity Dividends of Rs. 1/- per Share (Previous year Rs. 2/-) for the financial year 2019-20

### Note 40. The Financial statements were authorized for issue by the Directors on 29th June, 2020













**BEEKAY**

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